Wishbone Gold PLC

FINANCIAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2015

Wishbone Gold PLC
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Company Information

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INDEPENDENT AUDITORS	Benady Cohen & Co Limited 21 Engineer Lane Gibraltar
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Wishbone Gold Plc
Chairman's Report

Dear Shareholders,

We continued our exploration activities in Australia during the year and in particular have benefited on our main properties of White Mountains and Wishbone II from the Industry Priorities Initiative of the Future Resources Program. This is a Queensland Government funded piece of work with a brief of correcting existing geological mapping and comparing like systems; for example, an exploration prospect might have comparable structures to an existing mine. I will discuss the implications of this for us below.

Expansion into gold trading

However, one of the most significant recent events for your company occurred just after the year end, on 4th February 2016. This was the acquisition of Precious Metals International Ltd and Black Sand FZE. This takes our group into precious metals trading with the main operations based in Dubai.

The UAE provides the ideal gold trading base as a high liquidity marketplace. In 2013 (the last year for which clear data is available), 40% of the world's physical gold was traded through Dubai. The UAE charges no company or personal tax, no import or export tax on gold or silver, and offers a politically stable climate from which to trade. It has become a key point in the global physical gold marketplace.

Black Sand is the operating trading company, which is a Free Zone Enterprise licensed in the Emirate of Ajman, but with its logistical and operating base in Dubai. It trades physical precious metals (primarily gold but some small quantities of silver) bringing this in as doré (a semi pure gold bar) or ore for smelting and assaying in Dubai.

The shipments are made against letters of credit for an estimated value of each shipment but the final purchase price of the gold is only established once the assay has been performed in Dubai. Both the sale and the purchase price are then fixed on the basis of that assay and thus Black Sand's positions are effectively continuously hedged.

Currently our contracts are mainly with South America but we intend in future to expand to other geographic areas.

In June we raised a debt facility from Sanderson Capital of $3m. The terms of this facility are:

- Initial term of two years
- Interest at 2% per annum
- Facility fee of 38,657,037 ordinary shares of 0.1 pence each, equivalent to 10% of the total amount of facility at the prevailing share price
- A trading override of 0.5% of gold traded using the Sanderson facility

This new expansion of our business does not mean that we are giving up on exploration but it does mean that we have some other options in terms of achieving profitability and cash flow.

Industry Priorities Initiative of the Future Resources Program.

One of the projects in the program concerns prospectivity of north-east Queensland for intrusion-related hydrothermal mineral systems like that targeted in the Wishbone Gold tenements. The project aims to map and further define regional geology, addressing limitations in current published geological maps and providing a more comprehensive understanding of the metallogeny, geophysical and geochemical signatures of intrusion related deposits in the Charters Towers Region.

The project is managed by the Department of Natural Resources and Mines, through the Geological Survey of Queensland. The scope of the project was jointly defined by Terra Search (who are Wishbone's subcontract geological team) and Klondike Exploration Services, in consultation with the Geological Survey of Queensland (GSQ) and James Cook University (JCU), taking into account feedback from other parties.

One direct benefit to Wishbone from an exploration point of view was being able to link data from sites contiguous to White Mountains (EPM 18393). This included drilled gold prospects, most notably Granite Castle which has an identified JORC inferred resource and which has since progressed to a Mineral Development Licence (held by Mantle Mining Pty Ltd). Some of the trends associated with this resource were confirmed as extending along strike into the White Mountains EPM.

Further sections of the Initiative coincided with the Wishbone Gold tenement suite and spoke to the classification and interpretation of known mineral occurrences in the broader Charter Towers region. The Oaky Mill prospect (Wishbone II, EPM 18396) was one such occurrence. Geochemical thematic maps from neighbouring tenures were released as a result of the initiative and re-interpretation of this data will assist ongoing exploration.

Organisation and staff changes

Clive Hyman stopped working for the Company on 15th September 2015 following the cessation of his consultancy with Black Swan Plc, which had supplied his services to the Company. Following the acquisition of Black Sand FZE, we have moved all of the Company's accounting and administration to Dubai.

You will see that the accounts have been qualified due to a portion of the records being unavailable. I would emphasise that this qualification relates solely to the holding company and not to the Australian subsidiary where the accounting work is done by PKF and where all of the group's main assets are held. This relates only to a proportion of the expenses and as a board we can assure you that these were validly incurred on behalf of the Company. We have moved to address the issues with the finance function and the changes made will ensure that nothing similar happens in future.

For our exploration operations in Australia we will continue to subcontract the work to Terra Search and the accounting to PKF.

The Gold Market

Gold prices gained more than 16 percent in the first four months of 2016 and tested the US$1,300 per ounce in May 2016. Though they have fallen back a little, the upward trend remains as China, India and Russia continue to shore up reserves. Margins in the trading business are essentially fixed so a rise in the gold price leads to a corresponding increase in profitability for the trading.

Change of Advisors

On 11 March 2016, the Company appointed Allenby Capital Limited as its nominated adviser. This was in the light of Sanlam's decision to sell its London advisory business and the fact that their key employees moved to Allenby. However, on another note, I have worked with Allenby before and look forward to doing so again.

Financial Overview

At the end of the period under review, Wishbone Gold held cash balances totalling US$263,741 (2014: US$303,790). Since then we have agreed the loan facility with Sanderson described above. Acquisition costs of US$195,775 have been incurred during the year on acquisitions which were aborted. Accordingly these have been written off. 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 in shares in this way. Administrative costs, including interest during the year totalled US$651,886 (2014: US$673,085).

During the financial year the following key events occurred:

- On 27th August 2015 the Company raised £250,000 in a placing at 0.25p per share.

- On 11th September the Company settled £992,123 of debts including outstanding directors' fees and expenses and repaid loans from the Black Swan group through the issue of 396,849,129 shares at a price of 0.25p per share.

- On 5th February 2016 Wishbone acquired Precious Metals International Ltd ("PMI") and its wholly owned subsidiary, Black Sand FZE ("Black Sand") (together Black Sand and PMI are "the PMI Group") in an all share transaction.

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 2016

The directors submit their report and the audited consolidated financial statements for the year ended 31 December 2015.

Activities, review of business and future developments

The Group's principal activity is a diversified holding company with its principal interests in precious metals trading in Dubai, UAE and 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$1,120,111 (2014: US$2,591,395) after charging the following:

Group	**2015**	**2014**
	$	**$**
Abortive acquisition costs	(195,775)	(831,915)
Impairment losses	(272,450)	(1,086,395)
Other administration costs (including interest payable)	(651,886)	(673,085)
	(1,120,111)	(2,591,395)

The Company's loss after taxation was US$1,154,005 (2014: US$2,566,571) after charging the following:

Company	**2015**	**2014**
	$	**$**
Abortive acquisition costs	(195,775)	(831,915)
Impairment losses	(272,450)	(1,086,395)
Other	(637,213)	(648,261)
	(1,105,438)	(2,566,571)

The directors do not recommend the payment of a dividend for the year ended 31 December 2015.

Directors

The directors listed on page 1 have served on the board throughout the year ended 31 December 2015 and the year ended 31 December 2014.

Financial risk management

Details of the Group's financial instruments and its policies with regard to financial risk management are given in note 17 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 2015 and 31 December 2014. The Directors have reviewed the financial performance of the Group since 31 December 2015 and have considered the Group's cash projections and funding plan for the 12 months from the date of approval of these financial statements. Taking into account the debt facility of US$3m raised on 3rd June 2016 the Board of Directors is confident that the Group has access to sufficient funds 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$ 404,179 (2014: US$ 409,409) 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 2015, the Group had creditor days of 123 days (2014: 270 days) based on the financial data for the year.

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:

- The investment in GRIT was sold on 27th May 2016 for GBP 61,881.60.

- Wishbone Gold has secured a loan facility of US$3,000,000 to finance operations (the "Facility").

  The terms of the Facility are that it can be drawn in multiples of US $100,000 at any time during the period of the facility and can be repaid at any time. It carries interest at 2% per annum and in addition 0.5% is payable on each trade of precious metals where the Facility is utilised either to support a letter of credit or in direct trading. The Facility expires on 6 June 2018 and is unsecured as long as no breach of the terms of the facility has occurred.

Events after the reporting year (continued)

A 10% commitment fee is payable in ordinary shares of Wishbone. These shares will be issued at a price of 0.54 pence per ordinary share, being the closing mid-market price of the Company's shares on 3 June 2016.

- On 5th February 2016 Wishbone acquired Precious Metals International Ltd ("PMI") and its wholly owned subsidiary, Black Sand FZE ("Black Sand") (together Black Sand and PMI are "the PMI Group") in an all share transaction.

  Black Sand holds a gold, precious metals and gem trading licence to operate in the United Arab Emirates. Black Sand currently has agreements in place for importing gold from South America. Black Sand was established by its CEO Barret Kosh in 2014 as a successor company to Multinational Commodities FZE which had an established profitable trading record. The PMI Group is 100% owned by Solent Nominees ("Solent"), an independent Gibraltar based nominee company which holds these shares on behalf of Mr Kosh. Solent currently holds preference shares over the PMI Group which will continue to entitle them to 30% of any annual audited profits after tax in the PMI Group. These preference shares hold no voting rights and are effectively a management incentive plan.

  The terms of the acquisition are an initial payment of 240,000,000 ordinary shares of 0.1p each in the Company ("Ordinary Shares") with a further payment of an additional 240,000,000 Ordinary Shares once the annual profit after tax of the PMI Group exceeds $1m. This values the initial consideration for the PMI Group at £648,000, based on the Company's closing mid-market.

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

Price Waterhouse Coopers LLP and Price Waterhouse Coopers Limited resigned as auditors during the year and Benady Cohen & Co Limited were appointed as auditors in their stead.

A resolution for the appointment of Benady Cohen & Co Limited will be proposed at the Annual General Meeting.

The financial statements on pages 14 to 38 were approved by the Board of Directors on 30 June 2015 and signed on its behalf by:

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Name:

Date: 30 June 2015

Company's registered number: 103190

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 appointed in the year.

Mr Richard Poulden, Executive Chairman and Chief Executive Officer, aged 65 (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. He is currently Chairman of PCG Entertainment Plc, also quoted on AIM, and Chairman of Black Swan Plc.

Mr Jonathan Harrison, Finance Director, aged 70 (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 64 (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 57 (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 68 (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.

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. Specifically, pursuant to section 248 of the Gibraltar Companies Act, 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.

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R O'D Poulden
Chairman

30 June 2016

Independent auditors' report to the shareholders of Wishbone Gold Plc

We have audited the consolidated financial statements ("the financial statements") of Wishbone Gold Plc ("the Company") and its subsidiaries ("the Group") for the year ended 31 December 2015 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, the company statement of cash flows and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report, including the opinion, has been prepared for and only for the Company's shareholders as a body in accordance with Section 257 of the 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.

Director's responsibilities for the financial statements

The director are responsible for the preparation and true and fair presentation of these financial statements in accordance with applicable laws in Gibraltar and International Financial Reporting Standards, as adopted for use in the European Union ("IFRS"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 auditor's 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 auditor considers 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 the directors, 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 qualified audit opinion.

Basis for qualified opinion

Other administrative costs in the reporting year as per note 5 includes amounts totalling US$98,100 paid by the Company in relation to travel expenses. This amount is only a proportion of the total travel costs. We were unable to obtain adequate assurance regarding whether these amounts paid relate to services duly received by the Group and Company. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified opinion arising from limitation in audit scope

In our opinion, the financial statements:

- give a true and fair view, except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning travel expenses, in accordance with IFRS, of the state of the Group's and Company's affairs as at 31 December 2015 and of the Group's and Company's loss and cash flows for the year then ended; and
- have been properly prepared in accordance with the Companies Act.

Opinion on other matter prescribed by the Companies Act

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- if information specified by law regarding directors' remuneration and other transactions is not disclosed.

However, in respect alone of the limitation on our work relating to other administrative expenses:

- we were unable to determine whether proper accounting records had been maintained; and
- we have not obtained all the information and explanations that we considered necessary the purpose of our audit.

Samuel Vidal Moses Cohen (Statutory Auditor)
for and on behalf of Benady Cohen & Co Limited
Chartered Accountants

21 Engineer Lane
Gibraltar
30 June 2016

Wishbone Gold PLC

Consolidated Income Statement
for the year ended 31 December 2015

	Notes	2015 $	2014 $
Abortive acquisition costs	5	(195,775)	(831,915)
Administrative expenses	5	(622,659)	(663,083)
Operating loss	5	(818,434)	(1,494,998)
Impairment of investments	12	(272,450)	(1,086,395)
Interest expense		(29,227)	(10,002)
Loss before taxation		(1,120,111)	(2,591,395)
Taxation	7	-	-
Loss for the financial year		(1,120,111)	(2,591,395)
Loss per share:			
Basic and diluted (cents)	8	(0.273)	(1.065)

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 22 to 38 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2015

	Notes	2015 $	2014 $
Loss for the year		(1,120,111)	(2,591,395)
Other Comprehensive loss			
Exchange differences on translating foreign operations		216,254	1,564
Other comprehensive gain/(loss) for the year, net of tax		216,254	1,564
Total comprehensive loss for the year attributable to equity owners of the parent		(903,857)	(2,589,831)

The notes on pages 22 to 38 form part of these financial statements.

Wishbone Gold PLC
Consolidated Statement of Financial Position
as at 31 December 2015

	Notes	2015	2014
		$	$
Current assets			
Trade and other receivables	9	16,677	28,611
Cash and cash equivalents		263,741	303,790
		280,418	332,401
Non-current assets			
Intangible assets	10	404,179	409,409
Investments	11	91,152	384,537
		495,331	793,946
Total assets		775,749	1,126,347
Current liabilities	13	200,661	1,250,467
Capital and reserves			
Share capital	15	1,128,351	419,146
Share premium		4,569,658	3,671,758
Share based payment reserve		70,165	74,205
Accumulated losses		(5,311,437)	(4,191,326)
Foreign exchange reserve		118,351	(97,903)
Total equity and liabilities		775,749	1,126,347

The financial statements on pages 14 to 38 were approved by the board on 30 June 2015.

JC Harrison
Director

R O'D Poulden
Director

The notes on pages 22 to 38 form part of these financial statements.

Wishbone Gold PLC
Company Statement of Financial Position
as at 31 December 2015

	Notes	2015	2014
		$	$
Current assets			
Trade and other receivables	9	511,077	452,888
Cash and cash equivalents		215,750	300,719
		726,827	753,607
Non-current assets			
Investments	11	255,287	558,122
		255,287	558,122
Total assets		982,114	1,311,729
Current liabilities	13	182,778	1,232,390
Capital and reserves			
Share capital	15	1,128,351	419,146
Share premium		4,569,658	3,671,758
Share based payment reserve		70,165	74,205
Foreign Exchange Reserve		222,370	-
Accumulated losses		(5,191,208)	(4,085,770)
Total equity and liabilities		982,114	1,311,729

The financial statements on pages 14 to 38 were approved by the board on 30 June 2015.

JC Harrison
Director

R O'D Poulden
Director

The notes on pages 22 to 38 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Changes in Equity for the year ended 31 December 2015

	Share Capital $	Share Premium $	Share Based Payment Reserve $	Accumulated Losses $	Foreign Exchange Translation Reserve $	Total Equity $
Balance at 1 January 2014	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
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)
Shares issued during the year (net of issue costs)	709,205	897,900	-	-	-	1,607,105
Loss for the year	-	-	-	(1,120,111)	-	(1,120,111)
Foreign exchange	-	-	(4,040)	-	216,254	212,214
Balance at 31 December 2015	1,128,351	4,569,658	70,165	(5,311,437)	118,351	575,088

The notes on pages 22 to 38 form part of these financial statements.

Wishbone Gold PLC
Company Statement of Changes in Equity
for the year ended 31 December 2015

	Share Capital $	Share Premium $	Share Based Payment Reserve $	Accumulated Losses $	Foreign Exchange Reserve $	Total Equity $
Balance at 1 January 2014	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	-	-	-	2,269,154
Options 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
Shares issued during the year (net of issue costs)	709,205	897,900	-	-	-	1,607,105
Loss for the year	-	-	-	(1,105,438)	-	(1,105,438)
Foreign exchange	-	-	(4,040)	-	222,370	218,330
Balance at 31 December 2015	1,128,351	4,569,658	70,165	(5,191,208)	222,370	799,336

The notes on pages 22 to 38 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Cash Flows
for the year ended 31 December 2015

	Notes	2015	2014
		$	$
Cash flows from operating activities			
Loss before tax		(1,120,111)	(2,591,395)
Reconciliation to cash generated from operations:			
Foreign exchange loss		22,125	15,984
Interest expense		29,227	10,002
Impairment losses		272,450	1,086,395
Administrative expenses converted into ordinary shares		1,209,625	44,756
Operating cash flow before changes in working capital		413,316	(1,434,258)
Decrease/(increase) in receivables		11,934	13,744
(Decrease)/increase in payables		(816,781)	724,836
Cash outflow from operations		(391,531)	(695,678)
Cash flows from investing activities			
Expenditure/(income) on exploration activities		-	(1,170)
Net cash flow from investing activities		-	(1,170)
Cash flows from financing activities			
Issue of shares for cash	15	368,253	780,792
(Decrease)/increase in borrowings	14	(233,025)	83,208
Net cash flow from financing activities		135,228	864,000
Effects of exchange rates on cash and cash equivalents		216,254	1,564
Net (decrease)/increase in cash and cash equivalents		(40,049)	168,716
Cash and cash equivalents at 1 January		303,790	135,074
Cash and cash equivalents at 31 December		263,741	303,790

The notes on pages 22 to 38 form part of these financial statements.

Wishbone Gold PLC

Company Statement of Cash Flows
for the year ended 31 December 2015

	2015	**2014**
	$	**$**
Cash flows from operating activities		
Loss before tax	(1,105,438)	(2,566,571)
Reconciliation to cash generated from operations:		
Foreign exchange loss	26,345	15,984
Interest expense	29,227	10,002
Impairment losses	272,450	1,086,395
Administrative expenses converted into ordinary shares	1,209,625	44,756
Operating cash flow before changes in working capital	432,209	(1,409,434)
(Increase)/decrease in receivables	(58,189)	4,713
Decrease/(increase) in payables	(816,587)	744,253
Cash outflow from operations	(442,567)	(660,468)
Cash flows from financing activities		
Issue of shares for cash	368,253	780,792
(Decrease)/increase in borrowings	(233,025)	83,208
Net cash flow from financing activities	135,228	864,000
Effects of exchange rates on cash and cash equivalents	222,370	-
Net (decrease)/increase in cash and cash equivalents	(84,969)	203,532
Cash and cash equivalents at 1 January	300,719	97,187
Cash and cash equivalents at 31 December	215,750	300,719

The notes on pages 22 to 38 form part of these financial statements.

1 General information

The consolidated financial statements of Wishbone Gold Plc (the "Company") and its subsidiaries (the "Group) for the year ended 31 December 2015 were authorised for issue in accordance with a resolution of the Company's directors on 30 June 2016.

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

On 1 September 2015, the Company approved the issue of 100,000,000 shares at a price of 0.25p per share to raise £250,000 gross.

On 11 September the Company settled £992,123 of debts including outstanding directors' fees and expenses and repaid loans from the Black Swan group through the issue of 396,849,129 shares at a price of 0.25p per share.

2 Accounting policies

Basis of preparation

The financial statements of 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.

In accordance with the Gibraltar Companies Act, 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 288 of the Act. The individual statement of comprehensive income of the Company shows a loss for the year of US$1,105,438 (2014: US$2,566,571).

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 2015.

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 2015.

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 Report 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 20. As at 31 December 2015 the Group cash balances amounted to US$263,741 and current liabilities, excluding directors and other fees (amounting to US$51,371), were US$149,290. 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.

On 3 June 2016 the Company secured a loan facility of US$3,000,000 to fund the Group's continuing operations. Whilst this will primarily be utilised in the trading operations in Dubai it also provides sufficient funding to continue the exploration program in Australia.

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.

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.

2 Accounting policies (continued)

Exploration and evaluation assets (continued)

Once production commences, capitalised expenditure in 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

Investments in group undertakings

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

Investments held for resale

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 Group and Company recognised impairments of US$272,450 (2014: US$1,086,395).

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.

2 Accounting policies (continued)

Foreign currencies (continued)

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 1.3735 per US$1 (2014: AUD 1.2258). The average exchange rate applied at the year-end date was AUD 1.3319 per US$1 (2014: AUD 1.1094).

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.

2 Accounting policies (continued)

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.

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. The Company issued share options as disclosed in note 16 in 2014. 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. As the warrants have lapsed, unexercised as of 31st December 2015, they have been written back.

New standards and amendments adopted during the year

The following new standards and amendments became effective during the year:

IFRIC 21: Levies – effective for annual periods commenced on or after 1 January 2014

Amendments to IFRS 10, 12 and IAS 27: Investment Entities – effective for annual periods commenced on or after 1 January 2014

Amendments to IAS 32: Offsetting Financial Assets and Liabilities – effective for annual periods commenced on or after 1 January 2014

Amendments to IAS 36: Recoverable Amount Disclosures for Non-Financial Assets – effective for annual periods commenced on or after 1 January 2014

The adoption of the above new standards and amendments in the current year did not have material effect on the consolidated financial statements

2 Accounting policies (continued)

New standards and interpretations in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the following standards and interpretations were in issue but not yet mandatorily effective and have not been applied in the financial statements:

IFRS 9 – Financial Instruments – effective for annual periods commencing on or after 1 January 2018

IFRS 14 – Regulatory Deferral Accounts – effective for annual periods commencing on or after 1 January 2016

IFRS 15 – Revenue from Contracts with Customers – effective for annual periods commencing on or after 1 January 2017

Amendments to IFRS 7 – Financial instruments: disclosures – effective for annual periods commencing on or after 1 January 2016

Amendments to IFRS 11 – Joint Arrangements: Accounting for Acquisitions of Interests – effective for annual periods commencing on or after 1 January 2016

Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation – effective for annual periods commencing on or after 1 January 2016

Amendments to IAS 27 – Equity Method in Separate Financial Statements – effective for annual periods commencing on or after 1 January 2016

The directors anticipate that the adoption of these standards and interpretations will not have a material impact on the consolidated financial statements in the period of initial adoption.

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.

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 adoption of the New Act by the Company has not had a significant impact on the Group's and Company's financial position or results.

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 is based on the going concern assumption as disclosed in note 2. The Board of Directors, after taking into consideration the additional funding received, believe the going concern assumption is appropriate.

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$127,801 (AUD 175,535) (2014: US$117,227 (AUD 143,697)). 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$164,134 (2014: US$173,585) and US$495,588 (2014: US$424,970) 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

	2015	2014
	$	$
This is stated after charging:		
Abortive acquisition costs	195,775	831,915
Fees payable to the company's auditor for the audit of the Group consolidated financial statements	37,567	23,303
Other assurance services	19,872	-
Accounting and tax compliance	19,984	35,828
Share based payments	-	44,756
Other administrative costs	388,620	238,571
Remuneration of the directors of the Group	147,853	190,963
Remuneration of the directors of subsidiaries	8,763	10,649
Foreign exchange losses	-	119,013
	818,434	1,494,998

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 2015 were US$nil (2014: US$nil).

7 Taxation

The Company is subject to corporation tax in Gibraltar on any profits which are accrued in or derived from Gibraltar or any passive income which is taxable. The corporation tax rate in Gibraltar for the year ended 31 December 2015 is 10% (2014: 10%).

The Company has taxable losses to carry forward, consequently no provision for corporate tax has been made in these financial statements.

The Group's subsidiary is subject to corporate income tax in Australia. The corporate income tax rate in Australia for the year ended 31 December 2015 is 30% (2014: 30%).

This subsidiary has taxable losses to carry forward, consequently no provision for corporate tax has been made in these financial statements.

Note that there are no group taxation provisions under the tax laws of Gibraltar.

7 Taxation (continued)

As at 31 December 2015 and as at 31 December 2014 the company has no deferred tax assets and no deferred tax liabilities.

8 Loss per share

	2015 $	2014 $
Loss for the purpose of basic loss per share being net loss attributable to equity owners of parent	(1,120,111)	(2,591,395)
Loss for the purpose of diluted earnings per share	(1,120,111)	(2,591,395)
Number of shares:		
Weighted average number of ordinary shares for the purpose of the basic and diluted loss per share	409,955,753	243,387,111
Basic and diluted (cents)	(0.273)	(1.065)

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

	2015 $	2014 $
Group		
Debtors	10,395	693
Prepayments	6,282	27,918
	16,677	28,611

Company	2015 $	2014 $
Amounts owed by subsidiary undertakings (note 19)	495,589	424,970
Debtors	9,206	-
Prepayments and accrued income	6,282	27,918
	511,077	452,888

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 2015	409,409	409,409
Foreign exchange revaluation	(5,260)	(5,260)
At 31 December 2015	404,179	404,179

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:	
	2015	2014	2015	2014
	$	$	$	$
Shares in subsidiary undertakings	-	-	164,135	173,584
Investments held for resale	91,152	384,537	91,152	384,538
	91,152	384,537	255,287	558,122

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

	Group:		Company:	
	2015	2014	2015	2014
	$	$	$	$
At 1 January 2015	384,537	-	384,537	-
Additions	0	1,531,116	-	1,531,116
Impairment	(272,450)	(1,086,395)	(272,450)	(1,086,395)
Foreign exchange losses	(20,935)	(60,184)	143,200	(60,184)
At 31 December 2015	91,152	384,537	255,287	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

11 Investments (continued)

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$272,450 (2014: 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:

	2015 $	2014 $
Impairments recognised during the year (note 11)	272,450	1,086,395

13 Current liabilities	2015 $	2014 $
Group		
Borrowings (note 14)	-	233,025
Trade payables	106,073	428,992
Accruals and deferred income	43,217	295,766
Directors fees accrued and expenses payable	51,371	292,684
	200,661	1,250,467

13 Current liabilities (continued)

	2015 $	2014 $
Company		
Borrowings (note 14)	-	233,025
Trade payables	101,407	425,966
Accruals and deferred income	30,000	280,715
Directors fees accrued and expenses payable	51,371	292,684
	182,778	1,232,390

In addition to the directors' fees payable as disclosed in note 19, directors' expenses amounting to US$51,371 (2014: US$169,916) have been accrued and are expected to be settled via the issue of equity.

14 Borrowings - Group and Company

	2015 $	2014 $
Loan from Black Swan FZE	-	233,025

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.

A loan facility was entered into in the course of the year ended 31 December 2015 from Black Swan FZE for a maximum amount of £200,000. 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.

£200,000 (US$294,602) of the facility was drawn down on 9 April 2015.

The entire loan amount was repaid on 11 September 2015, through the issue of Debt Settlement Shares, as noted in Note 15.

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

15 Share capital - Group and Company

	2015 $	2014 $
Authorised:		
1,000,000,000 Ordinary shares of £0.001 (US$0.0016) each	1,600,000	1,600,000

	2015 No	2014 No	2015 $	2014 $
Allotted and called up:				
Ordinary shares of £0.001 (US$ 0.0016) each	759,900,364	263,051,235	1,128,351	419,146

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.

15 Share capital - Group and Company (continued)

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 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.

On 1 September 2015, the Company approved the issue of 100,000,000 shares at a price of 0.25p per share.

On 11 September 2015, the Company approved the issue of 396,849,129 Debt Settlement Shares at a price of 0.25p per share; in order settle all its debt as of that date.

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 former 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. Clive Hyman ceased his consultancy on 15th September 2015. Under the terms of the option scheme he then had 90 days in which to exercise those options which had vested. Since he did not do this all these options have now lapsed.

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

	Number of warrants / options 2015 No	Average exercise price 2015 £	Number of warrants / options 2014 No	Average exercise price 2014 £
Outstanding at 1 January	1,709,873	0.02000	1,709,873	0.02000
Issued/(Lapsed) during the year	(1,709,873)	(0.02000)	5,000,000	0.02125
Outstanding at 31 December	-	-	6,709,873	0.02093

Fair value is measured by use of the Black & Scholes model with the assumption of 50% future market volatility and a future interest rate of 1% per annum based on the current 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 2015 was US$nil (2014: 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$ 274,136 (2014: US$304,483).

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 2015 was US$nil (2014: US$233,025) 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 payables and accruals of US$200,661 (2014: US$1,250,467) 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 2015 and 31 December 2014 are payable as follows:

	2015 $	2014 $
Within one year	160,000	173,786
After one year but not more than five years	40,678	276,532
	200,678	450,318

19 Related parties

An outstanding balance of convertible loan notes issued by the Company to the Black Swan Group of £810,541 (US$1,267,168) were converted into 324,216,359 shares on 11 September 2015 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 and Black Swan FZE.

The Company wholly owns Wishbone Pty Ltd, an Australian entity that is engaged in the exploration of gold in Australia. The Company's investment in Wishbone Pty Ltd was US$ 164,135, as at 31 December 2015 (2014: US$ 173,584). The financial and operating results of this subsidiary have been consolidated in these financial statements.

Wishbone Pty Ltd, as at 31December 2015, has a loan outstanding from Wishbone Gold Plc of the following amounts:

	2015 $	2014 $
Outstanding at 1 January	424,970	421,281
Additions during the year	70,619	3,689
Outstanding at 31 December	495,589	424,970

19 Related parties (continued)

The following summarises the fees incurred in respect of directors and officers services for the year ended 31 December 2015 and 2014, and the amounts settled by the Company by way of share issues:

31 December 2015:	Balance as at 1 January 2015 $	Charge for the year $	Settled in shares $	Balance as at 31 December 2015 $
Richard Poulden	57,692	36,949	(77,923)	16,718
Jonathan Harrison	34,641	19,091	(44,600)	9,132
George Cardona	28,846	18,433	(38,461)	8,819
Alan Gravett	28,846	18,433	(38,461)	8,818
Professor Michael Mainelli	27,275	16,485	(35,874)	7,886
Clive Hyman	115,384	38,462	(153,846)	-
Total	292,684	147,853	(389,165)	51,372

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

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, were also billed by Black Swan FZE to Wishbone Gold Plc. The company settled US$153,846 (2014: US$nil) of these fees in ordinary shares to Black Swan FZE, a company in which Richard Poulden has an interest. Travelling expenses of US$172,788 (2014: US$119,218) were incurred on behalf of the Company during the year. A total of US$nil (2014: US$169,916) is payable at the year end. US$ 172,788 (2014: US$nil) 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:

- The investment in GRIT was sold on 27th May 2016 for GBP 61,882.

- Wishbone Gold has secured a loan facility of US$3,000,000 to finance operations (the "Facility").

  The terms of the Facility are that it can be drawn in multiples of US $100,000 at any time during the period of the facility and can be repaid at any time. It carries interest at 2% per annum and in addition 0.5% is payable on each trade of precious metals where the Facility is utilised either to support a letter of credit or in direct trading. The Facility expires on 6 June 2018 and is unsecured as long as no breach of the terms of the facility has occurred.

  A 10% commitment fee is payable in ordinary shares of Wishbone. These shares will be issued at a price of 0.54 pence per ordinary share, being the closing mid-market price of the Company's shares on 3 June 2016.

- On 5th February 2016 Wishbone acquired Precious Metals International Ltd ("PMI") and its wholly owned subsidiary, Black Sand FZE ("Black Sand") (together Black Sand and PMI are "the PMI Group") in an all share transaction.

  Black Sand holds a gold, precious metals and gem trading licence to operate in the United Arab Emirates. Black Sand currently has agreements in place for importing gold from South America. Black Sand was established by its CEO Barret Kosh in 2014 as a successor company to Multinational Commodities FZE which had an established profitable trading record. The PMI Group is 100% owned by Solent Nominees ("Solent"), an independent Gibraltar based nominee company which holds these shares on behalf of Mr Kosh. Solent currently holds preference shares over the PMI Group which will continue to entitle them to 30% of any annual audited profits after tax in the PMI Group. These preference shares hold no voting rights and are effectively a management incentive plan.

  The terms of the acquisition are an initial payment of 240,000,000 ordinary shares of 0.1p each in the Company ("Ordinary Shares") with a further payment of an additional 240,000,000 Ordinary Shares once the annual profit after tax of the PMI Group exceeds $1m. This values the initial consideration for the PMI Group at £648,000, based on the Company's closing mid-market. The net liabilities acquired were £5,110 leading to goodwill of £642,890.

22 Availability of accounts

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

23 Contingent Liability

There is some risk that native title, as established by the High Court of Australia's decision in the Mabocase, exists over some of the land over which Wishbone Gold Pty Limited holds tenements or over land required for access purposes.

Wishbone Gold Pty Limited is unable to determine the prospects for success or otherwise of the future claims and, in any event, whether or not and to what extent the future claims may significantly affect Wishbone Gold Pty or its projects.

There are no contingent liabilities outstanding at 31 December 2015 and 31 December 2014.