ABN 51 127 297 170

Metal Bank Limited
and its controlled entities

Annual Financial Report

For the year ended
30 June 2015

METAL BANK LIMITED AND ITS CONTROLLED ENTITIES

CONTENTS

Dear Shareholder

On behalf of the Directors of Metal Bank Limited (Metal Bank, MBK or the Company), I am pleased to report on the activities of the Company for the year ended 30 June 2015.

Following a lengthy negotiation the Company secured a joint venture deal over the Mason Valley Copper Project in February 2015. The project is central to the world class Yerington copper district in Nevada USA, and covers four main historical high grade underground copper mines.

Exploration work commenced immediately with MBK's focus targeting extensions of the known orebodies and new targets along strike and at depth. Results to date have been encouraging and further drilling is planned in the second half of 2015.

Further progress has also been made on the Triumph and Eidsvold gold projects in Queensland with a new high grade target being defined at the Triumph Bald Hill prospect. Further high priority targets at both projects remain and will be progressed in the year ahead dependent on available resources.

Most commodity prices declined in the second quarter of 2015 due to ample supplies and weak demand. Capital markets for resources remained difficult throughout the financial year. Notwithstanding these difficulties the Company raised $760,000 in equity and US$500,000 in loan funding during the year.

The Company is confident that it has a portfolio of quality projects, and will remain alert for other opportunities that may arise which, through further development, will add value to shareholders.

On behalf of the Board of Directors I would like to thank shareholders for their ongoing support.

Yours faithfully,

Inés Scotland
Non-executive Chair
21 September 2015

REVIEW OF OPERATIONS

The operations of the consolidated entity during the year are as described below:

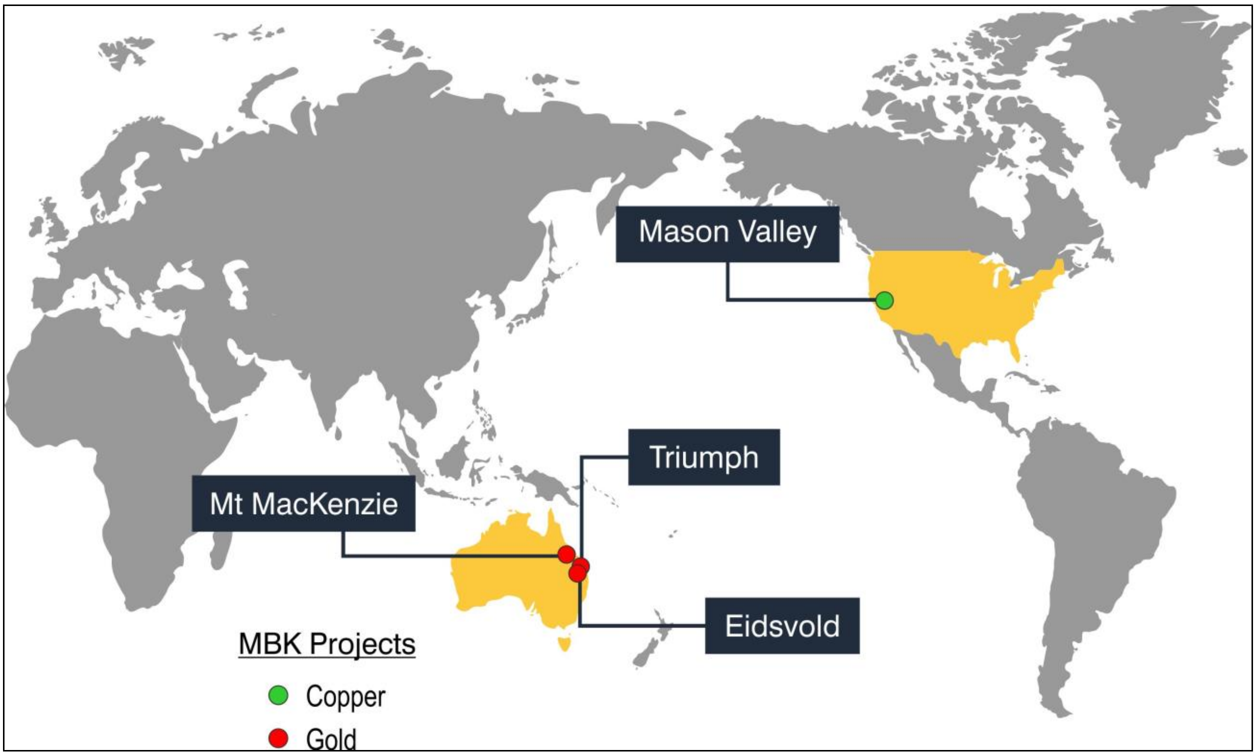

Figure 1: Metal Bank Limited – Current Project Locations

Metal Bank Limited is focused on copper exploration in Nevada, USA and gold exploration in Queensland, Australia with emphasis on brownfield's exploration programmes around historical mines. Refer to Figure 1 above.

Copper

Mason Valley Copper Project (JV - MBK earning up to 80%)

MBK entered into a Joint Venture ("JV") with GRG International in early 2015 covering the Mason Valley Copper Project which encompasses four main historical underground copper mines within the world class Yerington copper district, in Nevada, USA. Refer to Figure 2.

Mason Valley Copper Project ("Project") is prospective for high grade copper mineralisation (historical average mined grades of between 2% to 6% copper). The Project includes four main mining centres with numerous smaller mines held under 10km^2 of contiguous mining claims. The Mason Valley mines closed prematurely with the onset of the 'Great Depression' and never reopened, in part due to fractured ownership.

Initial exploration has identified large untested copper systems including the Bluestone Prospect where channel rock chip sampling returning high grade copper results associated with breccia style mineral system. Significant channel rock samples from the bluestone Prospect include:

- 40m @ 2.68% Cu including **28m @ 3.05% Cu**[1]
- 38m @ 2.06% Cu including **12m @ 3.8% Cu and 4m @ 2.94% Cu**[2]

[1] MBK ASX Release 21 April 2015
[2] MBK ASX Release 21 April 2015

Drilling commenced on the Project subsequent to the 30 June 2015 with high grade copper results reported in August 2015 highlighting new potential at the Bluestone Prospect and the Malachite Prospects with results including:

Bluestone Prospect[3]

42m @ 1.51% Cu from surface including **5m @ 2.34% Cu** from 8m
4m @ 3.52% Cu from 20m
7m @ 2.69% Cu from 35m

Malachite Prospect[4]

16m @ 1.72% Cu from 54m including **8m @ 2.75% Cu** from 61m

Geological modelling and compilation of underground mining plans on the Mason Valley mine have been completed in preparation for an initial drilling programme to target the extensions to the high grade copper mine.

Under the terms of the JV MBK will sole fund exploration to 31 March 2016, with a minimum commitment of US$1M (including an up-front payment of US$250,000) and may withdraw at any time after meeting this commitment. After meeting the initial commitment, MBK may then elect to form a Joint Venture which includes the right to earn up to 80% in the Project over 6 years subject to meeting expenditure commitments totalling US$14M and completion of a bankable feasibility study and making additional consideration payments of US$9.5M comprising both cash and the issue of MBK shares (subject to shareholder approval, if required). MBK will manage the Project and the JV. Further detail regarding the terms of the JV are provided in MBK ASX release dated 04 February 2015.

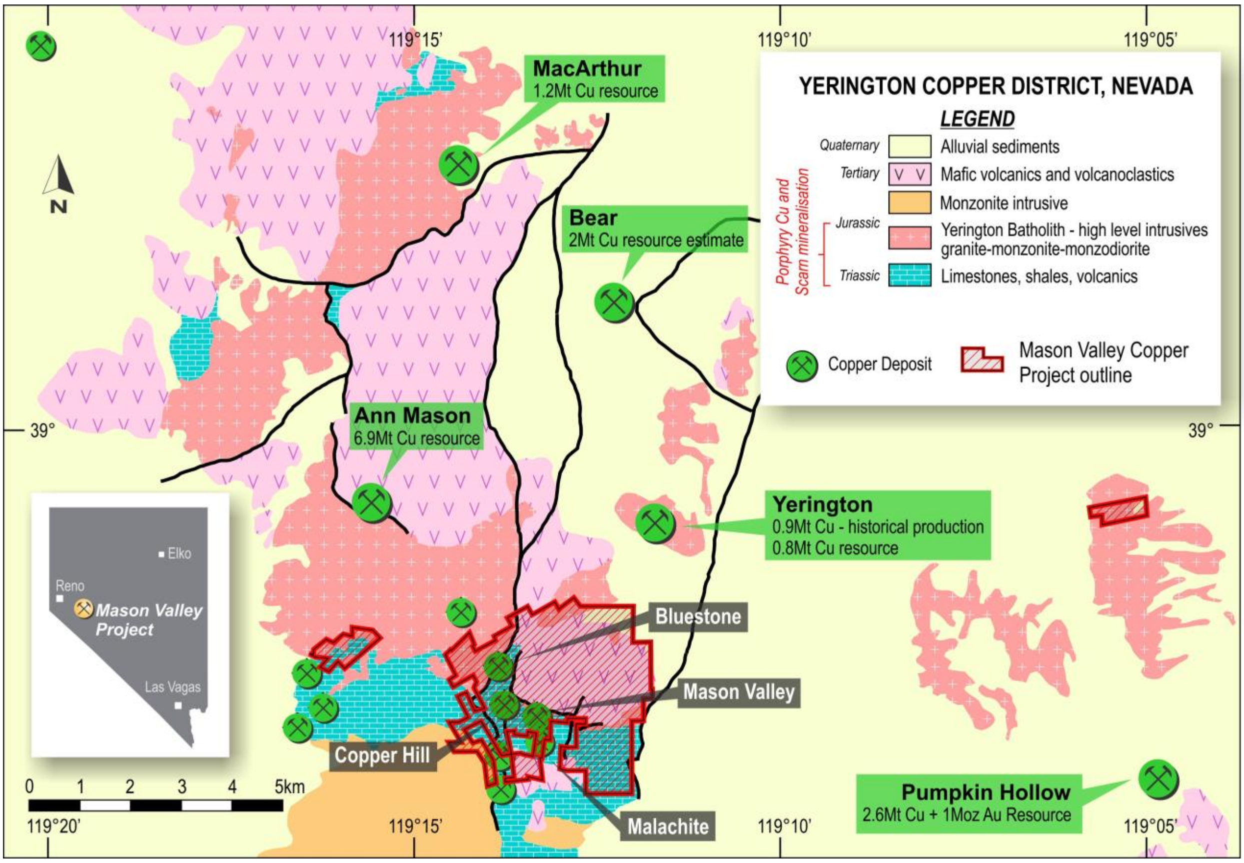

Figure 2: Showing location of the major copper deposits in the Yerington copper district and location of the Project.

Nevada is globally renowned as a mining-friendly jurisdiction with significant production from many large 'Carlin' style gold mines, it is also ranked 4th for copper production in the USA, with the USA ranking 4th in global copper production behind Chile, China and Peru.[5]

[3] MBK ASX Release 30 July 2015 and MBK ASX Release 18 August 2015
[4] MBK ASX Release 17 August 2015

The Yerington camp is a significant copper district with world class statistics supported by a resource base of over 12Mt of copper[6] and past production of approximately 1Mt of copper. Mineralisation within the Yerington copper district is intimately associated with the Yerington batholith creating large scale porphyry style deposits together with associated skarn style deposits.

The Project consists of numerous historical underground mines from which four of the mines for which historical documentation is currently available collectively produced approximately 3.8Mt at a grade of 1.5% to 6.2% copper from 1910 to 1931. The closure of these mines coincided with the onset of the 'Great Depression'. Priority targets within the Project are shown in Figure 4.

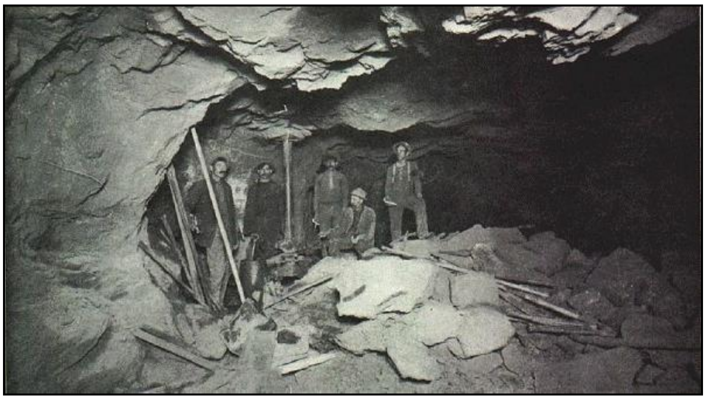

Figure 3: Stoping in the Mason Valley mine circa. 1920. The mines are rich in history with the Mason Valley mine originally owned and developed by Colonel William Boyce Thompson (founder of Newmont).

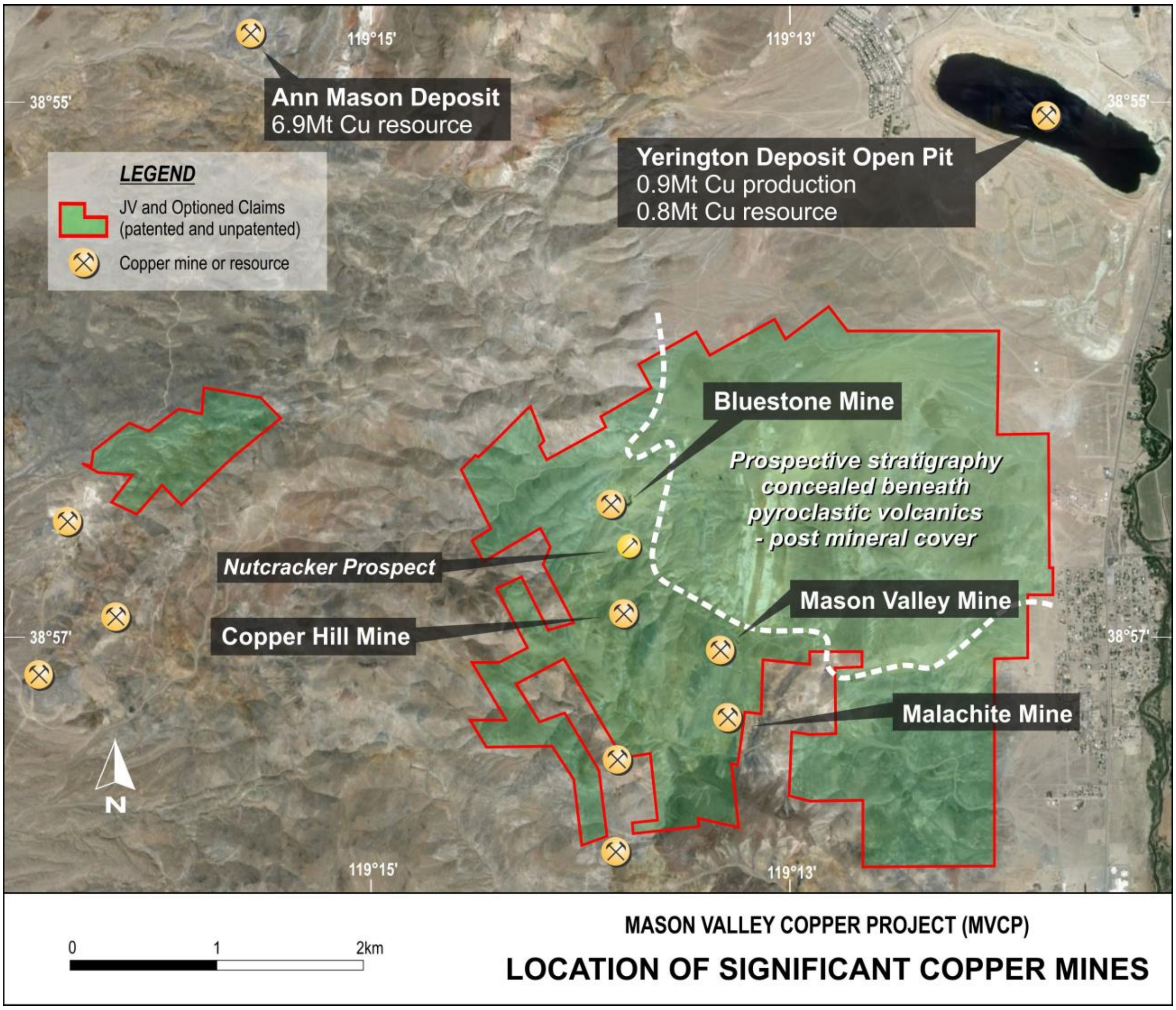

Figure 4: Priority targets within the Mason valley Copper Project.

[5] Source www.copper.org

[6] Source: Nevada Copper, Entrée Gold and Quaterra Resources NI43-101 reports

Gold ± Copper

MBK is also focused on advancing three intrusion related gold systems (IRGS) within the northern New England Orogen of eastern Australia (Figure 5). This region hosts several gold mines including the Cracow (3Moz Au), Mt Rawdon (2Moz Au) gold mines and Mt Carlton gold-silver-copper mine (1.4Moz AuEq) as well as the historical Mt Morgan deposit (8Moz Au). Refer to Figure 6 showing the intrusion related gold model and MBK projects.

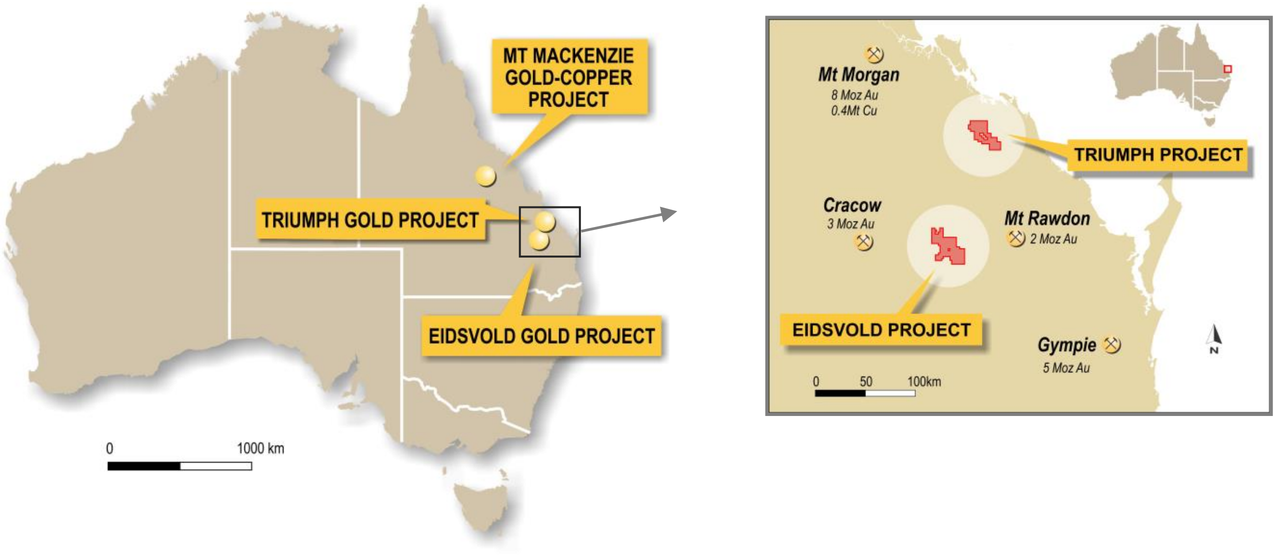

Figure 5: Location of MBK gold/copper projects in Eastern Australia.

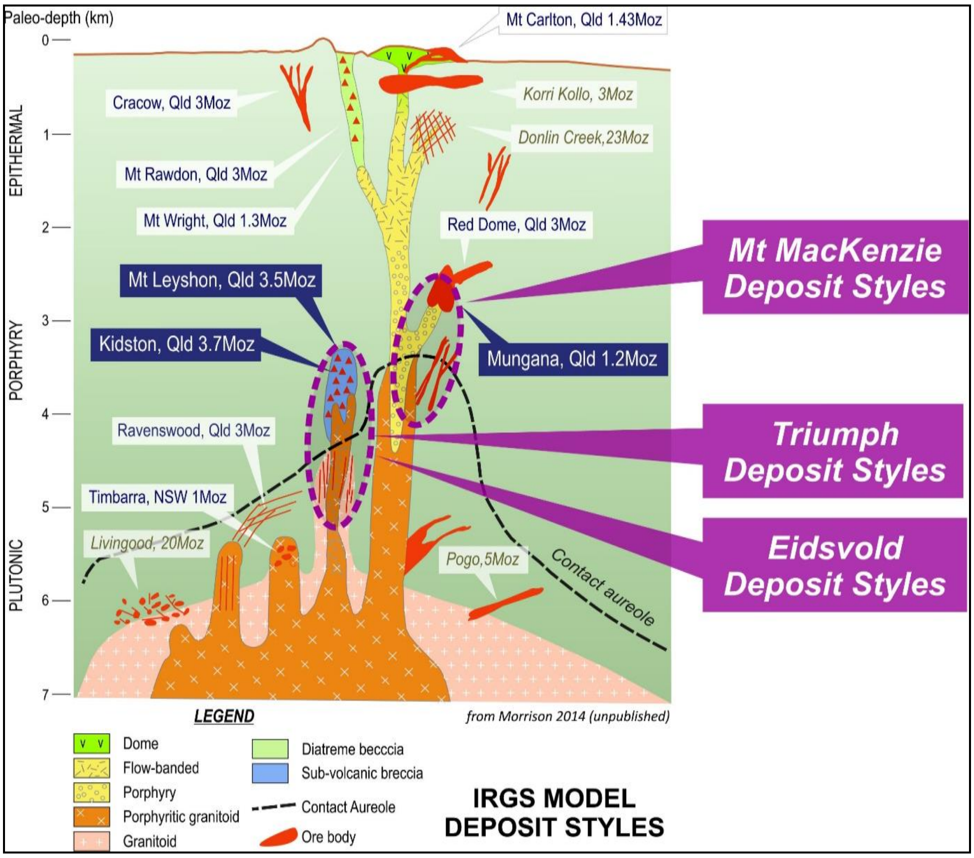

Figure 6: Intrusive related gold deposit styles showing MBK projects.

Triumph Project (100% MBK)

The Triumph project (356km^2) is centred about the historical high grade Norton goldfield (mined in the late 1800's and again in the 1990's) located between Mt Rawdon (2Moz Au) gold mine and the historical Mt Morgan (8Moz Au and 0.4Mt Cu) mine in the Northern New England Orogen, south east Queensland (Figure 5).

In 2010 MBK embarked on a strategy involving an extensive greenfields exploration programme in and around the 1km^2 historical Norton goldfield after reprocessing regional magnetics data which highlighted that the hydrothermal system was potentially much larger than previously recognised. Results now highlight a gold camp extending over 15km^2, of which approximately 90% is concealed beneath shallow sedimentary cover rocks (<10m thick), masking the prospective basement rocks (Figure 7). The Triumph gold mineralisation is a part of a large intrusion related system and has many similarities to a number of gold deposits in eastern Australia including Mt Leyshon (3.5Moz), Kidston (3.7Moz), and Ravenswood (3Moz).

A recent structural reconstruction of the 15km^2 gold camp has identified a central magnetic low interpreted to represent the felsic intrusive phase or 'engine room' driving the gold system (Central Target). The target is dominantly concealed beneath shallow sedimentary cover (<10m thick) and is rimmed by several historical high grade underground gold workings as well as the small Norton mining lease (0.2km^2) where a 38,800 oz Au JORC resource[7] has been identified (excluded from MBK tenure).

A recent review has identified the interpreted centre of the Triumph gold camp. The target is concealed beneath shallow sedimentary cover (<10m thick) and is rimmed by several historical high grade gold, underground mine workings. Initial drilling is planned to test prospective structural ± alteration targets beneath the shallow cover. Alluvial gold may also be present within the cover sediments and could also provide vectors towards a buried/blind gold system at the centre of the 15km^2 Triumph gold camp.

A structural reconstruction of the gold camp has identified a magnetic low central to the gold camp (Central Target) which is interpreted to represent the felsic intrusive phase or 'engine room' driving the gold system. Refer to Figure 8 showing the location of the Central Target and structural offset by the Norton fault and to Figure 9 and Figure 10 showing the structural reconstruction highlighting the magnetic low central to the system.

Potential exists for high grade gold mineralisation to occur within and next to the Central Target which is almost completely concealed by shallow sedimentary cover. High grade gold mineralisation has been identified from rock chip samples in the limited basement exposure (Figure 7) as well as in limited drilling (Figure 10). Several structural / alteration targets are planned to be drilled in the next phase of exploration.

The discovery of gold bearing gravels within the cover sediments adjacent to Bald Hill (0.9m @ 4.4g/t Au from 6m)[8] during recent drilling represents the first systematic sampling of the cover profile. The distribution of gold bearing gravels in the cover sediments has the potential to provide vectors towards undercover gold mineralisation.

Drilling this year at Bald Hill has identified a higher grade gold zone enveloped by a low grade gold halo within an extensive hydrothermal alteration system. Best drill result to date includes 9m @ 3.6 g/t Au[9] with further drilling required to confirm the geometry of the high grade mineralisation (Figure 11).

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[7] MNM ASX release 15 May 2015

[8] MBK ASX Release 22 July 2014

[9] MBK ASX Release 22 July 2014

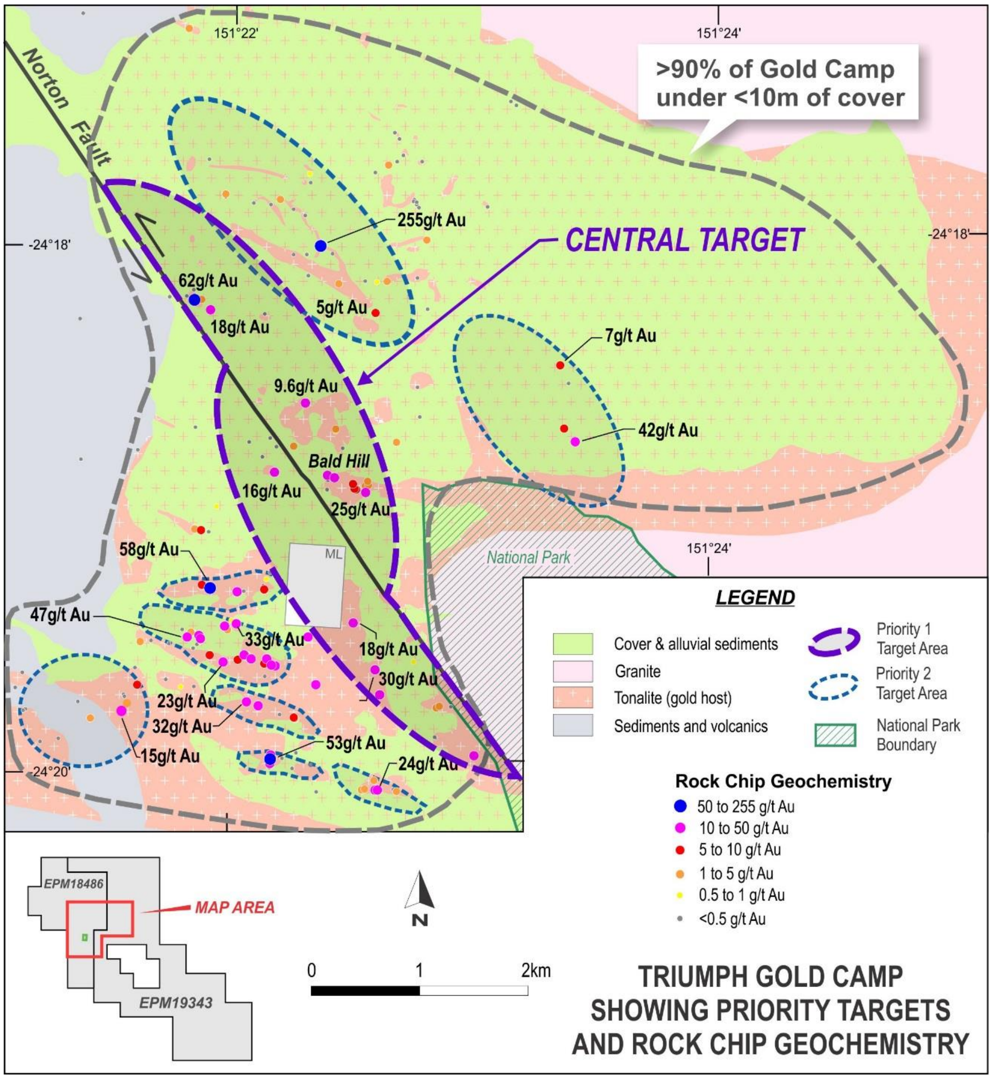

Figure 7: Triumph gold camp showing priority targets

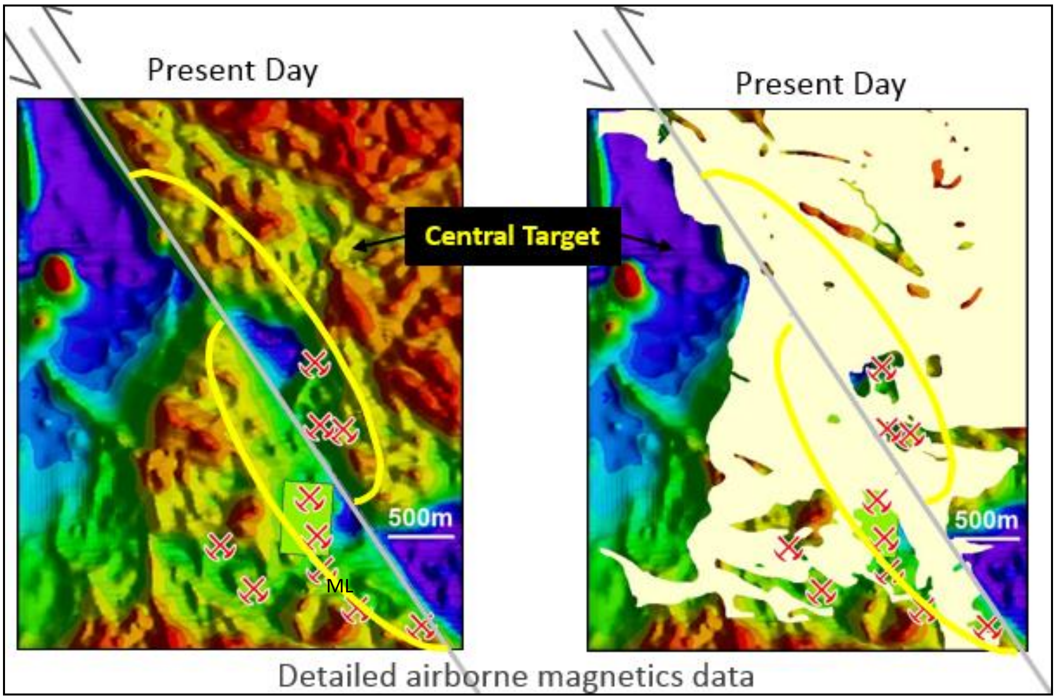

Figure 8: Central Target with magnetic low interpreted as the 'engine room' driving the gold system offset by the Norton fault.

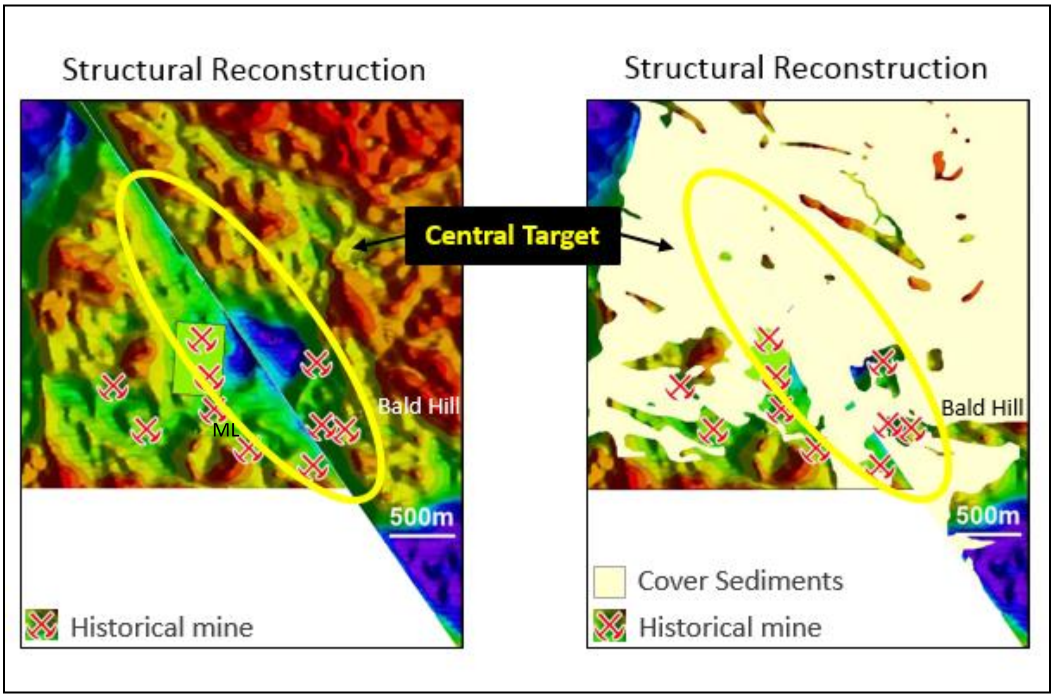

Figure 9: Structural reconstruction of the Central Target showing the magnetic low central to the gold system and almost completely concealed by shallow cover sediment.

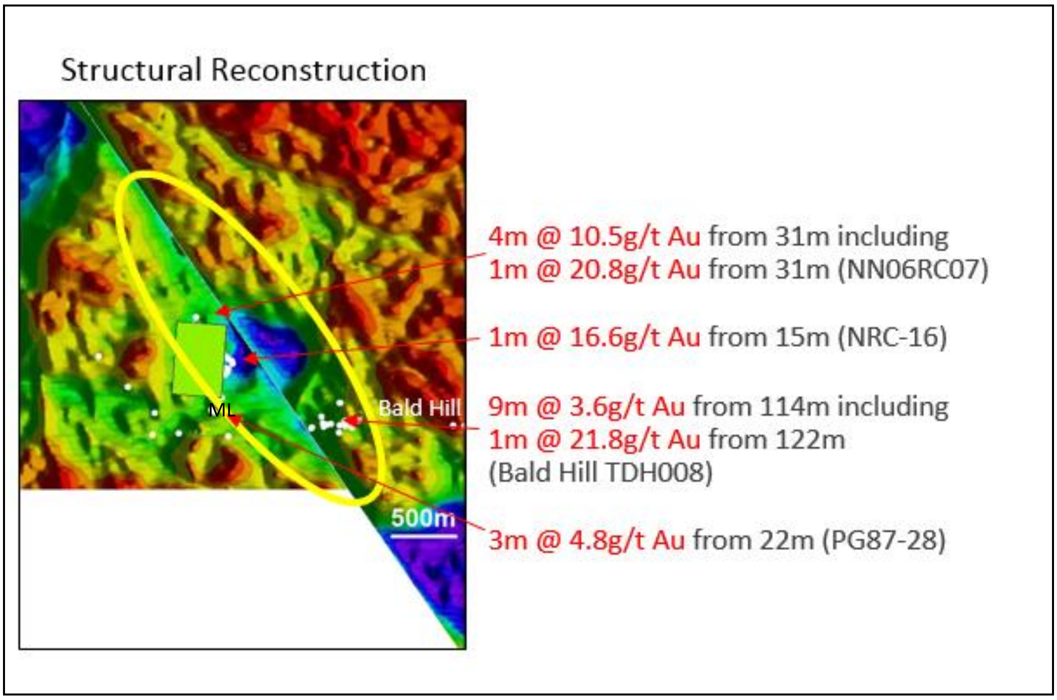

Figure 10: Structural reconstruction of the Central Target showing high grade gold intersected in the previous drilling peripheral to the magnetic low.

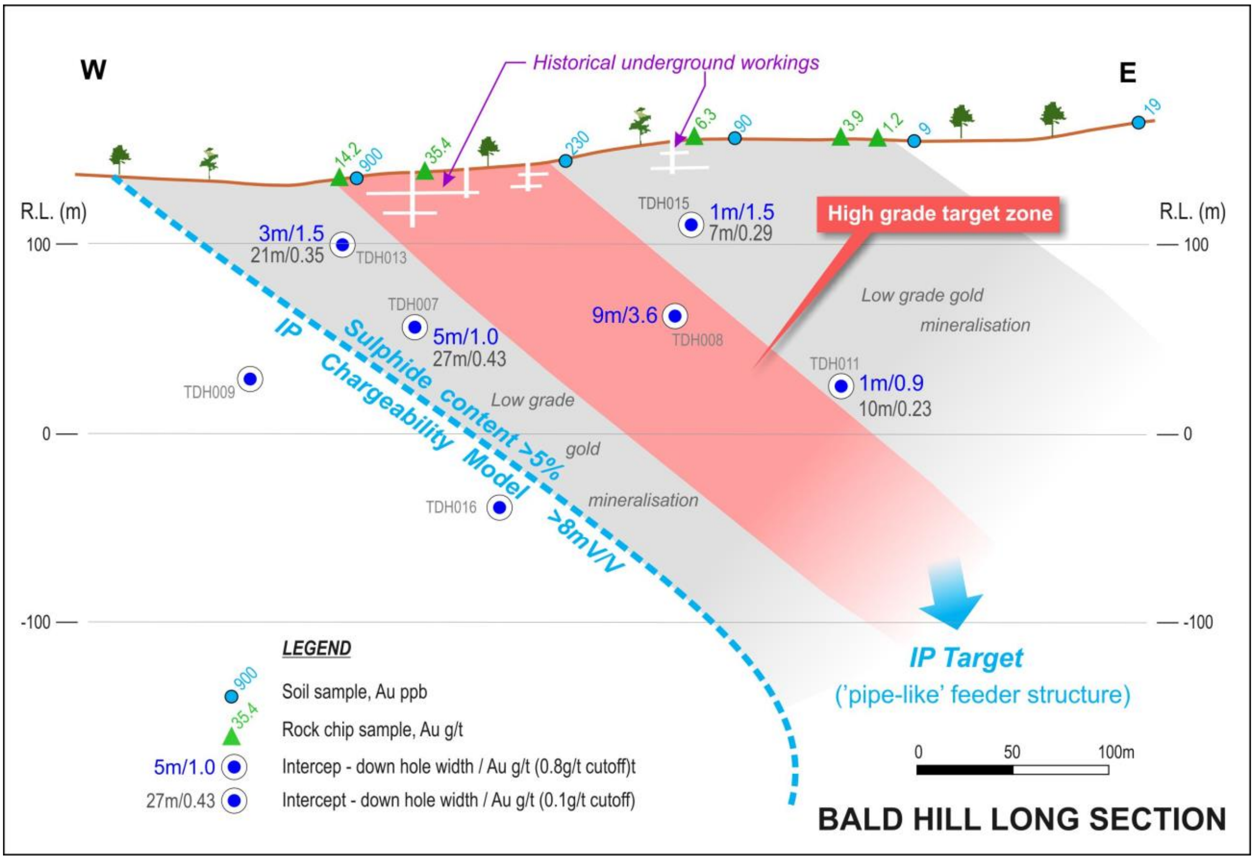

Figure 11: Bald Hill long section showing high grade gold zone.

Eidsvold Project (100% MBK)

The Eidsvold project (658km^2) is centred on the historical Eidsvold goldfield (100,000oz Au mined in the early 1900's) within the Eidsvold intrusive complex, located between the Cracow (3Moz Au) and Mt Rawdon (2Moz Au) gold mines in the Northern New England Orogen. Refer to Figure 5 showing the location of the Eidsvold Project.

Exploration by MBK in early 2014 led to the discovery of high grade gold mineralisation on the project including 1m @ 17.45g/t Au, 90g/t Ag, and 2.5% Cu[10] (Mt Brady prospect) as part of an intrusion related gold system which confirms the Company's exploration model and importantly opens up the potential of the entire Eidsvold intrusive complex (250km^2) which is almost entirely concealed beneath sedimentary cover (Figure 12).

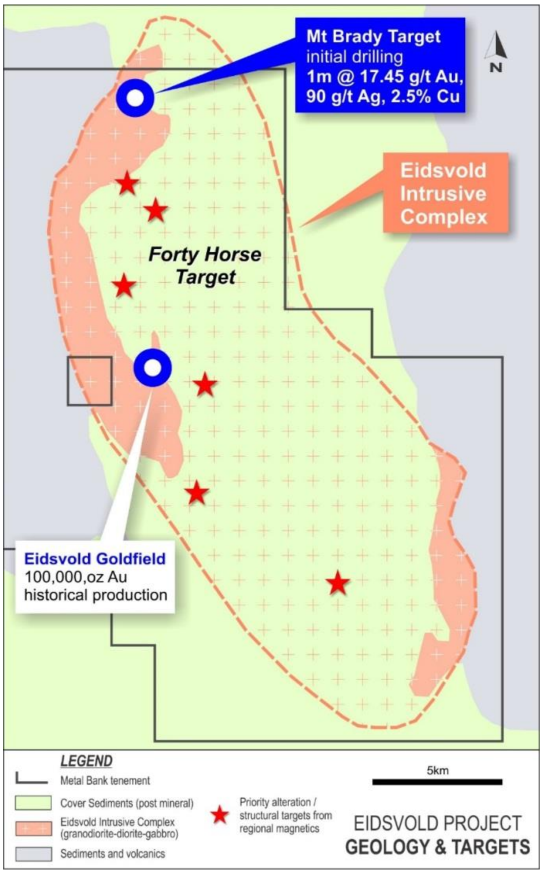

Figure 12: Location of priority target areas on regional geology summary

Exploration by Metal Bank has shown the Eidsvold Intrusive Complex (granodiorite-diorite-gabbro) to represent an overlooked and highly prospective intrusion related gold district with initial drill results returning high grade mineralisation.

A detailed airborne magnetics survey is planned to be completed over the targets identified prior to drill testing. One of the Company's key exploration tools is the use of airborne magnetics data to identify highly prospective zones of magnetite destructive alteration which are likely to be associated with the intrusion related gold mineralisation within the Eidsvold intrusive complex.

A reinterpretation of airborne magnetics on the project following the discovery of high grade mineralisation at Mt Brady has allowed targets to be refined including the identification of new targets on the project.

Mt Mackenzie Project (100% MBK)

The project lies approximately 40km north east of the Mt Carlton mining operation Au-Ag-Cu (Evolution Mining), refer to Figure 5. The target for the project is porphyry style Cu-Mo-Au mineralisation associated with regional NW trending structures. A detailed review of the historical exploration data has identified several Cu-Mo anomalies (no historical Au analysis) which have received limited previous follow-up and which represent priority targets for MBK.

The Mt MacKenzie project is located 40km NE of the Mt Carlton Au-Ag-Cu mining operation owned by Evolution Mining, an operation that produces approximately 85,000 gold equivalent ounces per year.

10 MBK ASX Release 15 April 2014

Compilation of historical 'porphyry copper' exploration data from the 1970's covering the Mt Mackenzie Project has led to the recognition of a copper-molybdenum porphyry style mineral system which has never been sampled for gold or silver. The historical data defines coincident copper (to 1000ppm Cu) and molybdenum (to 105ppm Mo) soil anomalies associated with porphyry style mineralisation within an area of approximately 800m x 800m; the anomalies being open (Figure 13). Geological mapping over the soil anomalies completed as part of the historical exploration highlights broad areas of silica-sericite-pyrite alteration as part of the porphyry mineral system. Two shallow drill holes (<150m) completed in the 1970's intersected intense alteration but did not explain the source of the copper and molybdenum soil anomalies.

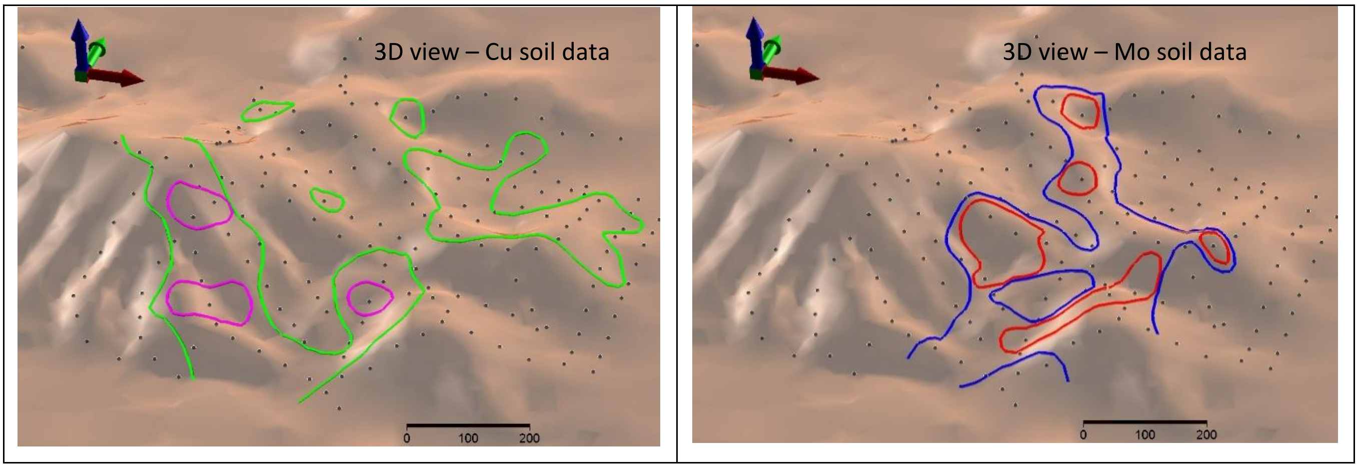

Figure 13: **Left figure** – 3D view of historical copper soils green contour 100ppm to 500ppm Cu, purple contour 500ppm to 1000ppm Cu. **Right figure** – 3D view of historical molybdenum soils (blue contour 10ppm to 30ppm Mo, red contour 30ppm to 105ppm Mo).

Many large porphyry style gold deposits in eastern Australia contain elevated copper and molybdenum with examples including the Mt Leyshon (3.5Moz Au) and Kidston (3.7Moz Au) deposits.

MBK is planning an initial exploration programme to assess the porphyry gold-copper-molybdenum potential.

Spinifex Ridge East (80% MBK)

After reviewing this project Metal Bank determined that it did not fit within the exploration strategy going forward and the project was sold during the year for $75,000. A total of $50,000 cash was paid upon signing of the sale agreement and a further $25,000 cash was payable upon successful renewal of the tenement by the buyer. The project is located in the Pilbara region of Western Australia.

Anthony Schreck
Executive Director
21 September 2015

Schedule of Tenements

Mining Tenements	***Location***	***Percentage Interest***
Roar Resources Pty Ltd (Wholly Owned Subsidiary)		
Triumph Project		
EPM 18486	Queensland	100%
EPM 19343	Queensland	100%
Eidsvold Project		
EPM 18431	Queensland	100%
EPM 18753	Queensland	100%
EPM 19548	Queensland	100%
Metal Bank Limited (100% Owned)		
EPM15668	Mount McKenzie, QLD	100%

EPM – Exploration Permit

Competent Persons Statement

The information in this Report that relates to Exploration Results is based on information compiled or reviewed by Mr Tony Schreck, who is a Member of The Australasian Institute of Geoscientists. Mr Schreck is an employee of the Company. Mr Schreck has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Schreck consents to the inclusion in the Report of the matters based on his information in the form and context in which it applies.

The Exploration Targets described in this report are conceptual in nature and there is insufficient information to establish whether further exploration will result in the determination of Mineral Resources. Any resources referred to in this report are not based on estimations of Ore Reserves or Mineral Resources made in accordance with the JORC Code and caution should be exercised in any external technical or economic evaluation.

Metal Bank Limited ("**Metal Bank**"), through its board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with Metal Bank. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

The third edition of ASX Corporate Governance Council Principles and Recommendations (the "Principles") sets out recommended corporate governance practices for entities listed on the ASX.

The Company has issued a Corporate Governance Statement which discloses the Company's corporate governance practices and the extent to which the Company has followed the recommendations set out in the Principles. The Corporate Governance Statement was approved by the Board on 21 September 2015 and is available on the Company's website: http://metalbank.com.au/corporate-governance

Your directors present their report on Metal Bank Limited and its subsidiaries (**Consolidated Entity** or the **Group**) for the year ended 30 June 2015.

DIRECTORS
The names of directors in office at any time during or since the end of the year are:

Current Directors

INĖS SCOTLAND
NON-EXECUTIVE CHAIR
B App Sc

Ms Scotland was most recently the Managing Director and CEO of Ivanhoe Australia, an ASX listed entity with a market capitalisation of $500m.

Prior to this Ms Scotland was the Managing Director and CEO of Citadel Resource Group Limited. Ms Scotland was a founding shareholder of Citadel and was its managing director through its growth, until its acquisition by Equinox Minerals in January 2011.

At the time of acquisition by Equinox, Citadel was developing the Jabal Sayid Copper Project in Saudi Arabia, had a market capitalisation of $1.3B and had raised more than $380m on the equity markets.

Ms Scotland has worked in the mining industry for over 20 years for large scale gold and copper companies in Australia, Papua New Guinea, USA and the Middle East. This has included working for Rio Tinto companies, Comalco, Lihir and Kennecott Utah Copper.

Appointed 13 August 2013.

Other current public company directorships:
- None

Former directorships in the last 3 years:
- St Barbara Limited
- Ivanhoe Australia Limited
- Citadel Resource Group Limited

ANTHONY SCHRECK
EXECUTIVE DIRECTOR
B App Sc(Geol), GDipSc (Econ Geol), MAIG

Mr Schreck has 25 years of mineral exploration experience in Australia and the South West Pacific region (Solomon Islands). He has managed large exploration projects in challenging terrains for major companies including North Flinders Mines, Normandy, Newmont, Anglo Gold Ashanti and Xstrata.

Mr Schreck is credited with the grassroots discovery of the multi-million ounce Twin Bonanza gold system (Buccaneer and Old Pirate gold deposits) in the Northern Territory. He has been key in the successful startup and management of a number of private resource companies.

Appointed 29 November 2013.

Mr Schreck has held no other current public company directorships or former directorships in the last 3 years.

GUY ROBERTSON
EXECUTIVE DIRECTOR
B Com (Hons), CA.

Mr Robertson has more than 30 years' experience as Chief Financial Officer, Company Secretary and Director of both public and private companies in Australia and Hong Kong.

Previous roles included Chief Financial Officer/GM Finance of Jardine Lloyd Thompson, Colliers International Limited and Franklins Limited.

GUY ROBERTSON (CONTINUED)

Mr Robertson has over 6 years' experience in ASX listed mineral exploration companies and is currently a Director of Estrella Resources Limited and was previously a director of Artemis Resources Limited and Hastings Rare Metals Limited.

Appointed 17 September 2012.

Former directorships in the last 3 years:

- Hastings Rare Metals Limited
- Artemis Resources Limited

Secretary

SUE-ANN HIGGINS
(Company Secretary)
BA LLB Hons ACIS GAICD

Ms Higgins is an experienced company executive who has worked for over 25 years in the mining industry including in senior legal and commercial roles with ARCO Coal Australia Inc, WMC Resources Ltd, Oxiana Limited and Citadel Resource Group Limited. Ms Higgins has extensive experience in governance and compliance, mergers and acquisitions, equity capital markets and mineral exploration, development and operations.

Appointed 21 August 2013

Interest in the shares and options of the Company

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

	Ordinary Shares	Options	Performance Rights
Inés Scotland	37,585,647	-	-
Anthony Schreck	12,063,492	9,000,000	6,355,932
Guy Robertson	-	-	-

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as outlined in the Chairman's report, there were no significant changes in the state of affairs of the Company during the year.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was mineral exploration. There have been no significant changes in the nature of the Company's principal activities during the financial year.

SIGNIFICANT AFTER BALANCE SHEET DATE EVENTS

Subsequent to balance date the Company raised $350,000 through the issue of 23,333,333 new shares and has a commitment for a further $150,000 or 10,000,000 shares subject to shareholder approval.

Other than as outlined above there are no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS

The primary objective of Metal Bank is to continue its exploration activities at the Mason Valley Copper Project in Nevada, USA and on its current projects in Australia, Triumph, Eidsvold and Mt Mackenzie.

The material business risks faced by the Company that are likely to have an effect on the financial prospects of the Company, and how the Company manages these risks, are:

- Future Capital Needs – the Company does not currently generate cash from its operations. The Company will require further funding in order to meet its corporate expenses, continue its exploration activities and complete studies necessary to assess the economic viability of its projects. The Company's financial position is monitored on a regular basis and processes put into place to ensure that fund raising activities will be conducted in a timely manner to ensure the Company has sufficient funds to conduct its activities.
- Exploration and Developments Risks – the Company may fail to discover mineral deposits on its projects and once determined, there is a risk that the Company's mineral deposits may not be economically viable. The Company employs geologists and other technical specialists, and engages external consultants where appropriate to address this risk.
- Commodity Price Risk – as a Company which is focused on the exploration of gold and base and precious metals, it is exposed to movements in the price of these commodities. The Company monitors historical and forecast price information from a range of sources in order to inform its planning and decision making.

PERFORMANCE IN RELATION TO ENVIRONMENTAL REGULATION

The consolidated entity will comply with its obligations in relation to environmental regulation on its Western Australian and Queensland projects and the Mason Valley Copper Project and when it undertakes exploration in the future. The Directors are not aware of any breaches of any environmental regulations during the period covered by this report.

OPERATING RESULTS AND FINANCIAL REVIEW

The loss of the consolidated entity after providing for income tax amounted to $965,138 (2014: loss of $1,095,726). The result for the year was impacted by the following:

The Group's operating income decreased to $6,415 (2014-$49,156) primarily the result of a reduction in interest income given greater funds on hand.

Expenses decreased to $971,553 (2014-$1,144,882). Current year expenses include a write down of $431,517 on disposal of the Spinifex Ridge East project.

Exploration costs increased to $4,057,883 (2014- $3,425,211) reflecting primarily the acquisition of the farm in right to the Mason Valley Copper Project and the exploration activity on this project.

Net assets decreased to $3,889,271 (2014-$4,056,909) reflecting a capital raise of $760,000 and the result for the year.

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

REMUNERATION REPORT

Remuneration Policy

The Board determines, on a case by case basis, the terms and conditions of employment of company executives and consultants, including remuneration.

The Board's policy for determining the nature and amount of remuneration for Board members and executives (***Remuneration Policy***) is as follows:

- the terms and conditions for the executive directors and other senior staff members, are developed by the Chair and Company Secretary and approved by the Board;
- remuneration for directors and senior executives is determined and reviewed by the Board by reference to the Company's performance, the individual's performance, as well as comparable information from listed companies in similar industries;
- in determining competitive remuneration rates, the Board may seek independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices;
- the Company is a mineral exploration company and does not generate cash from its operations. In order to preserve cash for exploration activities, the Board has determined, where possible, to pay a base remuneration less than market rates to its executive directors, employees and individual contractors with base remuneration to be supplemented by options and performance incentives to ensure attraction, retention and ongoing incentives for its directors and executives;
- all remuneration paid to directors is valued at the cost to the Company and expensed. Where appropriate, shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology.
- issue of performance rights are subject to the terms of Metal Bank Performance Rights Plan and their vesting is subject to vesting conditions and performance hurdles relating to the performance of both the Company and the individual as determined and assessed by the Board;
- the Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

DIRECTORS' AND EXECUTIVE OFFICERS' EMOLUMENTS –

(a) Details of Directors and Key Management Personnel

(i) <u>*Current Directors*</u>
Inés Scotland – Non-Executive Chair (appointed 13 August 2013)
Anthony Schreck – Executive Director (appointed 29 November 2013)
Guy Robertson – Executive Director (appointed 17 September 2012)

(ii) <u>*Company Secretary*</u>
Sue-Ann Higgins (appointed 21 August 2013)

(iii) <u>*Key Management Personnel*</u>
Nil

Other than the directors and the company secretary, the Company had no Key Management Personnel for the financial year ended 30 June 2015.

Directors' remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relative comparative information and independent expert advice, where appropriate.

Except as detailed in Notes (a) – (c) to the Remuneration Report, no director or officer has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (c) to the Remuneration Report, prepared in accordance with the Corporations Regulations, or the fixed salary of a full time employee of the Company.

(b) Remuneration of Directors and Key Management Personnel

Remuneration Policy

The Company's Remuneration Policy is outlined above. Remuneration of Directors of the Group and Key Management Personnel is set out below.

Parent & Group Key Management Personnel –

	2015				2014			
	Base Salary and Fees	Share Based Payments[1]	Super-annuation	Total	Base Salary and Fees	Share Based Payments	Super-annuation	Total
I. Scotland	38,139	-	3,624	41,763	40,566	-	3,752	44,318
A. Schreck	155,000	37,500	14,725	207,225	87,500	82,512	8,094	178,106
G. Robertson	50,000	-	-	50,000	60,828	-	-	60,828
S. Higgins	109,230	-	-	109,230	59,908	-	-	59,908
G. Frangeskides	-	-	-	-	19,160	-	-	19,160
A. Ho	-	-	-	-	4,731	-	-	4,731
Totals	**352,369**	**37,500**	**18,349**	**408,218**	**272,693**	**82,512**	**11,846**	**367,051**

[1]Performance rights were granted to Tony Schreck, the executive director responsible for the Company's exploration activities on 2 July 2015. Details of the number and terms of the performance rights issued are set out in Note (c) below.

There are no other employment benefits, either short term, post-employment or long term, non-monetary or otherwise other than those outlined above.

(c) Employee Related Share-based compensation

Options

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of directors and employees of a high calibre, the Company has a policy of issuing options that are exercisable in the future at a certain fixed price.

No options were issued to employees or to directors or executives as part of their remuneration for the year ended 30 June 2015

Performance Rights

The Metal Bank Performance Rights Plan (the ***Rights Plan***) and issue of securities under the Rights Plan was first approved by shareholders at the Annual General Meeting of the Company held on 30 November 2012.

To be eligible to participate in the Rights Plan, a person must be a full or part time employee, contractor or consultant (approved by the Board) of the Company or any subsidiary of the Company or a director.

No performance rights were issued under the Rights Plan during the reporting period.

Shareholder approval was sought and obtained in accordance with Listing Rule 10.14 at the Extraordinary General Meeting of the Company held on 25 June 2015 for the issue of 6,355,932 Performance Rights (***Rights***) under the Rights Plan to executive director, Tony Schreck, and to the issue of shares on the exercise of such Rights subject to satisfaction of the applicable vesting conditions and performance hurdles. The Rights were issued to Mr Schreck on 2 July 2015.

In deciding on the quantum of Rights to be issued to Mr Schreck, the Board considered that a number of shares equivalent to 50% of his base salary, based on a share price of 1.18 cents (being the 30 day VWAP at the date of Board approval of the offer of Rights) would be appropriate. Mr Schreck has not received any cash bonuses or other remuneration other than his base salary plus superannuation. Based on this and given the Company's circumstances and having regard to the performance hurdles on vesting of the Rights the Board considered that the allocation of Rights was reasonable and appropriate.

No consideration was payable for the Rights and no consideration is payable upon issue of shares upon satisfaction of the vesting conditions associated with the Rights.

The Rights are subject to the following Vesting Conditions which must be satisfied to the satisfaction of the Board (in its discretion), or waived by the Board:

(a) Mr Schreck remaining employed by the Company or one of its subsidiaries for the duration of the Performance Period; and

(b) Mr Schreck meeting the following performance hurdles during the Performance Period, in respect of the percentage of Rights allocated to each hurdle:

- Vesting of 50% of the Rights is subject to the 60 day VWAP of the Company's share price on the vesting date being a 200% increase on the 30 day VWAP of 1.18 cents at the date of approval of the offer of Performance Rights by the Board;
- Vesting of 30% of the Rights is subject to the Company obtaining sufficient indications from drilling in Year 1 of the Mason Valley Copper Project Joint Venture (***MVCP JV***) that copper resource potential exists to support a decision by the Board to continue beyond year one of the MVCP JV;
- Vesting of 10% of the Rights is subject to improvement in safety standards and culture within the company and regulatory compliance; and
- Vesting of the remaining 10% of the Rights is subject to the Company continuing to maintain a high level of technical assessment and input from external consultants on the MVCP JV and other exploration projects of the Company.

The Performance Period commenced on the date on which the Board initially approved the allocation of Rights, being 10 March 2015, and will end at 5.00pm (Melbourne time) on 9 March 2016.

The Rights expire at 5.00pm (Melbourne time) on 9 April 2016. Rights will expire before this date if Vesting Conditions are not satisfied or waived.

Performance will be assessed by the Board or a subcommittee of the board formed for this purpose.

Shares allocated following the exercise of Performance Rights will not be subject to any restrictions on disposal subject to observance of the Company's Securities Trading Policy in dealing with shares.

MEETINGS OF DIRECTORS

The number of directors' meetings (including committees) held during the financial period, each director who held office during the financial period and the number of meetings attended by each director are:

	Directors Meetings	
Director	**Meetings Attended**	**Number Eligible to Attend**
I. Scotland	5	6
A. Schreck	6	6
G. Robertson	5	6

In addition to the board meetings there were six circular resolutions by the board during the financial period.

INDEMNIFYING OFFICERS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him or her in his or her capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

The Company paid insurance premiums of $9,900 in July 2015 in respect of directors' and officers' liability. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending legal proceedings, whether civil or criminal and whatever their outcome;
- other liabilities that may arise from their position, with the exception of conduct involving wilful breach of duty or improper use of information to gain a personal advantage.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under Section 307C in relation to auditor's independence for the year ended 30 June 2015 has been received and can be found on the following page.

NON-AUDIT SERVICES

The Board of Directors advises that no non-audit services were provided by the Company's auditors during the year.

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

Guy Robertson
Director
21 September 2015

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 8226 4500 **F** +61 2 8226 4501

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Metal Bank Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

C J HUME
Partner

Sydney, NSW
Dated: 21 September 2015

METAL BANK LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	**2015**	2014
		$	$
Revenue	2	**6,415**	49,156
Administration expenses		**(53,331)**	(37,693)
Personnel costs		**(31,064)**	-
Compliance and regulatory expenses		**(48,624)**	(74,904)
Legal fees		**-**	(31,559)
Occupancy costs		**(4,776)**	(781)
Marketing		**-**	(1,608)
Directors fees		**(91,756)**	(140,902)
Management and consulting fees		**(236,187)**	(255,203)
Travel expenses		**(31,266)**	(10,097)
Exploration expenditure written off		**(431,517)**	(65,787)
Provision for diminution of investment		**-**	(31,250)
Depreciation		**(532)**	(230)
Finance costs		**(5,000)**	-
Share based payments		**(37,500)**	(494,868)
(LOSS) BEFORE INCOME TAX	3	**(965,138)**	(1,095,726)
Income tax expense	4	**-**	-
(LOSS) FOR THE YEAR		**(965,138)**	(1,095,726)
(LOSS) ATTRIBUTABLE TO MEMBERS OF METAL BANK LIMITED		**(965,138)**	(1,095,726)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME/(LOSS)		**(965,138)**	(1,095,726)
Loss for the year is attributable to:			
Owners of Metal Bank Limited		**(965,138)**	(1,095,726)
Total Comprehensive income for the year is attributable to:			
Owners of Metal Bank Limited		**(965,138)**	(1,095,726)
Earnings per share			
Basic and diluted loss per share (cents per share)	20	**(0.32)**	(0.51)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the attached notes

METAL BANK LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	**2015**	2014
		$	$
CURRENT ASSETS			
Cash and cash equivalents	5	**544,445**	837,459
Trade and other receivables	6	**35,975**	69,750
Financial assets	7	**1,250**	1,250
TOTAL CURRENT ASSETS		**581,670**	908,459
NON-CURRENT ASSETS			
Plant and equipment	8	**2,873**	2,070
Exploration and evaluation expenditure	10	**4,057,883**	3,425,211
TOTAL NON-CURRENT ASSETS		**4,060,756**	3,427,281
TOTAL ASSETS		**4,642,426**	4,335,740
CURRENT LIABILITIES			
Trade and other payables	11	**111,307**	278,831
TOTAL CURRENT LIABILITIES		**111,307**	278,831
NON-CURRENT LIABILITIES			
Borrowings	12	**641,848**	-
TOTAL NON-CURRENT LIABILITIES		**641,848**	-
TOTAL LIABILITIES		**753,155**	278,831
NET ASSETS		**3,889,271**	4,056,909
EQUITY			
Issued Capital	13	**10,577,912**	9,817,912
Reserves	14	**175,020**	494,885
Accumulated losses		**(6,863,661)**	(6,255,888)
		3,894,271	4,056,909
TOTAL EQUITY		**3,889,271**	4,056,909

The Consolidated Statement of Financial Position are to be read in conjunction with the attached notes.

METAL BANK LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Issued Capital $	Reserves	Accumulated Losses $	Total $
Balance as at 1 July 2014	9,817,912	494,885	(6,255,888)	4,056,909
Loss for the year	-	-	(965,138)	(965,138)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(965,138)	(965,138)
Transfer to share based payments reserve	-	37,500	-	37,500
Expiry of options	-	(357,365)	357,365	-
Issue of share capital	760,000	-	-	760,000
Balance as at 30 June 2015	10,577,912	175,020	(6,863,661)	3,889,271

	Issued Capital $	Reserves	Accumulated Losses $	Total $
Balance as at 1 July 2013	5,612,303	250,973	(5,348,398)	514,878
Loss for the year			(1,095,726)	(1,095,726)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(1,095,726)	(1,095,726)
Transfer to share based payments reserve	-	432,148	-	432,148
Transfer from share based payments reserve	-	(188,236)	188,236	-
Issue of share capital	4,438,889	-	-	4,438,889
Cost of share capital issued	(233,280)	-	-	(233,280)
Balance as at 30 June 2014	9,817,912	494,885	(6,255,888)	4,056,909

The Consolidated Statement of Changes in Equity are to be read in conjunction with the attached notes.

METAL BANK LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(471,555)**	**(518,566)**
Payment for exploration and evaluation		**(1,273,387)**	**(980,438)**
Interest received		**6,415**	**46,720**
NET CASH USED IN OPERATING ACTIVITIES	22	**(1,738,527)**	**(1,452,284)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for fixed assets		**(1,335)**	**(2,300)**
Proceeds from sale of projects		**50,000**	**-**
Cash on acquisition of subsidiary		**-**	**31,789**
NET CASH PROVIDED BY INVESTING ACTIVITIES		**48,665**	**29,489**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		**760,000**	**1,750,000**
Proceeds from borrowings		**636,848**	**-**
NET CASH PROVIDED BY FINANCING ACTIVITIES		**1,396,848**	**1,750,000**
NET (DECREASE)/INCREASE IN CASH HELD		**(293,014)**	**327,205**
Cash at the beginning of the financial year		**837,459**	**510,254**
CASH AT THE END OF THE FINANCIAL YEAR		**544,445**	**837,459**

The Consolidated Statement of Cash Flows are to be read in conjunction with the attached notes.

This financial report includes the consolidated financial statements and notes of Metal Bank Limited and its controlled entities (**Consolidated Group** or **Group**), and a separate note on the accounts of Metal Bank Limited as the parent entity (**Parent**).

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

This financial report is presented in Australian Dollars.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial report covers the Group of Metal Bank Limited and controlled entities. Metal Bank Limited is a public listed company, incorporated and domiciled in Australia.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Metal Bank Limited at the end of the reporting period. A controlled entity is any entity over which Metal Bank Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 9 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

b. Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

As disclosed in the financial statements, the company and consolidated entity recorded operating losses of $951,727 and $965,138 respectively and the consolidated entity had net cash outflows from operating activities of $1,738,527 for the year ended 30 June 2015. The company will need to raise additional capital in order to meet its scheduled exploration expenditure requirements.

These factors indicate significant uncertainty as to whether company and consolidated entity will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that the company and consolidated entities will be able to continue as going concerns and that it is appropriate to adopt that basis of accounting in the preparation of the financial report after consideration of the following factors:

- The consolidated entity had net current assets of $470,363 and net assets of $3,889,271 as at 30 June 2014;
- The cash on hand as at the date is $544,445;
- Subsequent to year end the company has successfully raised capital of $350,000 with a further commitment of $100,000 subject to shareholder approval (per note 24);
- The ability of the Company to raise further capital to enable the Company to meet scheduled exploration expenditure requirements. The company intends to raise in excess of $550,000 within the next 12 months in addition to the $350,000 and $100,000, noted above;
- The company has successfully raised capital of $760,000 during the year (per note 13);
- The directors have assessed and satisfied themselves that the company will have adequate funding over the next 12 months to meet its obligations as and when these fall due.

Accordingly, the Directors believe that the company and consolidated entity will be able to continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company and consolidated entity do not continue as going concerns.

c. Adoption of New and Revised Accounting Standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2015, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by Directors of the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

d. Income Taxes

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

e. Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment – over 5 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use.

An impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the re-valued carrying amounts of the assets and depreciation based on the assets' original costs. Additionally, any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the re-valued amounts of the assets.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

(ii) Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

f. Exploration and Evaluation Costs

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

g. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative recognized of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognized in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is recognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(i) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Derivative instruments

The Group designates certain derivatives as either:

i. hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or

ii. hedges of highly probable forecast transactions (cash flow hedges).

At the inception of the transaction the relationship between hedging instruments and hedged items, as well as the Group's risk management objective and strategy for undertaking various hedge transactions, is documented.

Assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items, are also documented.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the statement of comprehensive income, together with any changes in the fair value of hedged assets or liabilities that are attributable to the hedged risk.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income.

Amounts accumulated in the hedge reserve in equity are transferred to the statement of comprehensive income in the periods when the hedged item will affect profit or loss.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Financial guarantees

Where material, financial guarantees issued that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

(iii) the likelihood of the guaranteed party defaulting in a year period;

(iv) the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and

(v) the maximum loss exposed if the guaranteed party were to default.

Derecognition

Financial assets are recognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are recognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

h. Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

i. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial performance.

j. Revenue Recognition

Interest revenue is recognised using the effective interest method. It includes the amortisation of any discount or premium.

k. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Comparative Figures

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

m. Significant judgements and key assumptions

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

n. Key judgements and estimates

Key Judgment Exploration Expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at reporting date at $4,057,883.

Key Judgment Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Key Estimate Taxation

Balances disclosed in the financial statements and the notes thereto, relating to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

Key Estimates Share based payment transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by reference to the market price. Refer note 25.

2. REVENUE AND OTHER INCOME

	2015	2014
	$	$
Interest received	**6,415**	46,731
Other income	**-**	2,425
	6,415	49,156

3. LOSS FOR THE YEAR

Loss for the year is after charging:

	2015	2014
	$	$
Wages and salaries	**209,139**	170,866
Superannuation	**19,869**	15,805
Other employment related costs	**-**	6,601
	229,008	193,272
Less capitalised exploration costs	**(156,181)**	(117,089)
Less transferred to Directors fees	**(41,763)**	(76,183)
Personnel costs	**31,064**	-

4. INCOME TAX EXPENSE

(a) No income tax is payable by the parent or consolidated entity as they recorded losses for income tax purposes for the period.

(b) Reconciliation between income tax expense and prima facie tax on accounting profit (loss)

	2015 $	2014 $
Accounting profit (loss)	(965,138)	(1,095,726)
Tax at 30%	(289,541)	(328,718)
Tax effect of other (deductible)/non-deductible items	25,467	(106,172)
Deferred tax asset not recognised	264,074	434,890
Income tax expense	-	-

(c) Deferred tax assets

Revenue tax losses	393,421	454,626
Deferred tax assets not recognised	(264,074)	(434,890)
Set off deferred tax liabilities	(129,347)	(19,736)
Income tax expense	-	-

(d) Deferred tax liabilities

Exploration expenditure	129,347	19,736
Set off deferred tax assets	(129,347)	(19,736)
	-	-

(e) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	5,230,610	5,174,384

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2015 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- the Company continues to comply with conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

The applicable tax rate is the national tax rate in Australia for companies, which is 30% at the reporting date.

5. CASH AND CASH EQUIVALENTS

	2015 $	2014 $
Cash and cash equivalents	544,445	837,459

6. TRADE AND OTHER RECEIVABLES

	2015 $	2014 $
CURRENT		
Other receivables	**26,770**	32,633
GST Receivable	**9,205**	37,117
	35,975	69,750

7. FINANCIAL ASSETS

	2015 $	2014 $
CURRENT		
ASX Listed Shares		
Financial assets available for sale[1]	**1,250**	1,250
	1,250	1,250

[1] 250,000 shares in Stratum Metals Limited at 0.5 cents per share as at 30 June 2015.

8. PLANT AND EQUIPMENT

	2015 $	2014 $
Office equipment		
At Cost	**3,635**	-
Accumulated depreciation	**(762)**	-
	2,873	-
Office equipment		
Opening balance	**2,300**	-
Purchases	**1,335**	-
Depreciation	**(532)**	-
Closing balance	**2,873**	-

9. CONTROLLED ENTITY

	Country of Incorporation	Ownership % 2015	Ownership % 2014
Parent Entity:			
Metal Bank Limited	Australia	-	-
Subsidiary:			
Roar Resources Pty Ltd	Australia	100	100
MBK Resources USA Inc.	United States of America	100	-

On 2 December 2013 the Company acquired 100% of Roar Resources Pty Limited. The purchase consideration was 106,944,444 shares in Metal Bank Limited.

On the 5 February 2015 the Company incorporated MBK Resources USA Inc. This Company is farming into the Mason Valley Copper project.

10. EXPLORATION AND EVALUATION EXPENDITURE

	2015 $	2014 $
Exploration and evaluation expenditure	**4,057,883**	3,425,211
Reconciliation of carrying amount		
Balance at beginning of financial year	**3,425,211**	399,462
Project acquisition	**321,000**	2,229,981
Expenditure in current year	**793,189**	861,555
Proceeds on project disposal	**(50,000)**	-
Exploration expenditure written off	**(431,517)**	(65,787)
Balance at end of financial period	**4,057,883**	3,425,211

11. TRADE AND OTHER PAYABLES

	2015 $	2014 $
CURRENT		
Unsecured liabilities:		
Trade payables	**49,047**	203,085
Sundry payables and accrued expenses	**62,260**	75,746
	111,307	278,831

12. BORROWINGS

	2015 $	2014 $
Borrowings	**641,848**	-

Borrowings are denominated in US $ (US$500,000), and are repayable by 3 February 2017. The loan is unsecured with interest payable at LIBOR plus 3%.

13. SHARE CAPITAL

	2015 $	2014 $
330,929,445 (2014 – 292,929,445) fully paid ordinary shares	**10,577,912**	9,817,912

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Reconciliation of movements in share capital during the year:

	2015 No. Shares	2014 No. Shares	2015 $	2014 $
Opening balance – start of reporting period	**292,929,445**	71,485,001	**9,817,912**	5,612,303
Share Issue – 14 August 2013	**-**	87,500,000	**-**	1,750,000
Share Issue – 2 December 2013	**-**	15,000,000	**-**	300,000
Share Issue – 2 December 2013	**-**	12,000,000	**-**	250,000
Share Issue – 2 December 2013	**-**	106,944,444	**-**	2,138,889
Share Issue – 20 February 2015	**25,500,000**	-	**510,000**	-
Share Issue – 30 June 2015	**12,500,000**	-	**250,000**	-
Cost of raising capital	**-**	-		(233,280)
	330,929,445	292,929,445	**10,577,912**	9,817,912

Capital Management

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

The Company's capital includes ordinary share capital and financial liabilities, supported by financial assets.

Due to the nature of the Company's activities, being mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings. Accordingly, the objective of the Company's capital risk management is to balance the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

	2015 $	2014 $
Cash and cash equivalents	**544,445**	837,459
Trade and other receivables	**35,975**	69,750
Financial assets	**1,250**	1,250
Trade and other payables	**(111,307)**	(278,831)
Working capital position	**470,363**	629,629

Share options

	2015 No.	2014 No.
Movements in share options		
At 1 July	**61,000,000**	21,000,000
Company options issued during the year - unlisted	**-**	55,000,000
Options expired during the year	**(46,000,000)**	(15,000,000)
At 30 June	**15,000,000**	61,000,000

The Company has the following options outstanding as at 30 June 2015.

Grant/Issue Date	Expiry Date	Exercise Price	Number	Listed/Unlisted
2 December 2013	30 November 2018	3 cents	15,000,000	Unlisted

The following table illustrates the number (No.) and weighted average exercise prices of and movements in share options issued during the year:

	2015 No.	Weighted average exercise price 2015 $	2014 No.	Weighted average exercise price 2014 $
Outstanding at the beginning of the year	61,000,000	$0.037	21,000,000	$0.17
Granted during the year	-	-	55,000,000	$0.03
Expired during the year	(46,000,000)	(0.39)	(15,000,000)	$0.20
Exercised during the year	-	-	-	-
Outstanding at the end of the year	15,000,000	$0.03	61,000,000	$0.037
Exercisable at the end of the year	15,000,000	$0.03	61,000,000	$0.037

The share options outstanding at the end of the year had a weighted average exercise price of $0.03 (2014: $0.37 and weighted average remaining contractual life of 1.42 years (2014: 1.58 years).

The following share-based payment arrangements are in place during the current and prior periods:

Series	Number	Grant/Issue Date	Expiry date	Exercise Price	Fair Value at Grant Date	Listed/ Unlisted
Series 1	15,000,000	2/12/13	30/11/18	3 cents	137,520	Unlisted

	Series 1
Expected volatility (%)	78%
Risk-free interest free (%)	3.31%
Expected life of option (years)	6.0
Exercise price ($)	3 cents
Grant date share price	1.7 cents

14. RESERVES

	2015	2014
	$	$
Option issue reserve	**175,020**	494,885

Movements in options issue reserve

Opening balance	**494,885**	250,973
Transferred to options reserve	**37,500**	432,148
Transfer from options reserve on options expiry	**(357,365)**	(188,236)
Closing balance	**175,020**	494,885

15. FINANCIAL RISK MANAGEMENT

The group's principal financial instruments comprise mainly of borrowings and deposits with banks and shares in listed companies shown as financial assets at fair value through profit and loss. The main purpose of the financial instruments is to achieve optimal funding for the group with limited risk and earn the maximum amount of interest at a low risk to the group. The group also has other financial instruments such as trade debtors and creditors which arise directly from its operations.

The consolidated entity holds the following financial instruments at the end of the reporting period:

	2015	2014
	$	$
Financial assets		
Cash and cash equivalents	**544,445**	837,459
Trade and other receivables	**35,975**	69,750
Financial assets at fair value through profit and loss	**1.250**	1,250
	581,670	908,459
Financial liabilities		
Trade and other payables	**111,307**	278,831
Borrowings	**641,848**	-
	753,155	278,831

The main risks arising from the Company's financial instruments are market risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below:

a. Market risk

Cash flow and fair value interest rate risk

The group's main interest rate risk arises from borrowings and cash deposits to be applied to exploration and development areas of interest. Borrowings are primarily to bridge the gap between funding requirements and obtaining shareholder approval for equity issues. It is the group's policy to invest cash in short term deposits to minimise the group's exposure to interest rate fluctuations. The group's deposits were denominated in Australian dollars throughout the year. The group did not enter into any interest rate swap contracts.

b. Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The cash transactions of the group are limited to high credit quality financial institutions.

The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the group's maximum exposure to credit risk.

All cash holdings within the Group are currently held with AA rated financial institutions.

c. Liquidity Risk

The group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds when available are generally only invested in high credit quality financial institutions in highly liquid markets.

Financial Instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

Consolidated Group	**Within 1 year**		**1 to 5 years**		**Over 5 years**		**Total**	
	2015 **$**	2014 $	**2015** **$**	2014 $	**2015** **$**	2014 $	**2015** **$**	2014 $
Financial liabilities - due for payment:								
Trade and other payables	**111,307**	**278,831**	**-**	-	**-**	-	**111,307**	**278,831**
Borrowings	**641,848**	**-**	**-**	-	**-**	-	**641,848**	**-**
Total contractual outflows	**753,155**	**278,831**	**-**	-	**-**	-	**753,155**	**278,831**
Financial assets – cash flows realisable								
Cash and cash equivalents	**544,445**	**837,459**	**-**	-	**-**	-	**544,445**	**837,459**
Trade and other receivables	**35,975**	**69,750**	**-**	-	**-**	-	**35,975**	**69,750**
Financial assets	**1,250**	**1,250**	**-**	-	**-**	-	**1,250**	**1,250**
Total anticipated inflows	**581,670**	**908,459**	**-**	-	**-**	-	**581,670**	**908,459**
Net (outflow)/inflow on financial instruments	**(171,485)**	**629,628**	**-**	-	**-**	-	**(171,485)**	**629,628**

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below.

		Change in profit		Change in equity	
	Carrying Value	100bp Increase	100bp decrease	100bp increase	100bp decrease
30 June 2015	$	$	$	$	$
Cash and cash equivalents	544,445	5,444	(5,444)	5,444	(5,444)
Borrowings	(641,848)	(6,418)	6,418	(6,418)	6,418
	(97,403)	(974)	974	(974)	974
30 June 2014					
Cash and cash equivalents	837,459	8,374	(8,374)	8,374	(8,374)

Maturity of financial assets and liabilities

The note below summarises the maturity of the group's financial assets and liabilities as per the director's expectations. The amounts disclosed are the contractual undiscounted cash flows. There are no derivatives.

	< 6 months	6 – 12 months	1- 5 years	>5 years	Total
30 June 2015	**$**	**$**	**$**	**$**	**$**
Trade and other receivables	35,975	-	-	-	35,975
Trade and other payables	111,307	-	-	-	111,307
Borrowings	-	-	641,848	-	641,848
30 June 2014					
Trade and other receivables	69,750	-	-	-	69,750
Trade and other payables	278,831	-	-	-	278,831

Fair value of financial assets and financial liabilities

There is no difference between the fair values and the carrying amounts of the group's financial instruments. The Group has no unrecognised financial instruments at balance date.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Sensitivity analysis on changes in market rates

A change of 20% in equity prices at the reporting date would increase/(decrease) equity and profit or loss as shown below:

	Carrying Value	Change in profit 20% increase	Change in profit 20% decrease	Change in equity 20% increase	Change in equity 20% decrease
	$	$	$	$	$
30 June 2015 & 30 June 2014					
Financial assets available for sale					
ASX listed investments	1,250	250	(250)	250	(250)

16. COMMITMENTS

The consolidated group currently has commitments for expenditure at 30 June 2015 on its Australian exploration tenements, up to the date of expiry, as follows:

	2015	2014
	$	$
Not later than 12 months	**382,000**	411,667
Between 12 months and 5 years	**730,000**	734,500
Greater than 5 years	**100,000**	-
	1,212,000	1,146,167

The group has a further commitment to pay a retainer fee under outsourced consultancy and management agreements for the provision of geological and service personnel. These agreements can be cancelled with six months' notice.

	2015	2014
	$	$
Not later than 12 months	**-**	54,000
Between 12 months and 5 years	**-**	-
Greater than 5 years	**-**	-
	-	54,000

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or assets in existence at balance sheet date.

18. RELATED PARTY DISCLOSURES

Refer to the Remuneration Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2015. Other than the Directors and secretary, the Company had no key management personnel for the financial period ended 30 June 2015.

The total remuneration paid to key management personnel of the company and the group during the year are as follows:

	2015	2014
	$	$
Short term employee benefits	**352,369**	272,693
Superannuation	**18,349**	11,846
Share based payments	**37,500**	82,512
	408,218	367,051

DIRECTORS' AND EXECUTIVE OFFICERS' EMOLUMENTS

(a) Details of Directors and Key Management Personnel

(i) Directors

Inés Scotland (Non-Executive Chairman) (Appointed 13 August 2013)
Anthony Schreck (Executive Director) (Appointed 29 November 2013)
Guy Robertson (Executive Director) (Appointed 17 September 2012)

(ii) Company secretary

Sue-Ann Higgins – Company Secretary (Appointed 21 August 2013)

(iii) Directors' remuneration

Directors' remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relative comparative information and, where applicable, independent expert advice.

Except as detailed in Notes (a) – (c) to the Remuneration Report in the Director's Report, no director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (c) to the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Company.

(b) Key Management Personnel

Other than the Directors and secretary, the Company had no key management personnel for the financial period ended 30 June 2015.

(c) Remuneration Options: Granted and vested during the financial year ended 30 June 2015

There were no remuneration options granted during the financial year ended 30 June 2015.

(d) Share and Option holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

Shares held by Directors and Officers

Period from 1 July 2014 to 30 June 2015

	Balance at beginning of period	Received as Remuneration	Purchased	Net Change Other	Balance at end of year
I. Scotland	17,500,000	-	20,085,647	-	37,585,647
A. Schreck	10,952,381	-	-	-	10,952,381
G. Robertson	-	-	-	-	-
	28,452,381	-	20,085,647	-	48,538,028

Period from 1 July 2013 to 30 June 2014

	Balance at beginning of period	Received as Remuneration	Purchased	Net Change Other	Balance at end of year
I. Scotland	-	-	17,500,000	-	17,500,000
A. Schreck	-	-	-	10,952,381	10,952,381
G. Robertson	-	-	-	-	-
A. Ho[1]	-	-	-	-	-
G. Frangeskides[2]	-	-	-	-	-
	-	-	17,500,000	10,952,381	28,452,381

[1] Resigned as a director on 13 August 2013
[2] Resigned as a director on 27 December 2013

Options held by Officers and Directors

Period from 1 July 2014 to 30 June 2015

	Balance at beginning of period	Received as Remuneration	Net Change Other	Expired during period	Balance at end of year
I. Scotland	3,000,000	-	-	(3,000,000)	-
A. Schreck	9,000,000	-	-	-	9,000,000
G. Robertson	-	-	-	-	-
	12,000,000	-	-	(3,000,000)	9,000,000

Period from 1 July 2013 to 30 June 2014

	Balance at beginning of period	Received as Remuneration	Net Change Other	Expired during period	Balance at end of year
I. Scotland	-	-	3,000,000	-	3,000,000
A. Schreck	-	9,000,000	-	-	9,000,000
G. Robertson	250,000	-	-	(250,000)	-
A. Ho[1]	-	-	-	-	-
G. Frangeskides[2]	-	-	-	-	-
	250,000	9,000,000	3,000,000	(250,000)	12,000,000

[1] Resigned as a director on 13 August 2013
[2]Resigned as a director on 27 December 2013

Performance Rights

Mr Tony Schreck was granted 6,355,932 performance rights, the terms of which are outlined in the Director's report.

19. SEGMENT INFORMATION

The group's operations are in one business segment being the resources sector. The group operates in Australia and the United States of America (from February 2015). All subsidiaries in the group operate within the same segment.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Inter-segment transactions

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

Administration and other operating expenses are not allocated to operating segments as they are not considered part of the core operations of any segment.

Project segments

	Australian Projects	United States of America Project	Administration Costs	Unallocated	Total
	$	$	$	$	$
30 June 2015					
Revenue					
Interest and other income	-	-	-	6,415	6,415
Total segment revenue	-	-	-	6,415	6,415
Expenses					
Exploration expenditure written off	(431,517)	-	-	-	(431,517)
Administration	-	-	(540,036)	-	(540,036)
Total segment expenses	(431,517)	-	(540,036)	-	(971,553)
Income tax benefit	-	-	-	-	-
Segment result	(431,517)	-	(540,036)	6,415	(965,138)
Acquisition cost of tenements/project interest	-	321,000	-	-	321,000
Exploration costs incurred for the year	241,410	528,136	-	-	769,546
Segment assets	3,208,747	849,136	-	584,543	4,642,426
Segment liabilities	-	-	-	753,155	753,155

Interest is earned in Australia.

20. EARNINGS PER SHARE

	2015 Cents	2014 Cents
Reconciliation of earnings per share		
Basic and diluted earnings per share	**(0.32)**	(0.51)
Profit/(loss) used in the calculation of the basic earnings per share	**(965,138)**	(1,095,726)
Weighted average number of ordinary shares:		
Used in calculating basic earnings per ordinary share	**302,066,431**	214,619,095
Dilutive potential ordinary shares	**-**	-
Used in calculating diluted earnings per share	**302,066,431**	214,619,095

21. AUDITORS REMUNERATION

	2015 $	2014 $
Auditor of parent entity		
Audit or review of financial reports	**20,000**	21,600
Non-audit services	**-**	-
	20,000	21,600

22. CASH FLOW INFORMATION

Reconciliation of net cash used in operating activities with profit after income tax

	2015 $	2014 $
Loss after income tax	**(965,138)**	(1,095,726)
Non-cash flows in loss:		
Impairment of investments	**-**	31,250
Share based payments	**37,500**	494,868
Exploration written off	**431,517**	65,787
Depreciation	**532**	230
Changes in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	**33,776**	(57,424)
(Decrease)/Increase in trade and other payables	**(3,327)**	89,169
Increase in exploration	**(1,273,387)**	(980,438)
Net cash (outflow) from operating activities	**(1,738,527)**	(1,452,284)

23. PARENT ENTITY DISCLOSURES

Financial Position

	2015 $	2014 $
Current Assets		
Cash and cash equivalents	**395,667**	806,586
Trade and other receivables	**1,864,778**	1,035,574
Financial assets	**1,250**	1,250
Total Current Assets	**2,261,695**	1,843,410
Non-current Assets		
Office equipment	**2,873**	2,070
Financial assets	**2,269,836**	2,409,835
Evaluation and exploration expenditure	**99,804**	80,425
Total Non-current assets	**2,372,513**	2,492,330
Total Assets	**4,634,208**	4,335,740
Current Liabilities		
Trade and other payables	**89,678**	278,831
Borrowings	**641,848**	-
Total Current Liabilities	**731,526**	278,831
TOTAL LIABILITIES	**731,526**	278,831

NET ASSETS	**3,902,682**	4,056,909
EQUITY		
Issued capital	**10,577,913**	9,817,912
Reserves	**175,020**	494,885
Accumulated losses	**(6,850,251)**	(6,295,216)
TOTAL EQUITY	**3,902,682**	4,056,909
Total loss	**(951,727)**	**(1,095,726)**
Total comprehensive loss	**(951,727)**	**(1,095,726)**

i. Financial Performance

The subsidiary acquired did not trade from the date of acquisition with the result that the result of the Group equates to the result of the parent for the year.

ii. Contingent liabilities and contingent assets

The parent entity is responsible for the contingent liabilities and contingent assets outlined in note 17.

iii. Commitments

The parent entity is responsible for the commitments outlined in note 16.

iv. Related parties

An interest in subsidiary is set out in note 9.

Disclosures relating to key management personnel are set out in note 18.

24. SIGNIFICANT AFTER BALANCE DATE EVENTS

Subsequent to balance date the Company raised $350,000 through the issue of 23,333,333 new shares and has a commitment for a further $150,000 or 10,000,000 shares subject to shareholder approval.

Other than as outlined above there are currently no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

25. SHARE BASED PAYMENTS

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted.

Transactions with employees and others providing similar services are measured by reference to the fair value at grant date of the equity instrument granted.

The following share based payments were made during the year:

	Price per share*	**2015 $**	2014 $
Ordinary shares			
(a) On 2 December 2013, 15,000,000 ordinary shares were issued to advisors relating to the Roar Resources Pty Ltd acquisition and the capital raising.	2 cents	-	300,000
(b) On 2 December 2013, 12,000,000 ordinary shares were issued to extinguish a debt obligation	2 cents	-	250,000
		-	550,000
Applied to debt		-	(250,000)
Allocated to cost of raising capital		-	(233,280)
Charged to profit and loss		-	66,720

*The fair value of shares issued during the year was determined by reference to market price.

Share options	Series	**2015 $**	2014 $
(a) On 15 August 2013, 25,000,000 unlisted options were issued to advisors and consultants, with an exercise price of 3 cents and an expiry date of 31 March 2015	2	-	211,824
(b) On 12 September 2013, 15,000,000 unlisted options were issued to advisors and consultants, with an exercise price of 3 cents and an expiry date of 31 March 2015	3	-	78,804
(c) On 2 December 2013, 15,000,000 unlisted options were issued to management of Roar Resources Pty Ltd, with an exercise price of 3 cents and an expiry date of 30 November 2018	4	-	137,520
		-	428,148

The fair value of equity – settled unlisted share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

Performance Rights

The Company granted 6,355,932 performance rights to a Director on 2 July 2015. For details see the Remuneration Report. As the performance period commenced on 1 March 2015, the Company has accrued 50% of the entitlement using the share price at grant date which was 1.18 cents per share. This charge, $37,500, is reflected in share based payments in the consolidated statement of profit and loss and in the share based payments reserve.

In accordance with a resolution of the directors of Metal Bank Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 22 to 49, are in accordance with the *Corporations Act 2001* and:

    a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group;

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

3. the directors have been given the declarations required by s295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.

Guy Robertson
Director
21 September 2015

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

METAL BANK LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Metal Bank Limited, which comprises the consolidated statement of financial position as at June 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 report.

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

RSM Bird Cameron Partners

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Metal Bank Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Metal Bank Limited is in accordance with the *Corporations Act 2001*, including:

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

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

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the company and consolidated entity incurred a loss of $951,727 and $965,138 respectively and the consolidated entity had net cash outflows from operating activities of $1,738,527 for the year ended 30 June 2015. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the company and consolidated entity's ability to continue as going concerns and therefore, the company and consolidated entity may be unable to realise their assets and discharge their liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 19 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Metal Bank Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

C J HUME
Partner

Sydney, NSW
Dated: 21 September 2015

The following additional information is required by the Australian Securities Exchange pursuant to Listing Rule 4.10. The information provided is current as at 15 September 2015 unless otherwise stated.

a. Distribution of Shareholders

Number held	Number of share holders	Number of shares	% of number of shares
1 – 1,000	5	21	0.00%
1,001 - 5,000	6	22,500	0.01%
5,001 - 10,000	57	557,847	0.15%
10,001 - 100,000	114	5,370,633	1.55%
100,001+	101	348,311,777	98.29%
Total	**283**	**354,262,778**	**100.00%**

b. The number of shareholders who hold less than a marketable parcel is 118.

c. Substantial shareholders

The names of the substantial shareholders in the Company, the number of equity securities to which each substantial shareholder and substantial holder's associates have a relevant interest, as disclosed in substantial holding notices given to the Company are:

	No of shares	%
Indigo Pearl Capital Ltd	36,785,647	11.12%
Celtic Stars Capital Ltd	32,035,647	10.06%
Cartier Peaks Investments Ltd	24,285,647	6.86%
Aristo Jet Capital Ltd	32,035,647	10.06%
Greenvale Asia Limited	47,360,647	13.37%

d. Twenty largest holders of each class of quoted equity security

	Name	No of Ordinary Shares	%
1.	Pershing Australia Nominees Pty Ltd <Q A/C>	77,404,627	21.85
2.	Berne No 132 Nominees Pty Ltd <602987 A/C>	44,285,647	12.50
3.	Berne No 132 Nominees Pty Ltd <600835 A/C>	36,785,647	10.38
4.	Berne No 132 Nominees Pty Ltd <601299 A/C>	24,287,647	6.85
5.	Citicorp Nominees Pty Limited	14,401,666	4.06
6.	Fera Holdings Limited	12,277,381	3.47
7.	Europe Resources Limited	12,000,000	3.39
8.	Mr Anthony William Schreck	10,952,381	3.09
9.	Macquarie Bank Limited	10,426,190	2.94
10.	Seamoor Pty Ltd	9,078,898	2.56
11.	Jamie Alexander William Alpen	7,777,778	2.20
12.	Mr Mark Henry Winter	7,588,334	2.14
13.	Anthony Gerard & Therese Anne Smith <Ariel A/C>	7,027,302	1.98
14.	Kanwara Sreechum	6,150,000	1.74
15.	Mr Matthew James Sachr	5,000,000	1.41
16.	Mr Michael Davies	3,468,254	0.98
17.	Black Swan Global Pty Limited <Black Swan Global Investment A/C>	3,200,000	0.90
18.	BNP Paribas Noms Pty Ltd	3,075,000	0.87
19.	Mr Michael Adrian Sexton	2,807,680	0.76
20.	Maharajapuram Venkataraman SridHar	2,500,000	0.71
		300,492,432	**84.82**

e. Restricted Securities

There are no restricted securities.

f. Unquoted equity securities

The Company has the following unlisted options on issue:

15,000,000 unlisted options exercisable at 3 cents with expiry 30 November 2018

The Company has the following unlisted Performance Rights on issue:

6,355,932 performance rights – each right is for one ordinary share in Company and expire on 9 April 2016.

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
ADDITIONAL INFORMATION FOR LISTED COMPANIES
AS AT 15 SEPTEMBER 2015

1. Company Secretary

The name of the company secretary is Ms Sue-Ann Higgins.

2. Address and telephone details of entity's registered and administrative office

Suite 1, Level 16
60 Collins Street
Melbourne VIC 3000
AUSTRALIA
Ph: (03) 9639 0558
Fax: (03) 9671 3299

Mailing Address
PO Box 18155
Little Collins St
MELBOURNE VIC 3000
AUSTRALIA

3. Address and telephone details of the office at which the register of securities is kept

Advanced Share Registry Ltd
110 Stirling Highway
Nedlands WA 6009
Telephone: +(619) 9389 8033
Facsimile: +(619) 9262 3723

4. Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange.
Home Exchange – Perth; ASX Code: MBK.

5. Review of Operations

A review of operations is contained in the Review of Operations report.

6. On market buy-back

There is currently no on-market buy-back.

DIRECTORS
Inès Scotland (Non-Executive Chairman)
Anthony Schreck (Executive Director)
Guy Robertson (Executive Director)

COMPANY SECRETARY
Sue-Ann Higgins

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Sydney NSW 2000

BANKERS
Westpac

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