2014 Annual Report



GME RESOURCES LIMITED

Corporate Directory

GME Resources Ltd
ABN 62 009 260 315

Directors

Michael Delaney PERROTT AM B.Com, ***Chairman***
James Noel SULLIVAN FAICD, ***Managing Director***
Peter Ross SULLIVAN BE, MBA, ***Director***

Company Secretary

Mark Pitts B.Bus FCA

Registered Office and Principal Place of Business

247 Balcatta Rd
Balcatta WA 6021
Telephone: (08) 6180 4690
Facsimile: (08) 9315 5475
Web Site: **www.gmeresources.com.au**

Auditors

HLB Mann Judd
Chartered Accountants
Level 4, 130 Stirling Street
Perth WA 6000

Share Registry

Computershare Registry Services Pty Ltd
Level 2, Reserve Bank Building
45 St George's Terrace
Perth WA 6000
GPO Box D182
Perth WA 6001
Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033

Securities Exchange Listing

The Company's shares are quoted on the Official List of Australian Securities Exchange Limited Ticker code: GME

State of Registration

Western Australia

Table of Contents

GME RESOURCES LIMITED

Chairman's Letter

Dear Shareholder

Good progress continues to be made in your company and your Directors remain confident of the value of the assets within the company.

There were several highlights through the year which warrant your attention. In particular, the results from the scoping study which was announced in December provided further encouragement and confidence that the Company is on the correct pathway in relation to the future development of the NiWest Nickel Project.

The extensive test program to be completed this year is expected to deliver further traction and provide a much improved understanding as to the likely successful outcome of a heap leach operation, which will utilise Direct Solvent Extraction. More work continues to be done on this, as is described in our Annual Report, but your Directors are encouraged by progress being made.

Although the gold assets are not the principle focus of our attention, we have been successful in further upgrading of these assets and will continue with the Company's strategy to unlock the value of these projects where small scale high profit operations can be sustained.

Funding for the company continues with a successful capital raising in June, which received strong support from our shareholders. In particular we welcome Panoramic Resources Ltd, a leading West Australia nickel producer to our register who has taken up the substantial proportion of the short fall from the entitlements issue.

Once again I would like to thank my fellow Board members for their strong and active involvement, especially our Managing Director, Jamie Sullivan. It is a small but active Board and we are able to work closely together.

Our Annual General Meeting is at our usual venue in Applecross and we look forward to seeing you there.

Yours faithfully

Michael Perrott AM
Chairman

Operations Report 2014

The next twelve months are shaping up as a defining period for the NiWest Project. Results from the metallurgical test program that is in progress has the potential to significantly enhance the Company's development strategy to transform the NiWest Nickel Project into long term nickel operation. The Company looks forward to providing updates on its activities throughout the year.

NiWest Nickel Laterite Project: (GME - 100%)

Project Overview

GME's NiWest Nickel Laterite Project in the North Eastern Goldfields of Western Australia is located in the centre of one of the world's premier nickel producing provinces. Important open access infrastructure such as rail line, gas pipe line and arterial roads traverse or are in close proximity to the project area.

The project hosts a significant drill tested resource that boasts a nickel inventory of over 1,000,000 tonnes of contained nickel metal. With the all of the resources located between surface and fifty metres depth, the project presents the opportunity to exploit the deposits through conventional low cost open pit mining.

Extensive testing of the different ore types that comprise the NiWest resources strongly indicate that they are amenable to processing by Heap Leaching (HL). The location of the project within predominately flat terrain and semi desert environment offers ideal conditions for the development of a heap leach operation. Technology around heap leaching of minerals and metals is well established and has been used for decades in the copper and gold industries.

Results from numerous column leach tests completed have consistently demonstrated that nickel extraction rates above 70% are achievable. Adding further support to the heap leaching processing option is the successful heap leach program completed on similar lateritic ore types at the adjacent Murrin Murrin Nickel Refinery.

The key to unlocking the underlying value of the NiWest resource rests with two factors; firstly, to develop a process flow sheet that maximises the value of the metal recovered from the nickel solutions coming from the heap leach; and secondly to design a processing facility at a significantly lower capital cost than the more complex multi-billion dollar high pressure acid leach plants such as Ravensthorpe and Murrin Murrin.

The initial "Proof of Concept" metallurgical test program on downstream processing of pregnant nickel solutions utilising Direct Solvent Extraction (DSX) techniques was successfully completed in 2013. The positive result from this test work was instrumental in providing the Company with the catalyst to advance the NiWest development strategy.

In August last year, the Company engaged Bateman Tenova and MWorx Pty Ltd to complete a Scoping Study utilising the HL-DSX-EW flow sheet in an effort to gauge the technical and economic viability for a operation of this nature.

Bateman Tenova is an internationally recognised engineering firm with extensive experience in the design and development of SX –EW plants. Project manager, Mr David Readett principal of MWorx Pty Ltd is a metallurgical engineer with over twenty five years' experience in the mining and processing industry and specialises in hydrometallurgy. Mr Readett has distinctive expertise in nickel laterite heap leaching having been involved with the recent development of the heap leach program at the adjacent Murrin Murrin Nickel Refinery.

The Study Scope included a review of the conceptual flow sheet design, preliminary mass balance, conceptual layout, process design, order of magnitude capital and operating costs and preliminary equipment lists. The study considered a range of production scenarios to establish the most economically attractive development option for the Project. Highlights from the study are outlined below.

Figure 1 - Bateman Tenova designed and built Copper SX EW plant in Chile. SX units are located in two banks in foreground. Electrowinning refinery is housed in the large building at rear. Plant is similar in conceptual layout and size (1.5mtpa) to the proposed NiWest processing facility.

Study Highlights

- **The study concluded that a heap leaching operation combined with a processing plant utilising Direct Solvent Extraction and Electrowinning (DSX -EW) to upgraded purified nickel solutions from the heap leach to produce LME nickel cathode via electrowinning is technologically and potentially economically sound.**
- **Optimum start up project to comprise a fully integrated 1.5 mtpa Combined Heap Leach - DSX-EW Process Plant.**
- **The study forecast a capital cost of $461 million for the NiWest Project which ranks it as one of the most capital competitive nickel laterite developments in the world.**
- **Development of a 1.5 mtpa heap leaching operation coupled to a DSX –EW processing plant would result in an Annual Production Rate of 14,000 tonnes nickel cathode and 540 tonnes cobalt.**
- **The average Life Of Mine operating cost is estimated to be US$5.68/lb**
- **Project Net Present Value of A$934 million and Internal Rate of Return of 37%.**
- **The defined resources support a minimum 20 year operation with potential to extend further or scale up production.**
- **The study highlights that the proposed HL-DSX-EW processing route offers a significantly lower capital cost over the alternative and more complex High Pressure Acid Leach (HPAL) process.**

The study recommended that the Company proceed with a high level metallurgical test program to validate the "Proof of Concept" test work. To this end, the Company recently completed a Sonic Core drilling program that generated over five tonnes of sample to be used in the test program which is designed to cover all aspects of the flow sheet and provide engineering data required to feed into a Definitive Feasibility Study (DFS). The test work to be covered in the program includes:

- Bottle roll tests to determine the extent and variability of typical leach kinetics and acid consumptions.
- Crushing, agglomeration and heap stacking/height optimisation test work including hydrodynamic and geotechnical work to be undertaken at HydroGeoSense laboratory in USA.
- Large scale column test that will generate up to eight tonnes of pregnant nickel solution
- Conduct both batch and continuous pilot plant tests for solution neutralisation/iron removal and Direct Solvent Extraction (DSX).

The final stage of the NiWest flow sheet, which has been developed along similar lines to a copper processing plant, includes an Electrowinning (EW) refinery that will produce LME grade nickel cathode and a high grade cobalt carbonate concentrate.

Completing the current test program which is expected to take twelve months will be a major milestone for the Company in its aspiration to move the NiWest Project forward to development. The test program is expected to deliver a number of key outcomes that will allow the project to continue seamlessly into a DFS.

Over the past seven years, the Company has invested significant funds aimed at advancing the NiWest Project. Feasibility work from 2008 to 2010 included a major resource drilling program that resulted in a substantial upgrade in resource quality.

Metallurgical test programs have been a feature of ongoing work since 2007. In December 2013 two patents lodged by the Company over its Acid Regeneration and Ore Pelletisation process were granted. Both of these important innovations will be utilised in the NiWest flow sheet.

The acid regeneration process is designed to reduce acid consumption by regenerating a significant proportion of the acid for re use in the heap leach stage. Test work to date indicates that up to 30% of the consumed acid can be regenerated.

The pelletisation process is designed to stabilise the ore and commence the leaching cycle prior to the pellets being stacked on the heap. Both leach cycle and stabilisation of the heap is a critical aspect in any heap leaching operation. Further refinement of the acid regeneration process is planned and is expected to lead to a greater percentage of acid regenerated.

Water resource identification and test bores have been established at the Mt Kilkenny project area which includes a 2.0gl water licence. The water licence is sufficient to supply around 70% of the water requirement to undertake the proposed 1.5 mtpa operation. Further work on water resource development will be addressed in the DFS.

The Company also holds an active permit for a trial mine and heap leach at the Hepi project. The permit which was due to expire in 2015 has been extended until 2019. Environmental surveys covering flora and fauna baseline studies have been completed at Hepi. Base line environmental surveys have also been completed at Mt Kilkenny.

Further details on the results from Scoping Study are outlined below.

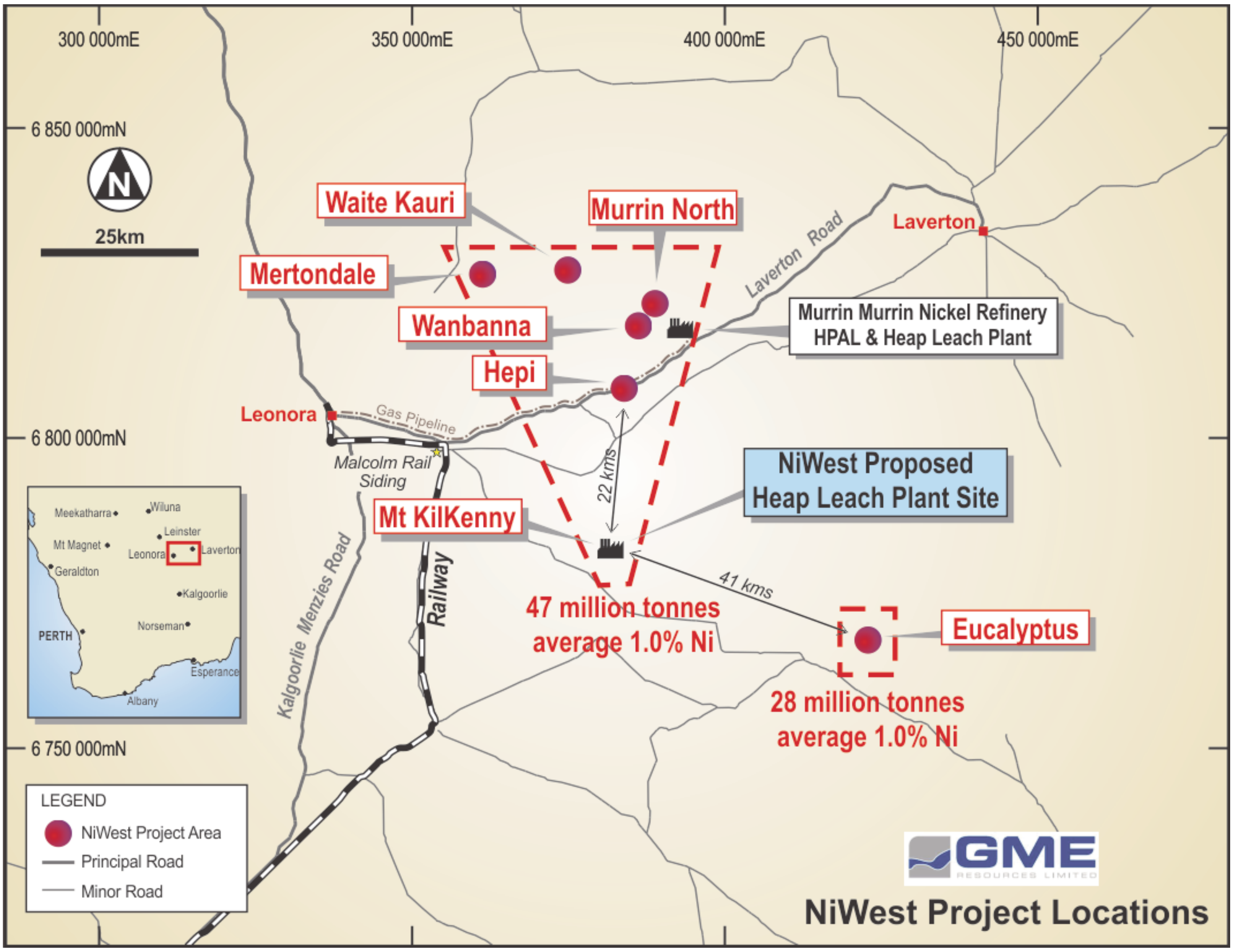


Figure 2 - GME NiWest Poject Locations

Financial Results generated from the Scoping Study

- Operating Cost: US$5.68/lb nickel (includes royalties and sustaining capital).
- Capital Cost: A$461 million (includes contingency of A$103 million).
- Operating Surplus: A$2.8 billion pre-tax (includes capital payback).
- NPV: A$934 million pre-tax (10% discount).
- Internal Rate of Return: 37%.
- Pay Back on Capital: 2 years.
- Low capital intensity: US$12.75/lb annual nickel production.

Table 1: Summary of financial model including parameters and assumptions

Declared Resource Base (JORC 2004)	Million Tonnes	%Ni	%Co	Ni Metal	Co Metal
Measured	34.22	1.04	0.07	355,198	23,037
Indicated	22.41	0.99	0.06	222,273	14,189
Inferred	19.09	0.96	0.06	184,038	11,303
Total Resource (0.8% Ni cut-off grade)	75.73	1.01	0.06	761,509	48,529
Mining Inventory	29.5	1.28	0.08	377,600	23,600
Average Nickel Production Per Annum	14,000				
Cobalt Production Per Annum	540				
Extraction Rates		72%	40%		
Life of Mine	20 years				
Nickel Price	US$10/lb				
Cobalt Price	US$25/lb				
Assumed Acid Price	A$75/tonne				
Capital Cost Estimate	$461 million				
LOM Capital Estimate	$606 million				
Operating Cost Breakdown					
Mining US$1.02/lb					
Processing	US$4.18/lb				
Administration / Royalties	US$0.49/lb				
Total Operating Costs	US$5.68/lb				
Cumulative Operating Revenue	A$7.71 billion				
Cumulative Operating Surplus (Pre Tax)	A$2.82 billion				
NPV 10% discount (Pre Tax)	A$934 million				
Internal Rate of Return	37%				
Capital Payback	2.0 years				
Exchange Rate US$1 : AUS$0.85					

Table 2: Capital cost estimate - Break down of major capital items

Description	
Heap Leach & Solution Neutralisation	$88,058,202
SX EW Plant	$88,032,651
Acid Regeneration	$34,860,095
Power Plant and Electrical Installation	$36,399,419
Calcrete Plant	$9,158,879
Water Supply	$27,788,345
Piping	$12,196,581
Site Buildings	$12,484,632
Site Establishment	$20,389,831
EPCM PCM PCN	$17,467,715
Vendor	$4,822,422
First Fill	$3,985,811
Critical Spares	$1,992,905
Sub Total	**$357,637,489**
Contingency	$103,128,033
Total	**$460,765,522**

Resource Estimate

Ravensgate Mining Industry Consultants have completed a resource estimate for the NiWest Project. The resource estimate was last updated in April 2011 and is in accordance with JORC 2004 guidelines (refer Annual Mineral Resource Statement). The NiWest data base contains drilling information and assay results from 4,196 bore holes for 131,800 metres of drilling.

The project comprises of seven separate project areas in close proximity containing resources of various sizes. Resources are well defined with over 70% drill tested to measured and indicated categories. All of the NiWest resources are located on granted mining leases. (Refer to NiWest Project plan).

Table 3: NiWest Reported resource estimate - (JORC 2004)

0.7% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	45.86	0.96	0.06		
	Indicated	32.28	0.92	0.06		
	Inferred	30.32	0.89	0.06		
	Combined	108.46	0.93	0.06	1,008,678	65,076

0.8% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	34.22	1.04	0.07		
	Indicated	22.41	0.99	0.06		
	Inferred	19.09	0.96	0.06		
	Combined	75.73	1.01	0.06	764,772	45,432

1.0% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	19.21	1.19	0.08		
	Indicated	8.47	1.14	0.08		
	Inferred	5.07	1.14	0.07		
	Combined	32.75	1.17	0.08	383,175	26,200

1.2% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	7.43	1.37	0.09		
	Indicated	2.23	1.31	0.09		
	Inferred	1.29	1.28	0.09		
	Combined	10.95	1.34	0.09	146,730	9,855

Process Flow Sheet

The NiWest Project aims to produce LME cathode nickel and a cobalt carbonate precipitate. The process flow sheet consists of open cut mining, crushing, agglomeration and ore stacking, multistage leaching, acid regeneration, iron removal/neutralisation, solvent extraction and electrowinning.

The heap leach solution circuit incorporates the iron removal and acid regeneration process. The heap leach utilises a dynamic on/off pads system whereby spent ore is removed and disposed of in a pit.

The Pregnant Liquor Solution (PLS) generated from the heap is directed to solution neutralisation where iron is removed followed by solvent extraction and electrowinning. Cobalt is recovered separately as a precipitated carbonate product. Residues generated from DSX-EW process are co-disposed in a pit with spent ore.

Sulphuric acid will be sourced from the region and transported to site via rail and road transport. The plant's energy requirements will be provided by natural gas fired generators, with gas sourced from a gas pipeline running through the project. Calcrete for neutralisation can potentially be sourced in the vicinity of the project.

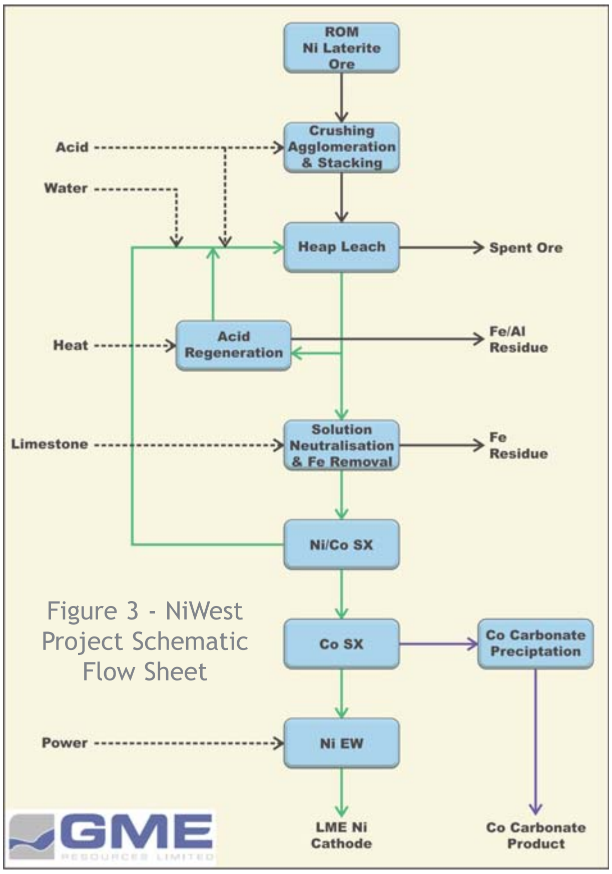


Figure 3 - NiWest Project Schematic Flow Sheet

Mining Method

The NiWest resources are of typical geometry found with nickel laterite deposits which are generally shallow, flat lying zones of mineralised lateritic clays. All of the mineralisation is located between surface and 60 metres. The assumed mining method is via standard open pit methods, and to be mostly free digging with conventional excavators and rigid haul trucks to deliver ore to surface.

The mine schedule used in the study assumes higher strip ratios in the first five years, averaging 9:1 as higher grade ore is sourced preferentially. The average strip ratio for life of mine reduces to 6.9:1 whereby mined lower grade stockpiled ore is utilised in the later stages of the project.

The current mining schedule determined that ore is sourced from only three project areas, Hepi, Eucalyptus and Mt Kilkenny, The mining plan as determined is based on grade and distance from the plant and includes a total cost of $147 million for haulage of ore from Hepi and Eucalyptus projects to the proposed plant site at Mt Kilkenny. Further detailed optimisations will be undertaken to identify cost benefits that can be adopted to improve the model by scheduling high grade ores from other NiWest project areas.

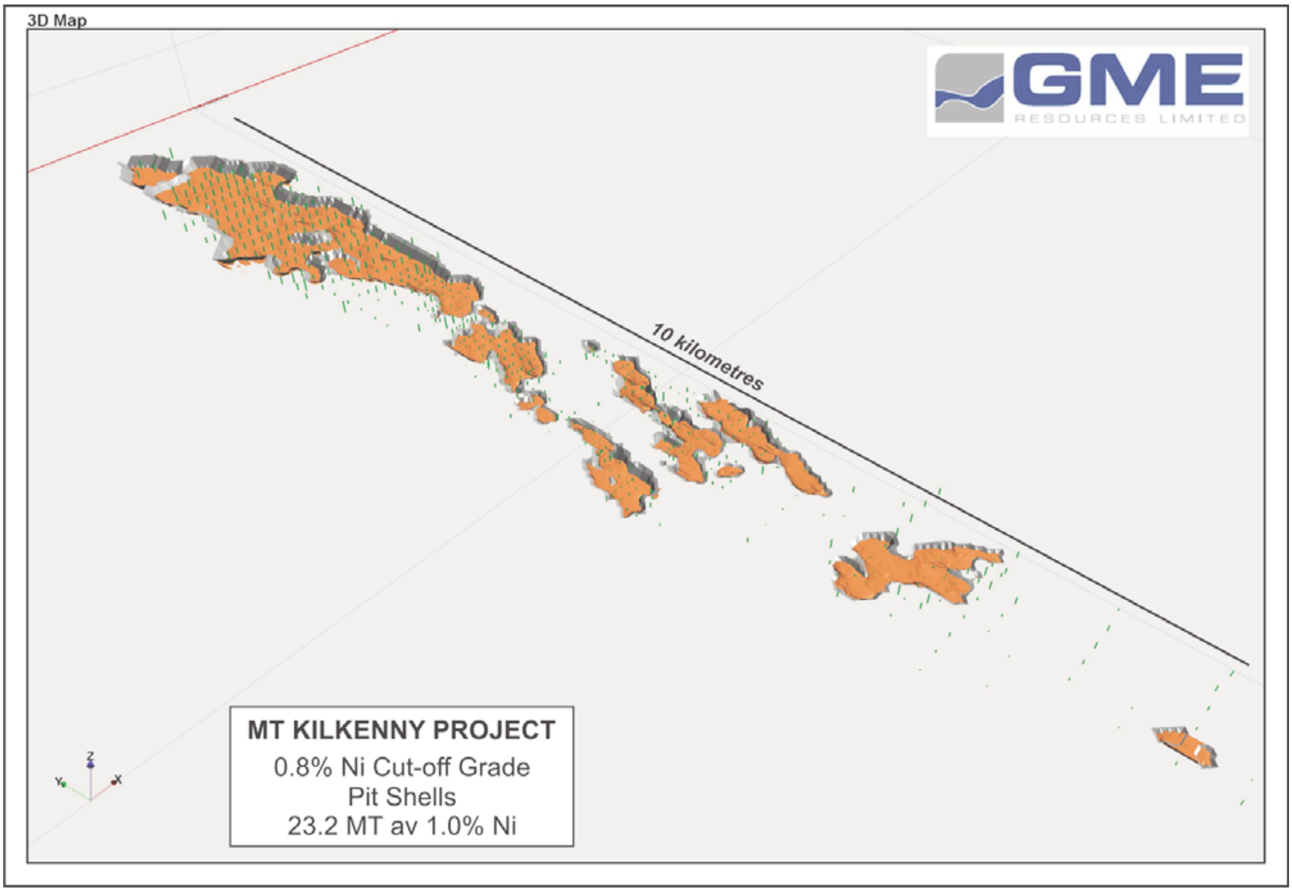


Figure 4 - Pit shells at the Mt Kilkenny project area demonstrating the scale of the resource area

Company Funding

In May this year the Company offered shareholders the opportunity to acquire additional shares in the Company through a non-renounceable rights issue. The one for five entitlement issue priced at 2.7cents was strongly supported (66.9% take-up) and raised $1.39 million. A further $687,821 was raised subsequent to the end of the financial year, through the placement of the remaining shortfall bringing the total raised to $2.07 million.

MOU with Panoramic Resources Ltd.

The Company welcomes Panoramic Resources Limited (Panoramic) as a shareholder after agreeing to take up $500,000 worth of shares in the shortfall through a strategic placement which included the formalisation of a Memorandum of Understanding (MoU) relating to the NiWest Nickel Laterite Project.

The MOU provides Panoramic with the opportunity to review the NiWest Project and provide advice on future exploration, project optimisation, development as well as commercialisation and financing alternatives.

The Company has agreed to grant Panoramic a period of exclusivity to 30 June 2015 to complete the review and if it sees fit, provide GME with commercial terms for consideration with regard to Panoramic's potential involvement in the Project.

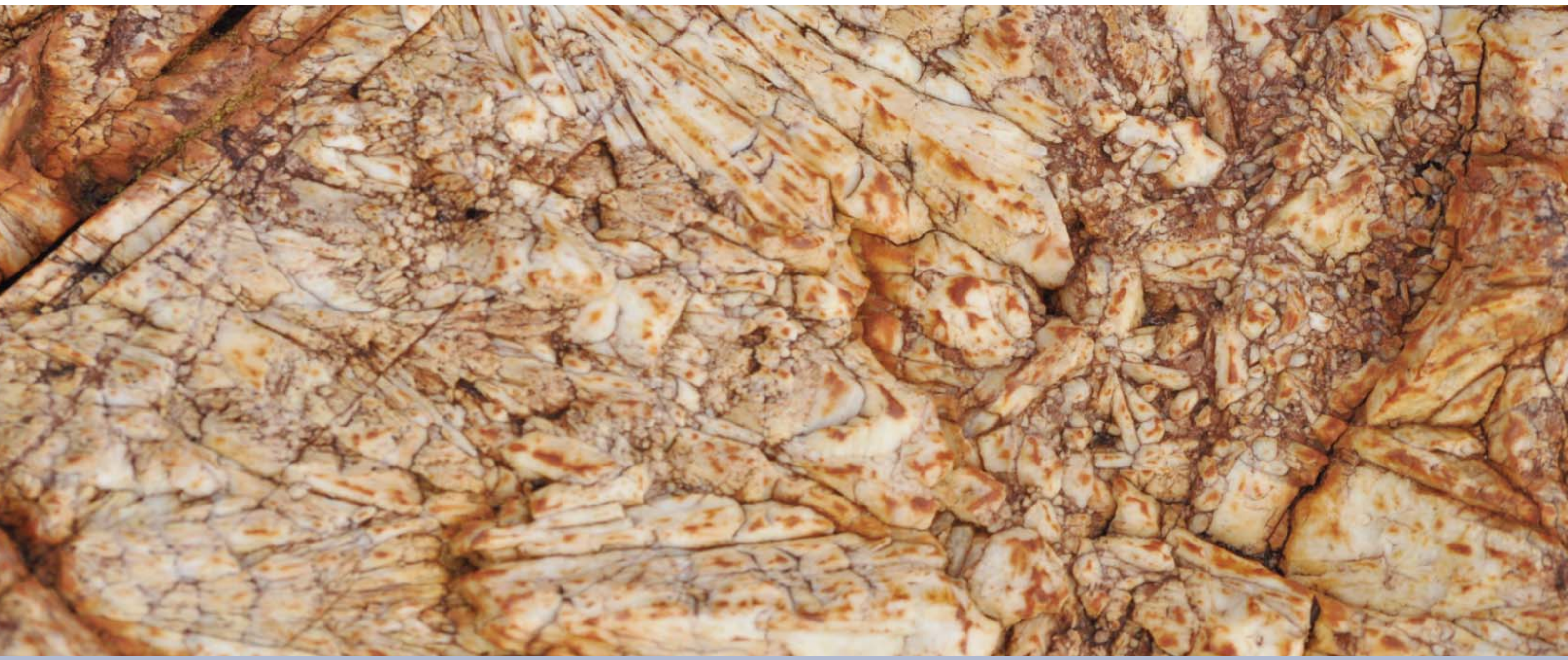
About Panoramic

Panoramic is an established Western Australian mining company operating two 100% owned underground nickel sulphide mines, the Savannah Project in East Kimberley, and the Lanfranchi Project near Kambalda. On a group basis, Panoramic had a record production of 22,256t contained nickel in FY2014 and is forecasting to produce between 20,000 and 21,000t contained nickel in FY2015. Panoramic has a solid balance sheet, no bank debt and a growing nickel, gold and PGM resource base, employing more than 400 people (including contractors). The Company had a market capitalisation of approximately $250m and cash and receivables at 30 June 2014 of approximately $96.7m.

Next Step

Over the coming year the Company's focus will be on the metallurgical program that has commenced and will run continuously throughout the year. The outcomes from this work will provide the basis to undertake a more accurate evaluation as to capital and operating costs estimates for the NiWest project development, at which time a decision will be made as to resuming work on the DFS.

The Company looks forward to providing updates on its activities throughout the year.



GOLD PROJECTS: GOLDEN CLIFFS NL (GME - 100 %)

The Company, through its subsidiary Golden Cliffs NL owns a number of prospective gold projects in the Leonora /Laverton region. Although the projects don't present as long term standalone development projects they do have potential to provide near term cash flow. The Company's strategy is to continue to explore and evaluate these assets with targeted work programs that focus on quick start-up, high-grade, mine and haul projects.

Over the past year the company has continued to explore these projects with work undertaken at Laverton Downs, Abednego and the Devon gold project, however funding for the gold assets has been limited and this has resulted in a somewhat slower rate of progress. Positive results continue to flow from exploration activities completed at a number of the projects, details of which are outlined below.

Devon Gold Project

The Devon gold project is the most advanced of the Company's gold assets. The Devon hosts a JORC compliant resource containing over 51,000 ounces. The project is shaping up as ideal small scale open pit development opportunity for the Company. Mining leases were granted in December 2013 which now allows the Company to push forward with a mining proposal. Miscellaneous licences for construction of a haul road have also been granted .Heritage surveys have been completed and negotiations on an ore processing arrangements are in progress.

This year the Company plans to drill test approximately 240 metres of the southern strike where high gold grades have been encountered in costean sampling and recent drilling. The infill program is designed to drill out this area of the resource on a 20 metre X 10 metre pattern to a vertical depth of forty metres. Exceptional gold grades have been recorded over the southern strike which is not affected by the historical underground workings.

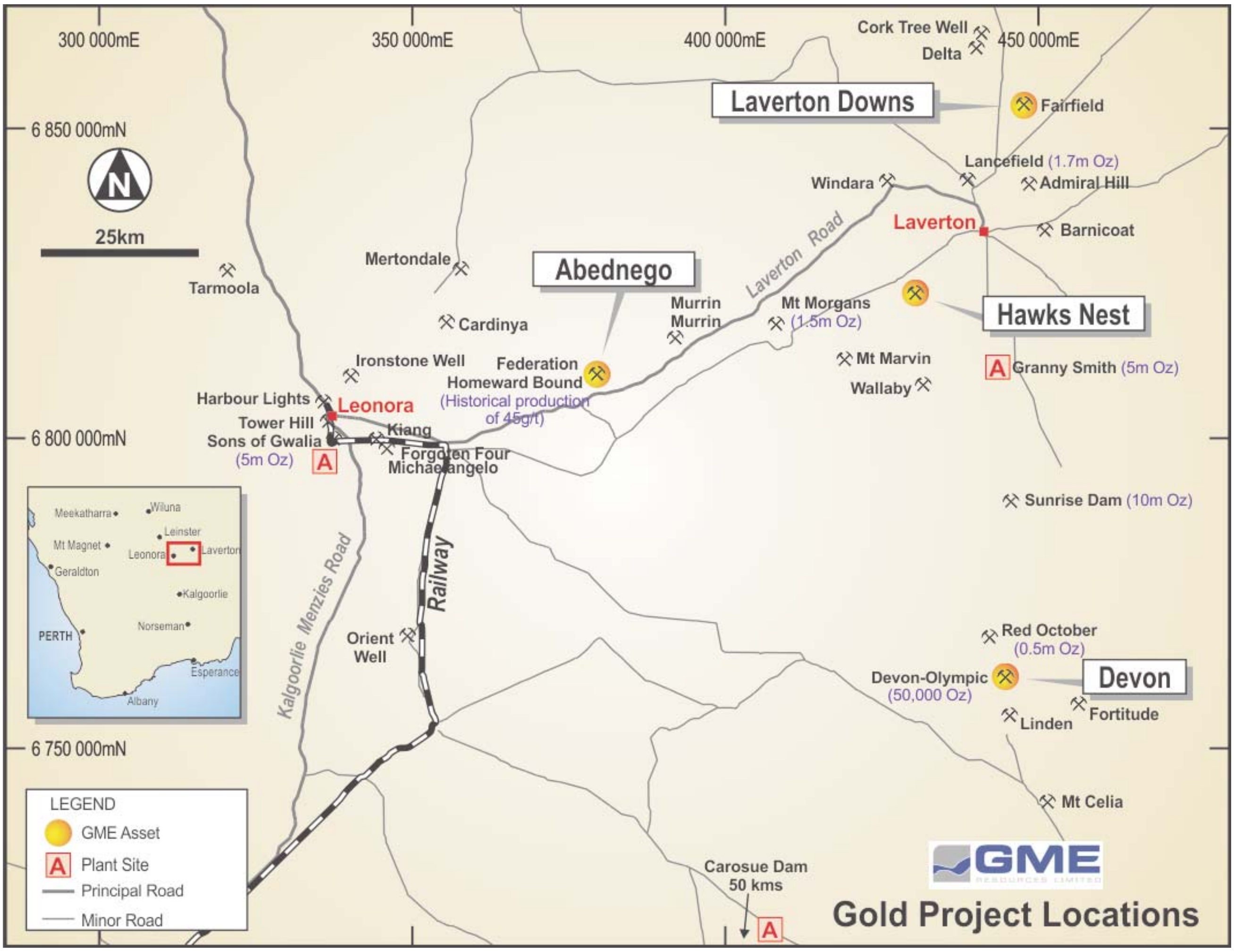
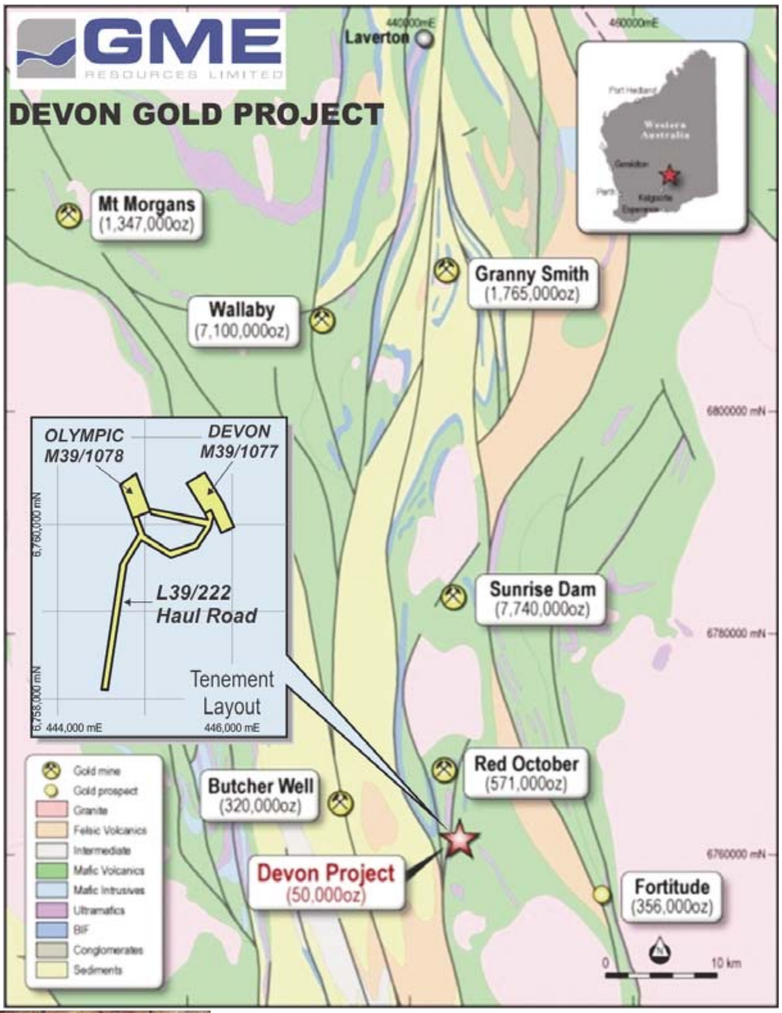


Figure 5 - GME Gold Poject Locations

The results from this program will be used to complete an economic evaluation on the development of a small high grade open pit mine. Cross sections (figures 8-10) show gold intersections from previous drilling and the planned drill holes.

The Devon Gold Project is situated over the world class, significantly gold endowed, Laverton Greenstone Belt within the Central Laverton Domain of the Laverton Tectonic Zone. The Sunrise Dam (>7.7 million ounces) and Red October (>0.5 million ounces) and Wallaby/Granny Smith deposits (>.8.8 million ounces) deposits occur to the north of the Devon Gold Mine.



Above: Figure 6 - Devon Gold Project location plan

Below: Figure 7 - Devon drill hole plan showing high grade zone that that is to be targeted for a starter pit. Cross section markers are indicated by the red line. The following cross section diagrams show the high grade intersections from previous drilling.

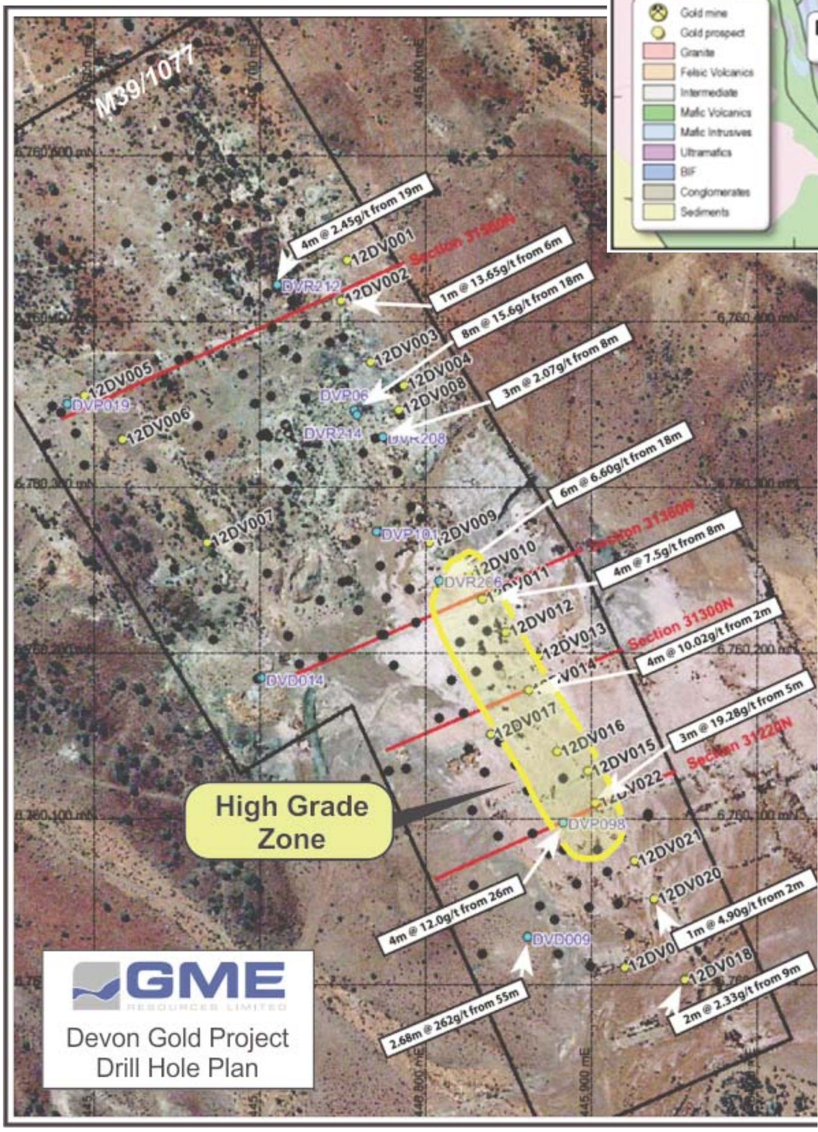
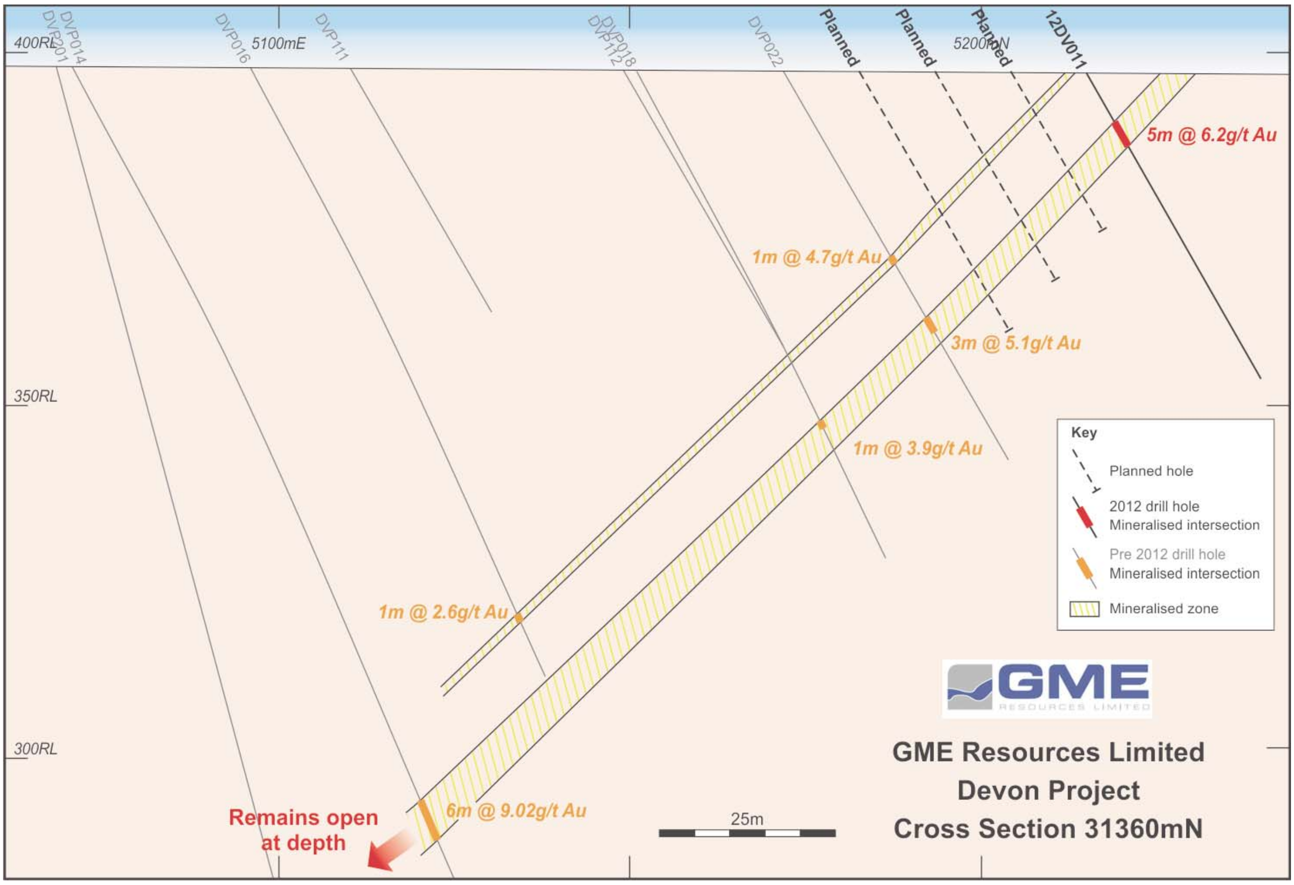
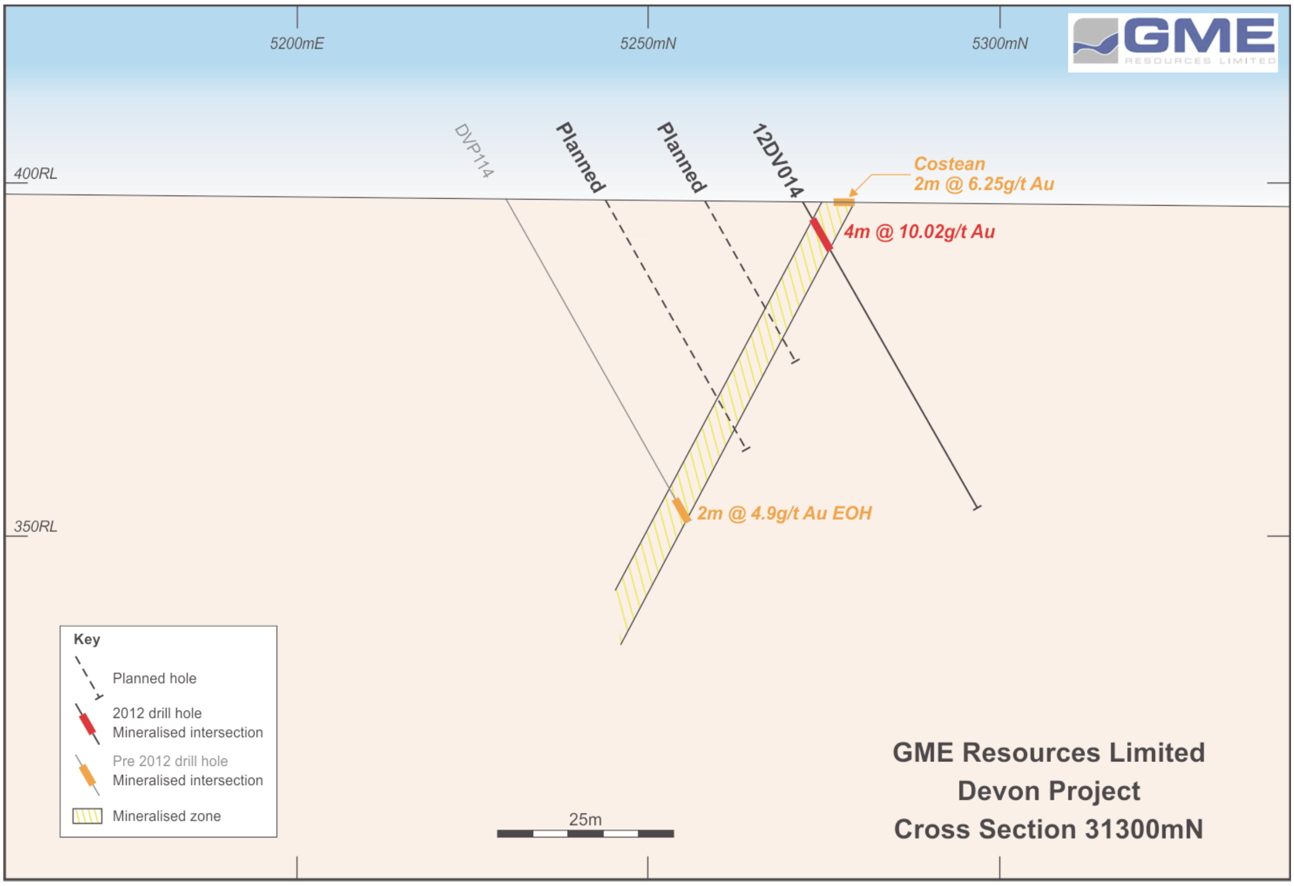


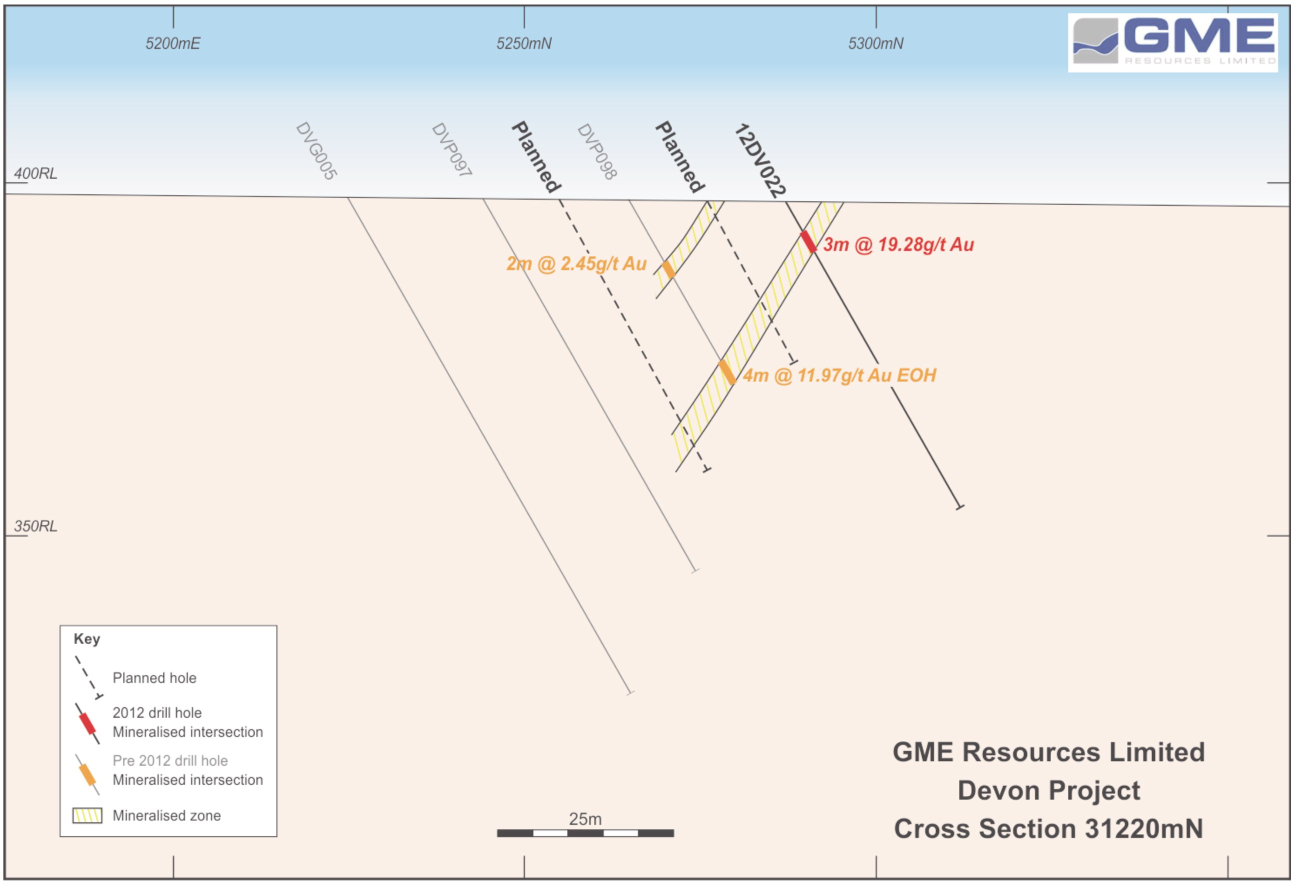
Table 4: Devon Resource Estimate (1 gram / tonne cut-off grade)

JORC (2014) Classification	Tonnes	Gold Grade g/t	Contained Ounces Gold
Measured	0	-	0
Indicated	346,165	3.07	34,171
Inferred	157145	3.52	17,786
Total	**503,310**	**3.21**	**51,957**

Figure 8-10 - Devon cross section diagrams show the high grade intersections from previous drilling.







Abednego Project

The Abednego project located 50 kilometres east of Leonora covering approximately 16 km2. The area is prospective for gold and base metals. Previous exploration drilling has focused on gold mineralisation over the Federation Well Gold workings and the Sonex gold anomaly.

In May the company completed a 24 hole air core drill program at the Federation prospect. The program was designed to test the north northeast trending Federation Shear Zone - associated with steeply, east southeast dipping quartz veins. Results from the program identified a broad, shallow moderately mineralised structure over 500 metres of strike that is open in all directions. A follow up work program is planned to test the continuity of the mineralisation at depth. Drilling is also planned for the Sonex prospect located two kilometres south east of the Federation where previous drilling recorded a number of high grade intersections.

High lights from the drilling at Federation Well are listed below

14FDAC002	**10 metres averaging**	**1.91 g/t from 22 metres**
14FDAC003	**13 metres averaging**	**1.73 g/t from 15 metres**
14FDAC004	**11 metres averaging**	**1.14 g/t from 10 metres**
14FDAC006	**10 metres averaging**	**1.99 g/t from 38metres**
14FDAC008	**7 metres averaging**	**2.01 g/t from 9 metres**
14FDAC009	**2 metres averaging**	**8.21g/t from 23 metres**
14FDAC014	**8 metres averaging**	**1.49 g/t from 42 metres**
14FDAC017	**4 metres averaging**	**2.13 g/t from 20 metres**

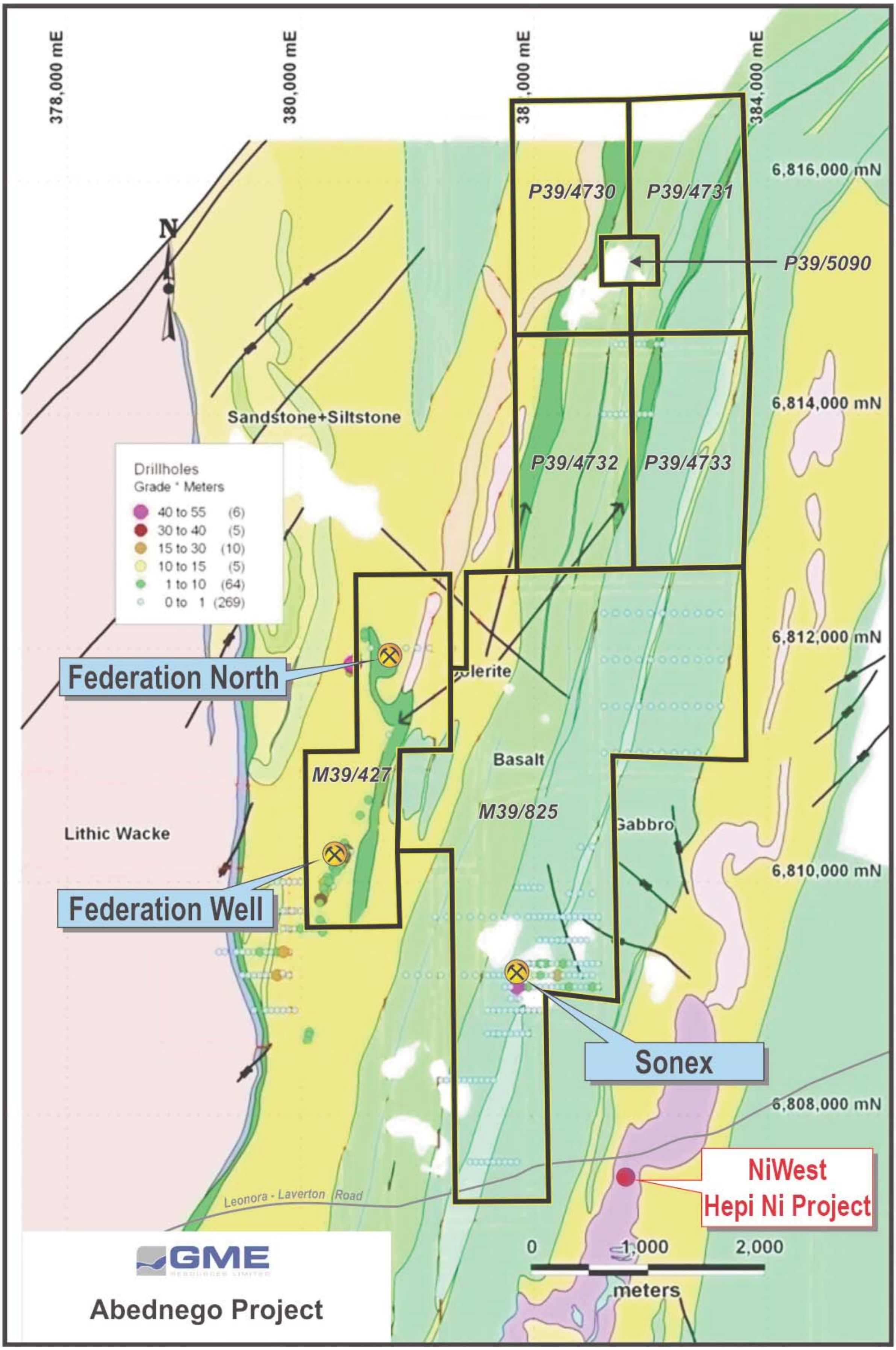
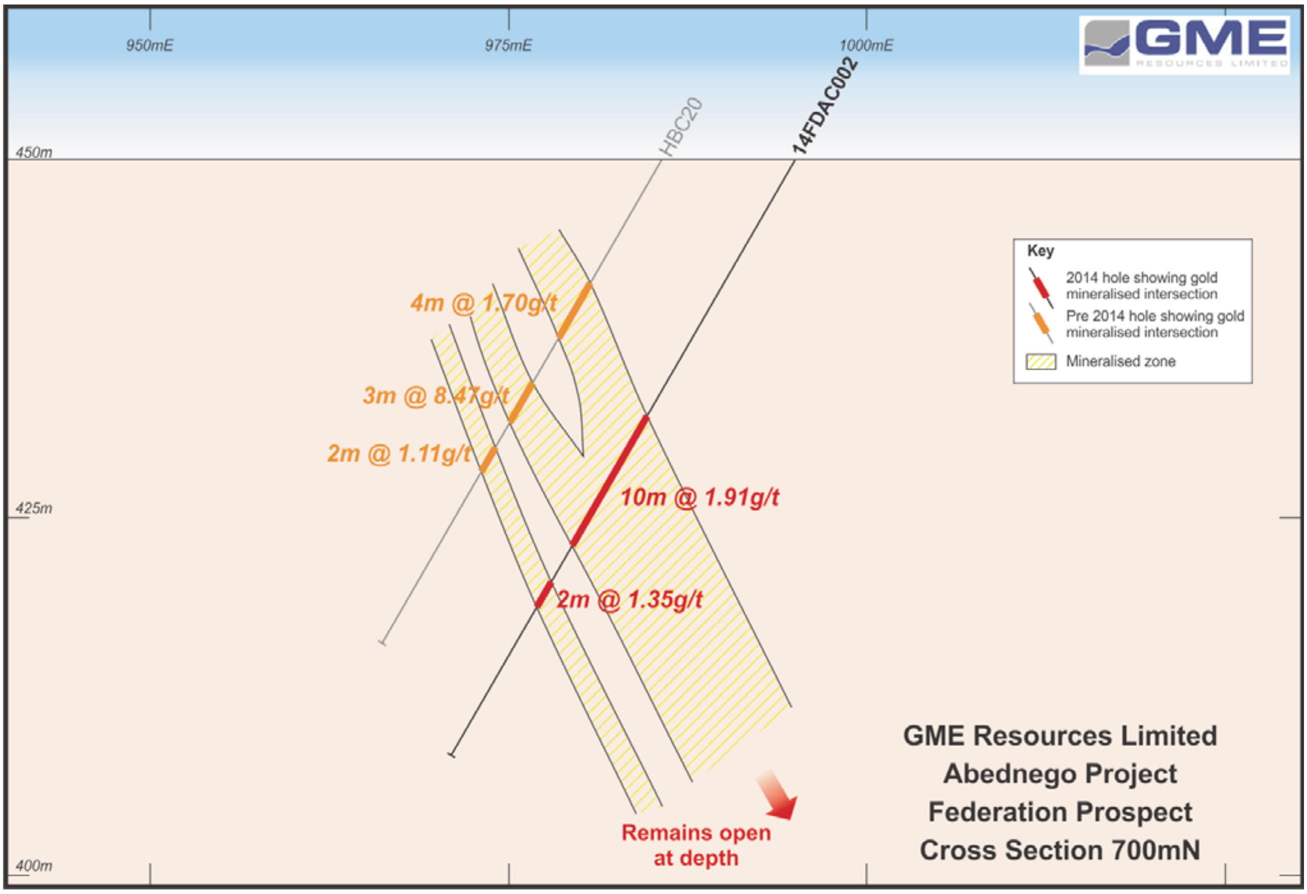


Figure 11 - GME Abednego Poject Location

Figure 12-13 - Federation Prospect cross sections



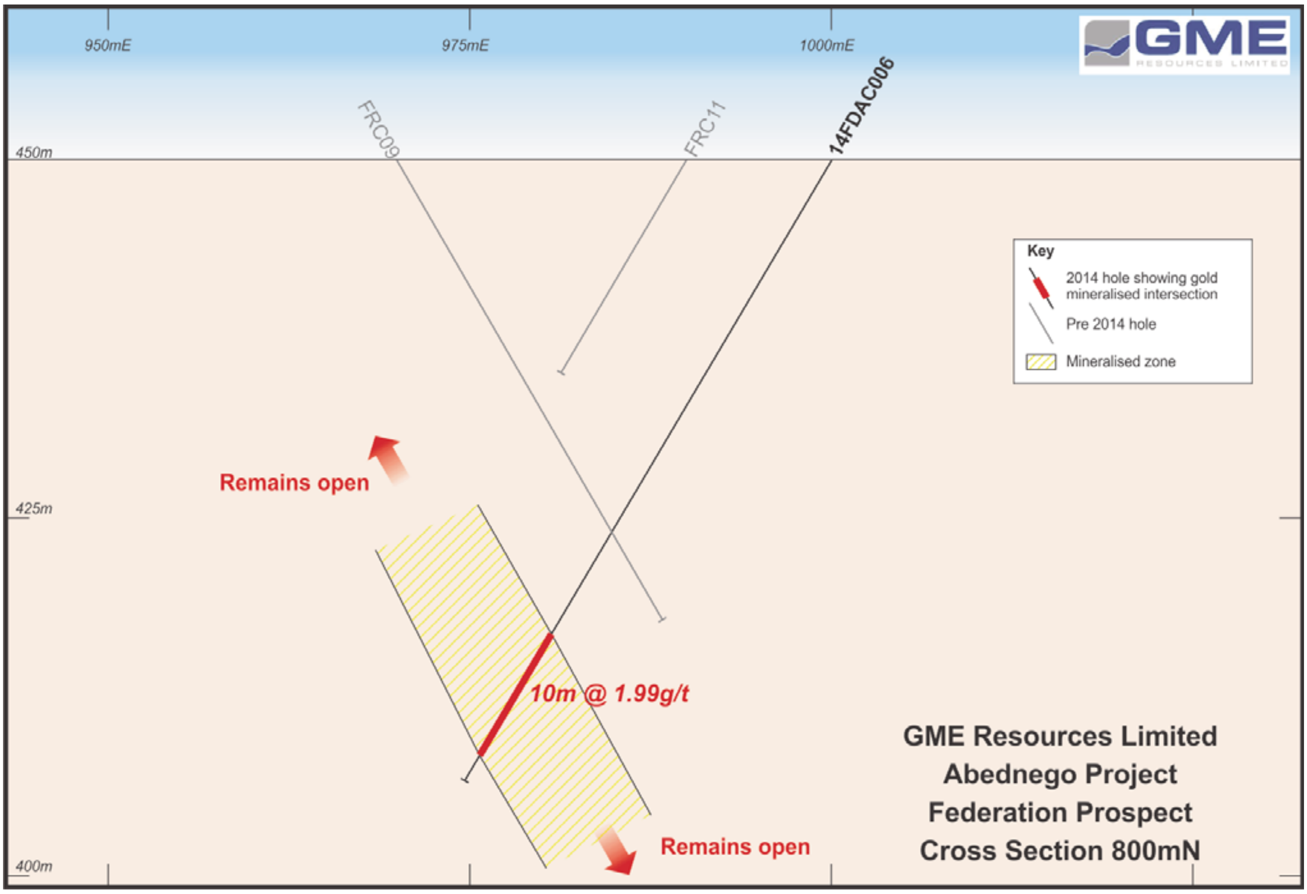
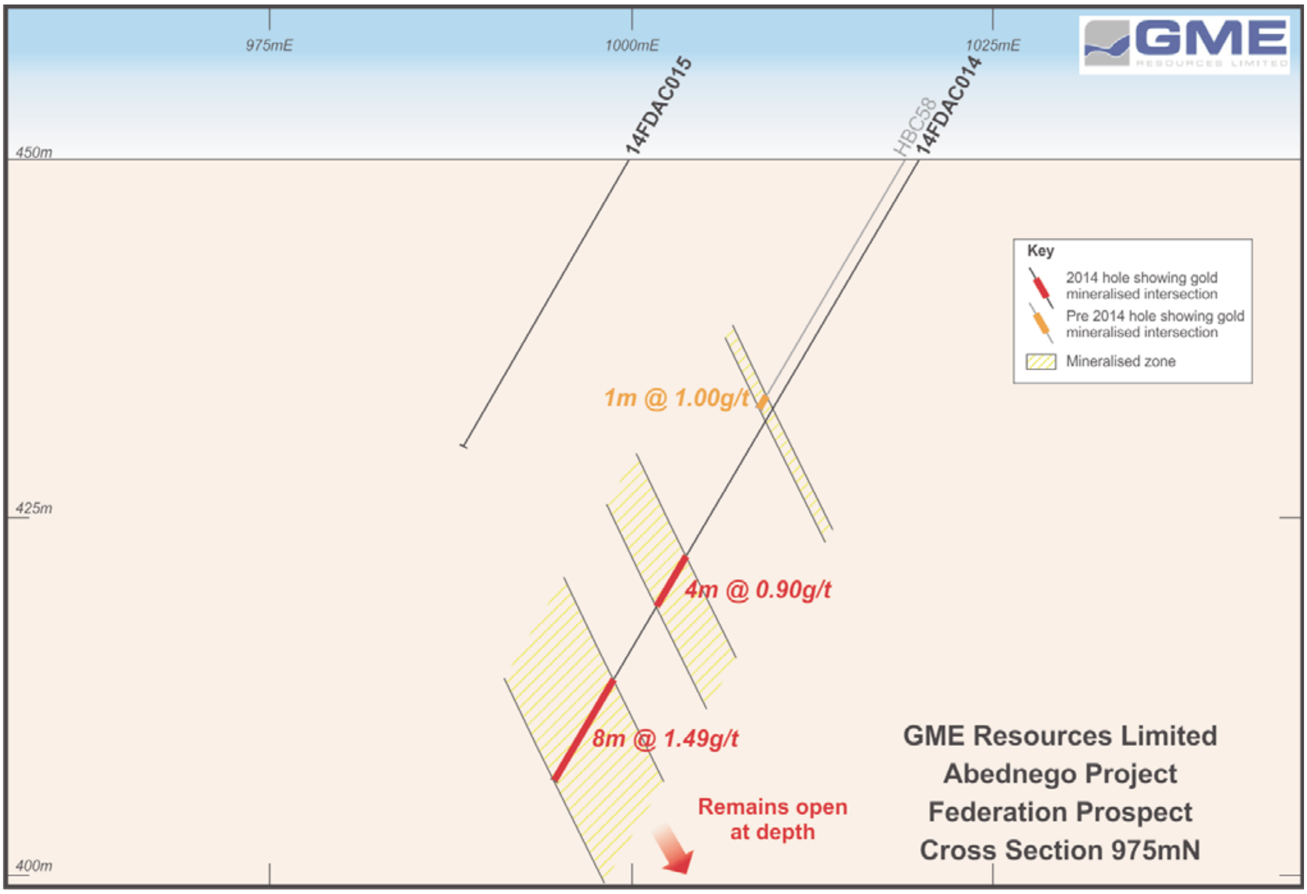
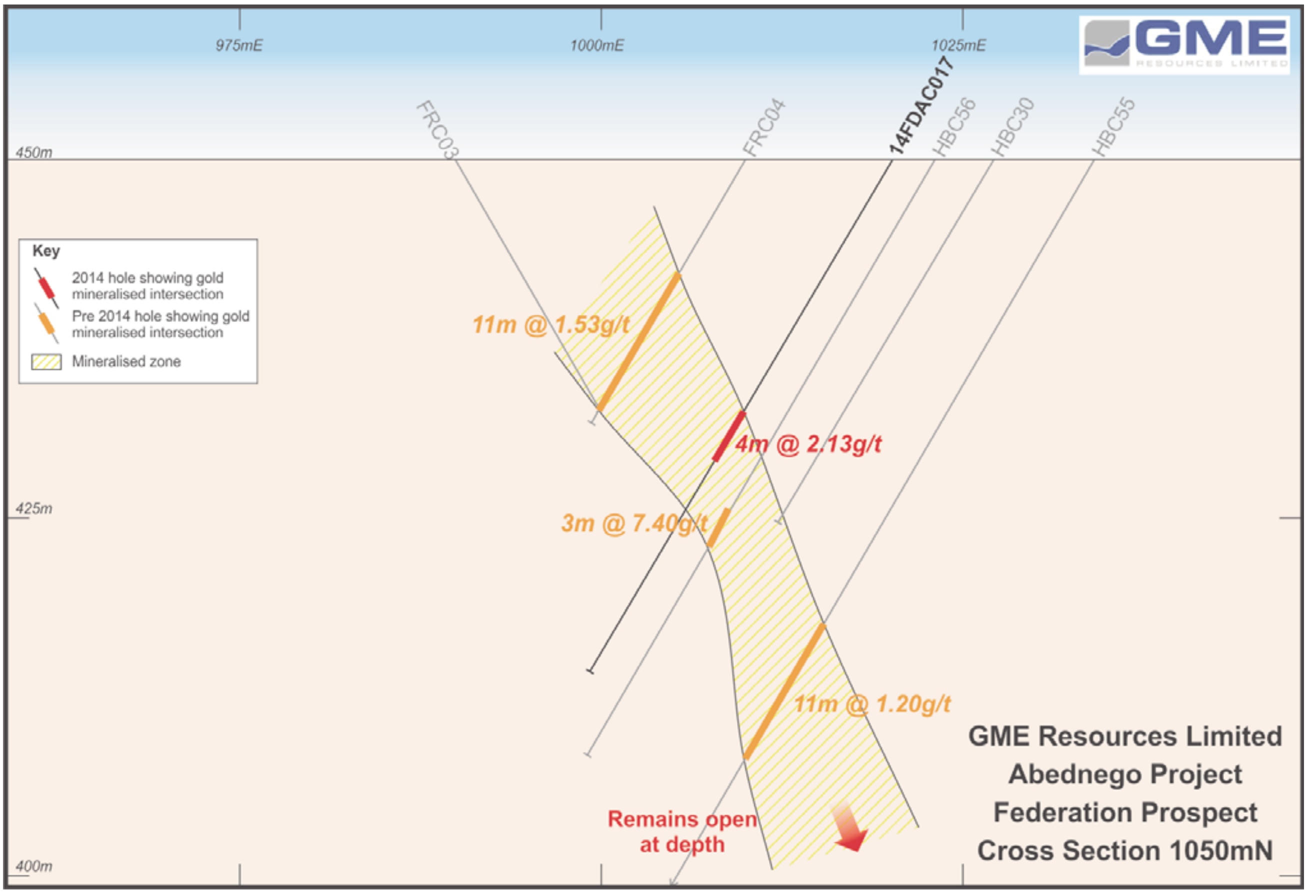


Figure 14-15 - Federation Prospect cross sections





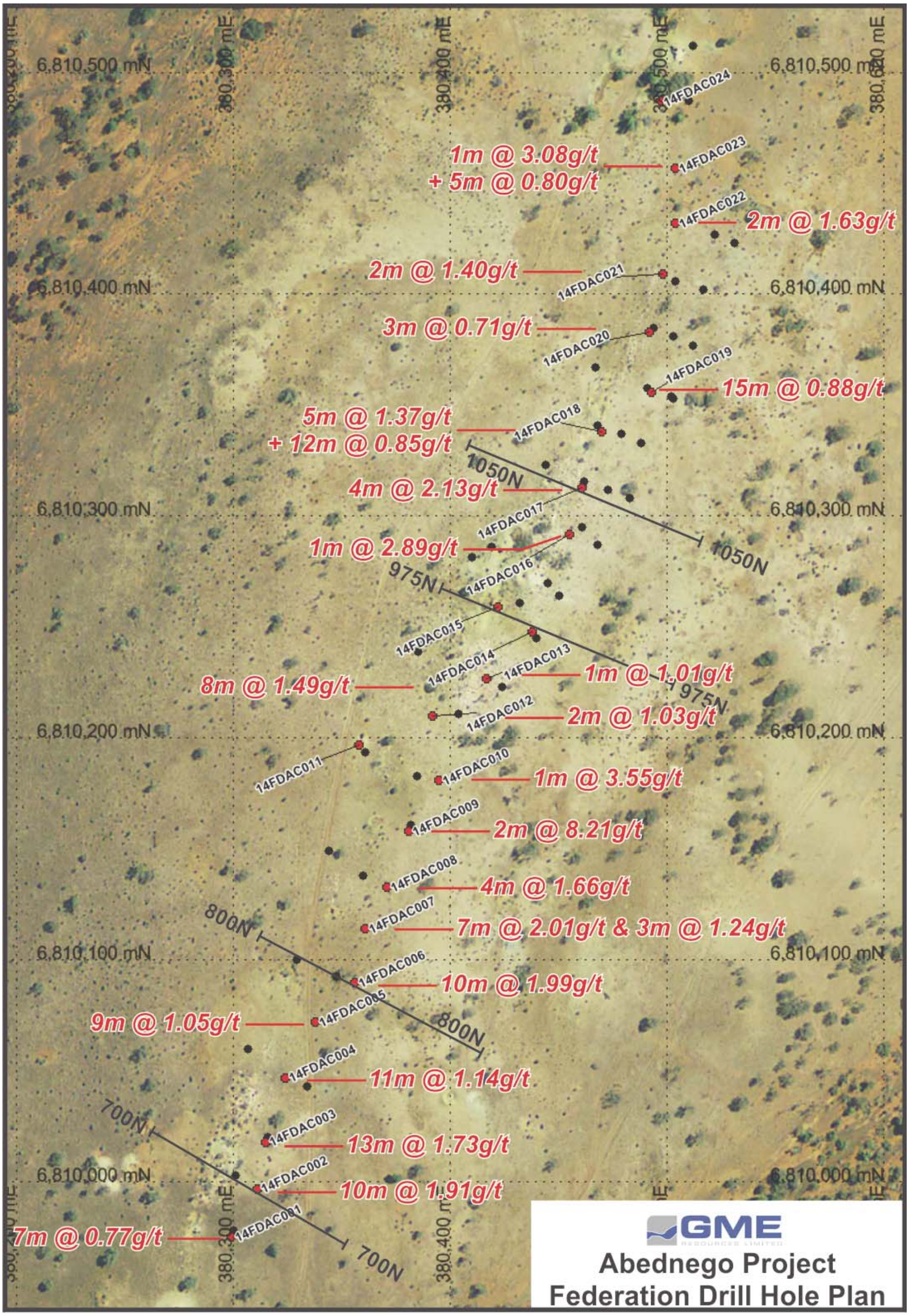


Figure 16 - Federation Prospect Plan

Laverton Downs Project- Fairfield Gold Prospect

The Fairfield Gold Prospect is situated on granted mining lease M38/1266 located 15 kilometres north of the Laverton town ship. There are numerous historical workings along the strike length of the zone and drilling has extended mineralisation to a depth of 50 metres. Mineralisation at Fairfield is hosted by quartz veins associated with the steep west dipping lithological contact between hanging wall basalt and the footwall package of felsic and clastic sediments.

In April this year the Company completed a small infill air core drilling program to verify results from drilling programs undertaken by previous explorers. The program was successful in repeating previous high grade results and has upgraded the potential to define a small high grade gold deposit in line with the Company's strategy. Significant results from the program are listed below along with a number of cross section diagrams that show drill holes results. Follow up drilling is warranted to establish a resource estimate for the project.

Fairfield Drilling Highlights

14FAC001	**3 metres averaging**	**17.1 g/t from 42 metres**
14FAC006	**4 metres averaging**	**3.6 g/t from 22 metres**
14FAC010	**2 metres averaging**	**7.3 g/t from 33 metres**
14FAC011	**1 metre averaging**	**9.6 g/t from 1 metre**
14FAC014	**3 metres averaging**	**2.0 g/t from 20 metres**

Figure 17 - Fairfield Project cross sections

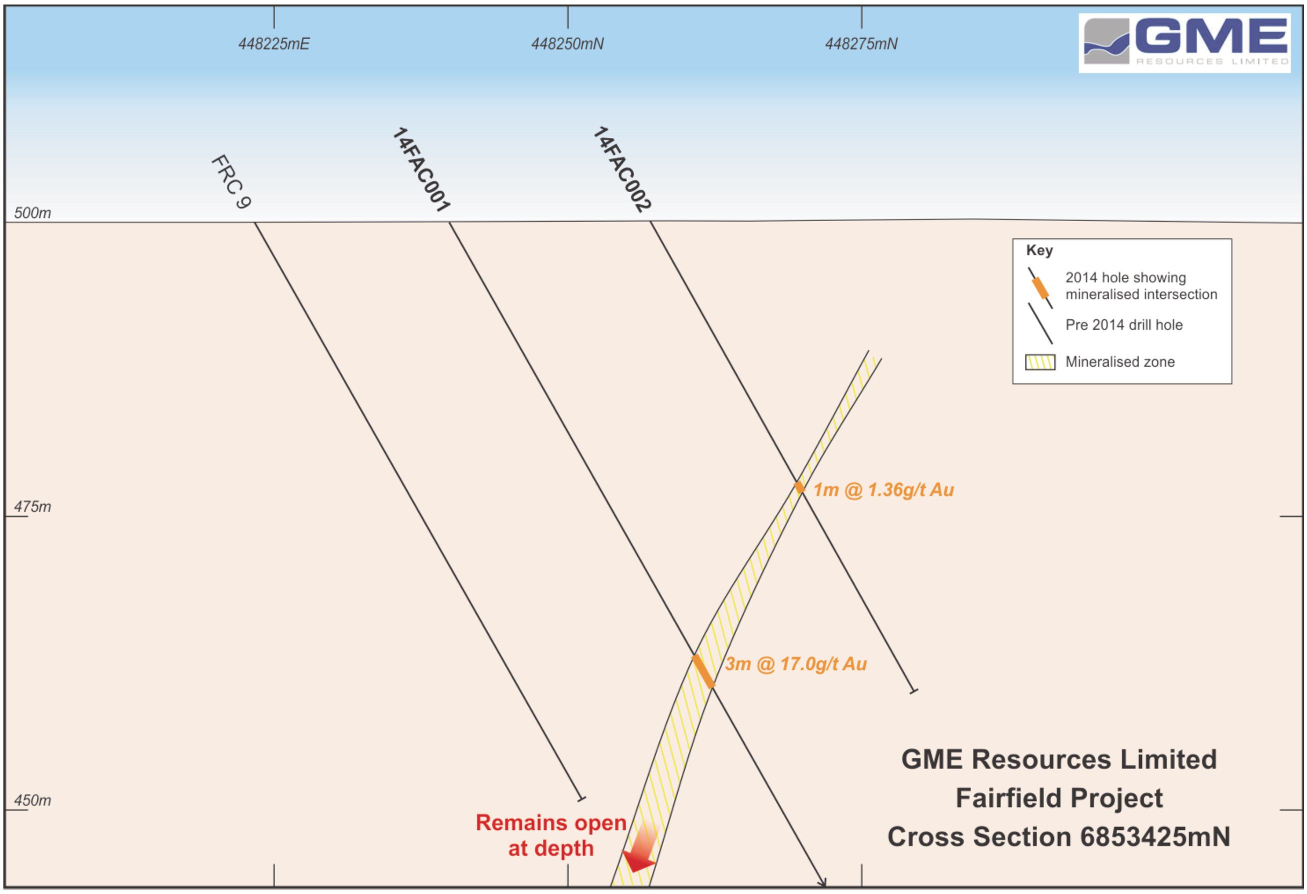
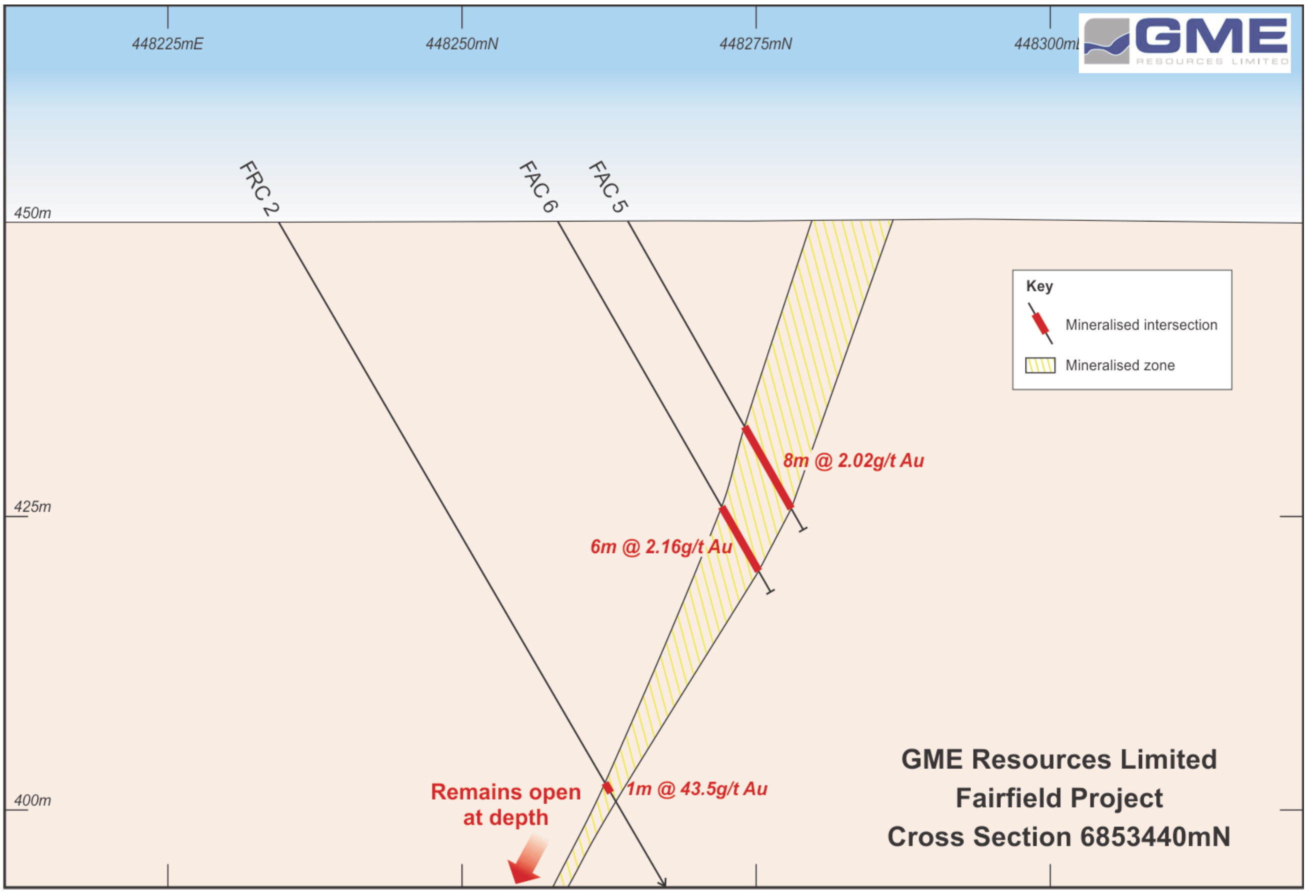
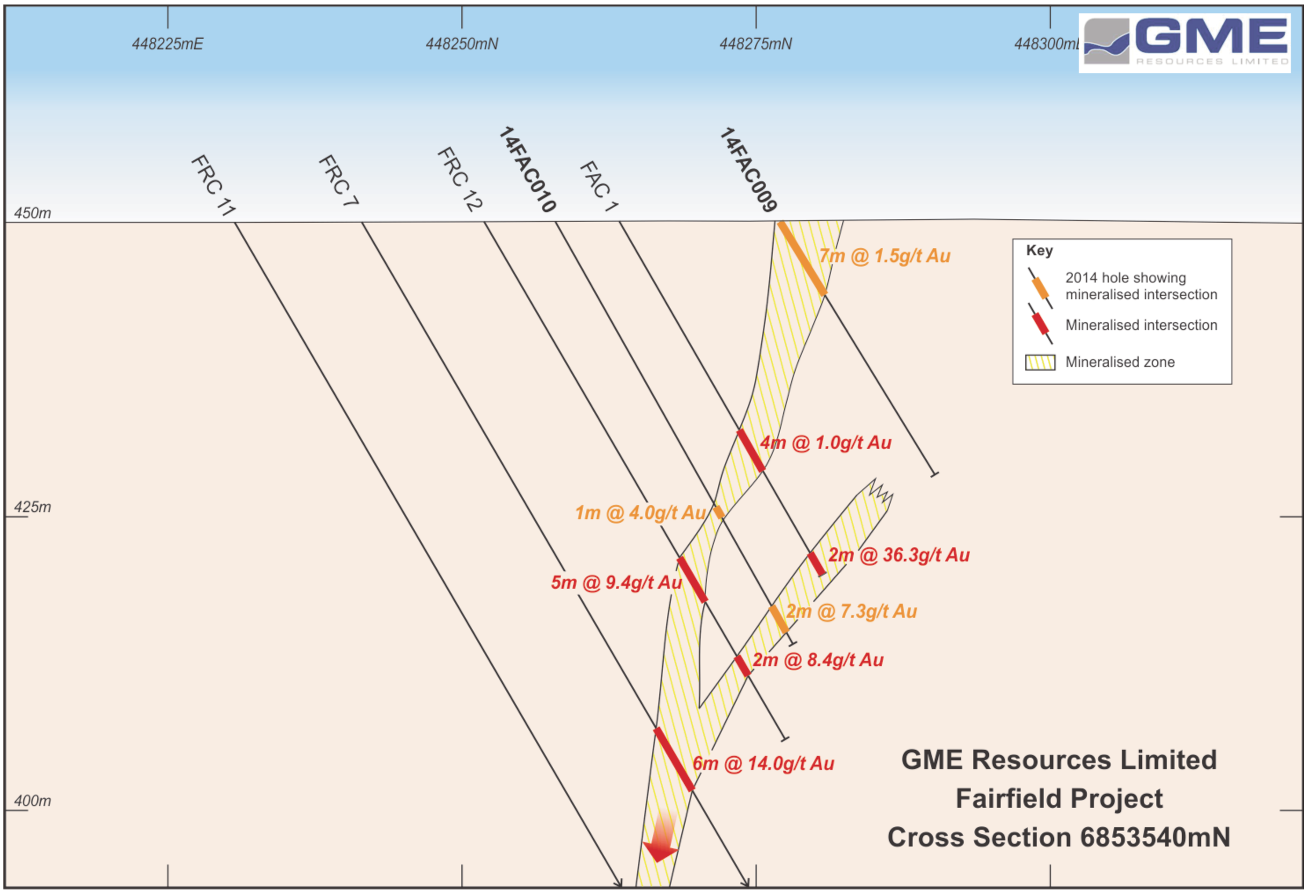


Figure 18-19 - Fairfield Project cross sections





Competent Persons Statement

The information in this report that relates to Exploration results amd Mineral Resources is based on information compiled by Mr Stephen Hyland of Ravensgate Resource Consultants. Mr Hyland is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hyland is a Principal Consultant with Ravensgate Minerals Industry Consultants who consults to the Company. Mr Hyland has sufficient experience, which is relevant to the style of mineralization and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Hyland consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

The information in this announcement that relates to Processing / Engineering and related operating and capital cost estimates is based on information reviewed by Mr David Readett (B.E. Met Eng., FAusIMM, CP (Met)). Mr Readett is an independent consulting engineer working through a Company known as MWorx Pty Ltd. Mr Readett is a Chartered Professional Metallurgical Engineer and has 25 years of relevant experience in this area of work. Mr Readett consents to the inclusion in this announcement of the matters based on information provided by him and in the form and context in which it appears.

The information in this report that relates to Gold Exploration Results and is based on information compiled by Mr Mark Hill who is a member of The Australasian Institute of Geoscientists. Mr Hill is a Principal Consultant with Exman Consultancy. Mr Hill has sufficient experience, which is relevant to the style of mineralization 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 Mineral Resources and Ore Reserves. Mr Hill consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected" "estimated" "may", "scheduled", "intends", "potential", "could" "nominal" "conceptual" and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results. The Company believes it has a reasonable basis for making the forward looking statements in this announcement

Tenement Schedule

As at 30 June 2014

Project	Tenements	Company Interest	Comments
Abednego West	P39/4729 - 4733, P39/4736 - 4738 P39/4751, P39/4572, P39/4496, M39/0825, M39/0427	Golden Cliffs 100%	Placer Royalty 2% Gold
Eucalyptus	M39/744	NiWest 100% Ni	Franco Nevada Royalty
	M39/289, M39/430 M39/344, M39/666 M39/674, M39/313, M39/568	NiWest 100%	Minara Royalty
	M39/802 - 803	NiWest 100%	Old City gold rights Ni Royalty
	P39/5495	NiWest 100%	
Hawk Nest	M38/218	Golden Cliffs 100%	
Hepi	M39/717 - 718, 819	NiWest 100%	
Laverton Downs	E38/1876, M38/1266	Golden Cliffs 100%	
Linden	ML39/1077 - 1078	Golden Cliffs 100%	
	L39/222	GME 100%	
	ML 39/500	GME 10%	90% Exterra Resources
Mertondale	M37/591	NiWest 100%	
Mt Kilkenny	E39/1784 ELA39/1794, M39/878 - 879	NiWest 100%	Retford Royalty
Murrin Murrin (Minara Resources)	M39/426, 456, 552, 553 and 569	Golden Cliffs rights to non-nickel laterite	Nickel laterite royalty 20 cents per tonne
Murrin North	M39/758	NiWest 100%	
Waite Kauri	M37/1216 P37/8427 -8428	NiWest 100% NiWest 100%	
Wanbanna	M39/460	NiWest 80%	20% Wanbanna Pty Ltd
Misc. Licences	L39/194, L37/175, L31/46, L40/25 L39/215, L39/177, L37/205	NiWest 100%	Haul Roads, Water Resources

LEGEND

E: Exploration Licence
P: Prospecting Licence
PLA: Prospecting Licence Application
M: Mining Lease
ELA: Exploration Licence Application
L: Miscellaneous Lease
MLA: Mining Lease Application

Annual Mineral Resources Statement

NiWest Nickel Laterite Project – North Eastern Goldfield Western Australia

Summary of Mineral Resource Estimate Reported according to JORC (2004)

0.7% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	45.86	0.96	0.06		
	Indicated	32.28	0.92	0.06		
	Inferred	30.32	0.89	0.06		
	Combined	108.46	0.93	0.06	1,008,678	65,076

0.8% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	34.22	1.04	0.07		
	Indicated	22.41	0.99	0.06		
	Inferred	19.09	0.96	0.06		
	Combined	75.73	1.01	0.06	764,772	45,432

1.0% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	19.21	1.19	0.08		
	Indicated	8.47	1.14	0.08		
	Inferred	5.07	1.14	0.07		
	Combined	32.75	1.17	0.08	383,175	26,200

1.2% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
	Measured	7.43	1.37	0.09		
	Indicated	2.23	1.31	0.09		
	Inferred	1.29	1.28	0.09		
	Combined	10.95	1.34	0.09	146,730	9,855

Review of Material Changes

The last reported resource statement for NiWest Nickel Laterite Project was on 6 April November 2011 (ASX announcement). There has been no material change to the mineral resource estimate over the past 12 months. Nominal changes to the second decimal point have occurred in combined resource totals due to rounding protocols.

Devon Gold Project - North Eastern Goldfields Western Australia

Summary of Mineral Resource Estimate Reported according to JORC (2004) at 1 g/t cut-off grade

JORC (2014) Classification	Tonnes	Gold Grade g/t	Contained Ounces Gold
Measured	0	-	0
Indicated	346,165	3.07	34,171
Inferred	157145	3.52	17,786
Total	**503,310**	**3.21**	**51,957**

Review of Material Changes

The last reported resource statement for Devon Gold Project was made on 30 January 2013 (ASX announcement). There has been no material change to the mineral resource estimate over the past 12 months.

Governance and Quality Control

The Company ensures all resources calculations are undertaken and reviewed by independent, internationally recognised industry consultants.

All drill hole data is stored in-house within a commercially available purpose designed database management system and subjected to industry standard validation procedures. Quality control on resource drill programs have been undertaken to industry standards with implementation of appropriate drilling type, survey data collection, assay standards, sample duplicates and repeat analyses.

Competent Person Statement

The information in this report that relates to Mineral Resources is based on information reviewed and compiled by Mr Stephen Hyland of Ravensgate Resource Consultants. Mr Hyland is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hyland is a Principal Consultant with Ravensgate Minerals Industry Consultants who consults to the Company. Mr Hyland has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Hyland consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

Corporate Governance Statement

INTRODUCTION

The Board of Directors of GME Resources Limited (the “Company”) has adopted the following Corporate Governance Principles promulgated by the ASX Corporate Governance Council (second edition) and is responsible for the adherence to these Principles. These Principles and Practices are reviewed regularly and upgraded or changed to reflect changes in law and what is regarded as best practice. A description of the Company's main Corporate Governance Principles and Practices is set out below.

ROLE OF THE BOARD

The Board has adopted the following Statement of Matters for which the Board will be responsible:

(1) Review and determine the Company's strategic direction and operational policies;

(2) Review and approve business plans, budgets and forecasts and set goals for management;

(3) Appoint and remunerate Chief Executive Officer and Senior Staff;

(4) Review performance of Chief Executive Officer and Senior Staff;

(5) Review financial performance against Key Performance Indicators on a monthly basis;

(6) Approve acquisition and disposal of tenements;

(7) Approve exploration and mining programs;

(8) Approve capital, development and other large expenditures;

(9) Review risk management and compliance;

(10) Oversee the Company's control and accountability systems;

(11) Report to shareholders; and

(12) Ensure compliance with environmental, taxation, Corporations Act and other laws and regulations.

MANAGING DIRECTOR

GME's most senior employee is the Managing Director who is appointed and subject to annual reviews by the Board. The Managing Director recommends policies, strategic direction and business plans for the Board's approval and is responsible for managing the Company's day-to-day business.

BOARD INDEPENDENCE

The Board consists of three directors, but up to 10 directors can serve on the board. Mr James Sullivan is the only executive; the remainder are non-executive. Currently the three Directors are:

Michael D Perrott	Chairman	Director since 1996
James N Sullivan	Managing Director	Director since 2004
Peter R Sullivan	Director	Director since 1996

Mr P Sullivan is considered an Independent Director on the Board according to the definitions by the Australian Securities Exchange Corporate Governance Council ("Council") as is the Chairman Mr Perrott.

Mr J Sullivan is an executive and is therefore not considered "independent" in accordance with the definitions of the Council.

As such, the Company complies with the Council's recommendation, Item 2.1, that the majority of the Company's Directors should be Independent Directors.

The Board has in addition adopted a series of safeguards to ensure that independent judgement is applied when considering the business of the Board:

- Directors are entitled to seek independent professional advice at the Company's expense. Prior written approval of the Chairman is required but this is not unreasonably withheld.
- Directors having a conflict of interest with an item for discussion by the Board must absent themselves from a board meeting where such item is being discussed before commencement of discussion on such topic.
- The Independent Directors confer on a "needs" basis with the Chairman with such discussion if warranted and considered necessary by the Independent Directors.
- The Board considers non-executive directors to be independent even if they have minor dealings with the Company provided they are not a substantial shareholder. Transactions with a value in excess of 5% of the Company's annual operating costs are considered material. A director will not be considered independent if he has transactions in excess of this materiality threshold.

TENURE OF THE BOARD

The Directors are expected to review their membership of the Board from time to time taking into account the length of service on the Board, age, qualification and experience in light of the needs of the Company and direction of the Company together with such other criteria considered desirable for composition of a balanced board and the overall interests of the Company.

A Director is expected to resign if the remaining Directors recommend that a Director should not continue in office, but is not obliged to do so.

CHAIRMAN

The current Chairman is Mr Michael D Perrott - AM. Mr Perrott brings a wealth of business experience, connections and drive to the Board. The Chairman's role is separated from the role of the Managing Director.

The Chairman's role includes:

- Providing effective leadership on formulating the Board's strategy;
- Representing the views of the Board to the public;
- Ensuring that that the Board meets at regular intervals throughout the year and that minutes of meeting accurately record decisions taken and where appropriate the views of individual Directors;
- Guiding the agenda, information flow and conduct of all board meetings;
- Reviewing the performance of the Board of Directors; and
- Monitoring the performance of the management of the Company.

NOMINATION COMMITTEE

Due to the small size of the Company and the number of Board members, the Board does not have a formal nomination committee structure. Any new directors will be selected according to the needs of the Company at that particular time, the composition and the balance of experience on the Board as well as the strategic direction of the Company.

Should the need arise to consider a new Board member, some or all of the Directors would form the committee to consider the selection process and appointment of a new director.

At each annual general meeting the following directors retire:

- One third of directors (excluding the Managing Director);
- Directors appointed by the Board to fill casual vacancies or otherwise;
- Directors who have held office for more than three years since the last general meeting at which they were elected.

DETAILS ON CURRENT DIRECTORS

Details on current Directors, including their skills and experience, are included in the Directors' Report.

ETHICAL AND RESPONSIBLE DECISION-MAKING

In making decisions, the Directors of the Company, its officers and employees, take into account the needs of all stakeholders:

- Shareholders;
- Employees;
- Community;
- Creditors;
- Contractors; and
- Government (Federal, State and Local).

The Directors, officers and employees of the Company are expected to:

- Comply with the laws and regulations both by the letter and in spirit;
- Act honestly and with integrity;
- Avoid conflicts of interest by not placing themselves in situations which result in divided loyalties;
- Use the Company's assets responsibly and in the interests of the Company, not take advantage of property, information or position for personal gain or to compete with the Company;
- To keep non-public information confidential except where disclosure is authorised or legally mandated; and
- Be responsible and accountable for their actions and report any unethical behaviour.

TRADING IN COMPANY SECURITIES

The Company encourages Directors and employees to adopt a long-term attitude to their investment in the Company's securities. All Directors and employees (including their immediate family or any entity for which they control investment decisions), must ensure that any trading in securities issued by the Company is undertaken within the framework set out in the Securities Trading Policy.

The Securities Trading Policy does not prevent Directors or employees (including their immediate family or any entity for which they control investment decisions) from participating in any share plan or share offers established or made by the Company. However, Directors or employees are prevented from trading in the securities once acquired if the individual is in possession of price sensitive information not generally available to all security holders.

In keeping with recent listing rule amendments, additional restrictions are placed on trading by Directors, executives and other personnel as determined by the Chairman and Company Secretary from time to time ('Key Management Personnel').

Key management personnel must not deal in Company Securities at any time if in possession of any inside information relating to those securities.

In addition to the overriding prohibition against dealing in the Company's securities when a person is in possession of inside information, Key Management Personnel and their associated parties are at all times prohibited from dealing in the Company's securities during prescribed 'closed' periods. The Company has nominated closed periods to be during the week prior to the release of the Company's Quarterly Reports (including the Appendix 5B) unless exceptional circumstances apply.

The Securities Trading Policy also includes a clause prohibiting directors and executives from entering into transactions in associated products which operate to limit the economic risk of security holdings in the Company over unvested entitlements.

In accordance with Listing Rules, a director must notify the ASX within 5 business days after any change in the director's relevant interest in securities of the Company or a related body corporate of the Company.

A director must notify the Company Secretary in writing of the requisite information within 2 business days in order for the Company Secretary to make the necessary notifications to ASIC and ASX as required by the Corporations Act and the ASX Listing Rules.

INTEGRITY OF FINANCIAL REPORTING

GME's Managing Director and Company Secretary report in writing to the Board:

- That the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group; and
- That the above statement is founded on a sound system of internal control and risk management which implements the policies adopted by the Board and that the Company's risk management and internal controls are operating efficiently in all material respects.

AUDIT COMMITTEE

The Company does not have a formal audit committee as, in the opinion of the Directors, the scope and size of the Company's operations do not warrant it. As such the Company is not in strict compliance of the Council's Recommendation 4.2 that the Board should establish an audit committee. It should be noted however that when the Council's Recommendation was made it was emphasised that it was more relevant for large companies.

The Board regularly reviews the scope of audits, the level of audit fees and the performance of auditors.

The Board also is continually assessing to ensure the independence of the external auditor is maintained. The Company will and does, if necessary, use other consultants to avoid any potential independence issues.

TIMELY AND BALANCED DISCLOSURE TO AUSTRALIAN SECURITIES EXCHANGE

The Company has procedures in place to identify matters that are likely to have a material effect on the price of the Company's securities and to ensure those matters are notified to the Australian Securities Exchange in accordance with its listing rule disclosure requirements.

Information to the market and media is handled by the Chairman, the Managing Director or the Company Secretary. In particular, the Company Secretary has been nominated as the person responsible for communications with Australian Securities Exchange. This role includes responsibility for compliance with the continuous disclosure requirements of the Australian Securities Exchange Listing Rules and overseeing and coordinating information disclosures to Australian Securities Exchange, analysts, brokers, shareholders the media and the public.

All disclosures to Australian Securities Exchange are posted on the Company's website soon after clearance has been received from Australian Securities Exchange.

The Chairman, the Managing Director and Company Secretary are monitoring information in the marketplace to ensure that a false market does not emerge in the Company's securities.

COMMUNICATION WITH SHAREHOLDERS

It is the Company's communication policy to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Company.

The information is communicated to the shareholders through:

- Continuous disclosure announcements made to the Australian Securities Exchange;
- Distribution of the annual report to shareholders together with a notice of meeting;
- Posting of half-yearly results and all Australian Securities Exchange announcements on the Company's website;
- Posting of all major drilling results;
- Posting of all media announcements on the Company's website; and
- Calling of annual general meetings and other meetings of shareholders to obtain approval for Board action as considered appropriate.

On the Company's website, information about the Company's projects is shown.

At annual general meetings and other general meetings of shareholders, shareholders are encouraged to ask questions of the Board of Directors relating to the operation of the Company.

RISK MANAGEMENT

Due to its size of operation and size of the Board, there is no formal board committee to identify, assess and monitor and manage risk. Responsibility for day to day control and risk management lies with the Managing Director and Company Secretary (financial risk) with reporting responsibility to the Board. The Board monitors risks including but not limited to compliance with development and environmental approvals, tendering, contracting and development, pricing of products, quality, safety, strategic issues, financial risk, joint venture, accounting and insurance. Any changes in the risk profile for the Company are communicated to its stakeholders via an announcement to Australian Securities Exchange.

PERFORMANCE

The Board has adopted a self-evaluation process to measure its own performance. The Chairman evaluates the performance of each director, and the Board evaluates the performance of the Chairman. Performance of senior executives is evaluated by the Managing Director in cooperation with the Chairman. All performance evaluations are measured against budget, goals and objectives set.

All Directors of the Board have access to the Company Secretary who is appointed by the Board. The Company Secretary reports to the Chairman, in particular to matters relating to corporate governance.

All board members have access to professional independent advice at the Company's expense provided they first have obtained the Chairman's approval which will not be unreasonably withheld.

REMUNERATION

Managing Director and Non-executive Directors

The Directors are remunerated for the services they render the Company and such services are normally carried out under normal commercial terms and conditions. Remuneration is also determined having regard to how Directors are remunerated for other similar companies, the time spent on the Company's matters and the performance of the Company. Engagement and payment for such services are approved by the other Directors with no interest in the engagement of services.

The Board has no retirement or termination benefits. Payments to all Directors are set out in the Director's Report.

Senior Executives

The remuneration of senior executives is discussed and determined by the Board upon receiving advice from the Managing Director. The remuneration packages are set at levels intended to attract and retain the executives capable of managing the Company's operations.

The remuneration of senior executives, where applicable, is set out in the Directors' Report.

General

Due to the staff size and the close involvement of the Board in the operations of the Company, the Company does not operate a formal remuneration committee. All remuneration paid to the Chairman, Non-executive Directors, Executive Directors and senior executives are all reviewed and discussed by the Board.

The Company does not operate an employee share option plan and there are no options outstanding issued to Directors.

INTERESTS OF STAKEHOLDERS

It is the Company's objective to create wealth for its shareholders and provide a safe and challenging environment for employees and for the Company to be a valuable member of the community as a whole.

The Company's ethical and responsible behaviour is set out under the heading "*Ethical and Responsible Decision-making*".

The Company's core values are summarised as follows:

- Provide value to its shareholders through growth in its market capitalisation;
- Act with integrity and fairness;
- Create a safe and challenging workplace;
- Be participative and recognise the needs of the community;
- Protect the environment;
- Be commercially competitive; and
- Strive for high quality performance and development.

Diversity

The Board has adopted a diversity policy that details the purpose of the policy and the employee selection and appointment guidelines, consistent with the recommendations of the Corporate Governance Council. The Board believes that the adoption of an efficient diversity policy has the effect of broadening the employee recruitment pool, supporting employee retention, including different perspectives and is a socially and economically responsible governance practice.

The Company employs new employees and promotes current employees on the basis of performance, ability and attitude. The Board is continually reviewing its practices with a focus on ensuring that the selection process at all levels within the organisation is formal and transparent and that the workplace environment is open, fair and tolerant.

Gender Diversity

The Company, in keeping with the recommendations of the Corporate Governance Council provides the following information regarding the proportion of gender diversity in the organisation as at 30 June 2014:

	Proportion of female / total number of persons employed
Females employed in the Company as a whole	0 / 3
Females employed in the Company in senior positions	0 / 3
Females appointed as a Director of the Company	0 / 3

The recommendations of the Corporate Governance Council relating to reporting require a Board to set measurable objectives for achieving diversity within the organisation, and to report against them on an annual basis. The Company has implemented measurable objectives as follows:

MEASURABLE OBJECTIVE	OBJECTIVE	COMMENT
To ensure Company policies are consistent with and aligned with the goals of the Diversity Policy.	Yes.	The Company's selection, remuneration and promotion practices are merit based and as such are consistent with the goals of the Company's Diversity Policy.
To provide flexible work and salary arrangements to accommodate family commitments, study and self-improvement goals, cultural traditions and other personal choices of current and potential employees.	Yes.	The Company does, where considered reasonable, and without prejudice, accommodate requests for flexible working arrangements.
To implement clear and transparent policies governing reward and recognition practices.	Yes	The Company grants reward and promotion based solely on merit and responsibility as part of its annual and ongoing review processes.

The Company has not implemented specific measurable objectives regarding the proportion of females to be employed within the organisation or implement requirements for a proportion of female candidates for employment and Board positions. The Board considers that the setting of quantitative gender based measurable targets is not consistent with the merit and ability based policies currently implemented by the Company.

The Board will consider the future implementation of gender based diversity measurable objectives when more appropriate to the size and nature of the Company's operations.

Consolidated Financial Report 2014

GME Resources Ltd
ABN 62 009 260 315

CONTENTS

Directors' Report

Your Directors present their report of GME Resources Limited and its controlled entities for the financial year ended 30 June 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

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

Michael Delaney Perrott	(Non-executive - Chairman)
James Noel Sullivan	(Managing Director)
Peter Ross Sullivan	(Non-executive - Director)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity are mineral exploration and investment.

No significant change in the nature of these activities occurred during the year.

OPERATING RESULTS

The net profit after income tax attributable to members of the Company for the financial year to 30 June 2014 amounted to $ 452,632 (2013: Loss $939,194).

OVERVIEW OF OPERATING ACTIVITY

Nickel

The Company, through its 100% owned subsidiary NiWest Limited owns the NiWest Nickel Laterite Project which contains 100 million tonnes of lateritic nickel resources that have been systematically drill tested to JORC 2004 standards.

Over the past 5 years the Company has been progressing metallurgical and engineering studies aimed at commercialising the development of a large scale Heap Leach operation coupled to a Direct Solvent Extraction and Electro Winning (HL-DSX-EW) processing facility capable of producing LME grade nickel cathode.

After successfully completing "proof of concept" test work on the proposed HL-DSX-EW flow sheet in 2013, the Company engaged Tenova Bateman Engineers and Mworx Pty Ltd to complete a scoping study that considered a range of production scenarios to establish the most economically attractive development option for the NiWest Project. The study reviewed the outcomes from the "proof of concept test" program completed in 2013 and included the major findings from numerous metallurgical test programs completed, previous engineering studies and reported resource estimates.

The study concluded that a heap leaching operation combined with a processing plant utilising DSX to upgraded purified nickel solutions from the heap leach to produce LME cathode via electrowinning is technologically and potentially economically sound.

Gold

The Company also owns a number of gold assets through its 100% owned subsidiary Golden Cliffs NL. During the year drilling, data review and metallurgical test work was carried out at a number of these projects.

A detailed review of the Group's operations is set out in the Operations Report on pages 2-21 in the Annual Report.

FINANCIAL POSITION

At the end of the financial year the consolidated entity had $1,543,752 (2013: $761,847) in cash and at call deposits.

Carried forward exploration and evaluation expenditure was $33,594,943 (2013: $32,347,488).

During the year issued capital increased from 384,663,864 to 436,121,505 shares at the end of 2014. The movement related to a non-renounceable rights issue as announced in May 2014.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year. No recommendation is made as to dividends.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS

The Group's areas of interest are in the exploration stage, and although the results of work carried out to date are encouraging it is not possible to predict the likely developments. The Group will continue its mineral exploration and investment activities with the object of finding further mineralised resources and exploiting those already discovered.

The Board is following a strategic plan for the growth of the Group, however, further information about likely developments, future prospects and business strategies as they pertain to the operations and expected results of those operations have not been included in this report as the Directors reasonably believe that disclosure of this information would be likely to result in unreasonable prejudice to the Group.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Michael Delaney Perrott AM BCom FAIM *(Chairman)*

Director since 1996

Mr Perrott has been involved in the construction and contracting industry since 1969. He is currently Chairman and director of various listed and unlisted public and private companies. Mr Perrott is also a member of the Board of Notre Dame University.

Mr Perrott has been Chairman of the Company since his appointment as a director in 1996.

Other current directorships of listed companies

Director of Schaffer Corporation Limited since February 2005.

Former directorships of listed companies in last 3 years

VDM Group Ltd from July 2009 to August 2014.

James Noel Sullivan FAICD *(Managing Director)*

Director since 2004

Mr Sullivan has over 20 years' experience in commerce providing services to the mining and allied industries.

Mr Sullivan was instrumental in establishing and managing the Golden Cliffs Prospecting Syndicate which acquired and pegged a number of prospective tenements in the Eastern Goldfields. The Golden Cliffs Prospecting Syndicate was subsequently acquired by the Company in 1996. Mr Sullivan has extensive knowledge in mining and prospecting in the North Eastern Goldfields and in particular on matters involving tenement administration, native title negotiation and supply and logistics of services. Mr Sullivan's practical knowledge in these areas is of great benefit to the Company as it seeks to develop its assets for the benefit of its shareholders.

Other current directorships of listed companies

Mr Sullivan has been a director of Kumarina Resources Ltd (now Kumarina Resources Pty Ltd) since March 2010, Kumarina was delisted in June 2013.

Former directorships of listed companies in last 3 years

Nil

Peter Ross Sullivan BE, MBA *(Non-executive Director)*
Director since 1996

Mr Sullivan is an engineer and has been involved in the management and strategic development of resource companies and projects for more than 20 years.

Other current directorships of listed companies

Mr Sullivan has been a director of Resolute Mining Limited since June 2001, Zeta Resources Limited since June 2013, and Kumarina Resources Ltd (now Kumarina Resources Pty Ltd) since February 2011, Kumarina was delisted in June 2013.

Former directorships of listed companies in last 3 years

Nil

Mr Mark Edward Pitts B.Bus FCA
(Company Secretary)

Mr Pitts was appointed to the position of Company Secretary in February 2009. Mr Pitts is a Chartered Accountant with over 25 years' experience in statutory reporting and business administration. He has been directly involved with, and consulted to a number of public companies holding senior financial management positions. He is a partner in the corporate advisory firm Endeavour Corporate. Endeavour offers professional services focused on Company Secretarial support, commercial and financial advice and supervision of ASIC and ASX compliance requirements.

REMUNERATION REPORT (AUDITED)

The remuneration report is set out in the following manner:

- Policies used to determine the nature and amount of remuneration
- Key Management Personnel
- Service agreements
- Share based compensation
- Details of remuneration

Remuneration Policy

The Board of Directors is responsible for remuneration policies and the packages applicable to the Directors of the Company. The broad remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains, and motivates people of the highest quality.

The Managing Director, Executive and Non-executive Directors are remunerated for the services they render to the Company and such services are carried out under normal commercial terms and conditions. Engagement and payment for such services are approved by the other Directors who have no interest in the engagement of services.

At the date of this report the Company had not entered into any packages with Directors or senior executives which include performance based components. The Company does not operate an employee share option plan.

Details of Key Management Personnel

Directors

Michael Delaney Perrott	Non-executive Chairman
James Noel Sullivan	Managing Director
Peter Ross Sullivan	Non-executive Director

Executives

Mark Edward Pitts	Company Secretary

Service Agreements

There are no service agreements with any of the Company's Directors.

Share Based Compensation

There is currently no provision in the policies of the Group for the provision of share based compensation to Directors. The interest of Directors in shares and options is set out elsewhere in this report.

Details of Remuneration for Directors

Details of the nature and amount of each element of the emoluments of the key management personnel of the companies in the Group are:

2014	Short Term Benefits Salary & Fees $	Post Employment Benefits Superannuation $	Long Term Benefits Options $	Total $	Performance Related %
Executive Directors					
James N Sullivan	120,000	-	-	120,000	-
Non-executive Directors					
Michael D Perrott	30,000	-	-	30,000	-
Peter R Sullivan	24,000	-	-	24,000	-
Executives					
Mr Mark Pitts	60,000	-	-	60,000	-
	234,000	**-**	**-**	**234,000**	**-**

2013	Short Term Benefits Salary & Fees $	Post Employment Benefits Superannuation $	Long Term Benefits Options $	Total $	Performance Related %
Executive Directors					
James N Sullivan	120,000	-	-	120,000	-
Non-executive Directors					
Michael D Perrott	30,000	-	-	30,000	-
Geoffrey M Motteram*	24,000	-	-	24,000	-
Peter R Sullivan	24,000	-	-	24,000	-
Executives					
Mr Mark Pitts	60,000	-	-	60,000	-
	258,000	**-**	**-**	**258,000**	**-**

* *Resigned 30 June 2013*

The Company and its subsidiaries had no employees as at 30 June 2014.

Directors' and Executives' Interests

The relevant interests of Directors either directly or through entities controlled by the Directors in the share capital of the Company as at the date of this report are:

2014 Director	Ordinary Shares Opening Balance	Net Change	Ordinary Shares Closing Balance
Michael D Perrott	18,265,922	-	18,265,922
James N Sullivan	19,615,583	3,914,115	23,529,698
Peter R Sullivan	25,091,575	5,018,313	30,109,888

2013 Director	Ordinary Shares Opening Balance	Net Change	Ordinary Shares Closing Balance
Michael D Perrott	15,656,505	2,609,417	18,265,922
James N Sullivan	16,813,359	2,802,224	19,615,583
Peter R Sullivan	16,411,593	8,679,982	25,091,575
Geoffrey M Motteram	6,180,592	1,030,098	7,210,690

During the year, the consolidated entity paid $17,486 (2013:$13,801) for commercial rent of a property owned by the Leonora Property Syndicate, an entity in which Peter Sullivan and James Sullivan have an interest.

The balance owed to the Leonora Property Syndicate as at 30 June 2014 was $4,290 (2013: nil).

During the year, $6,273 (2013: $46,143) was paid to Kumarina Resources Pty Ltd (an entity of which Peter Sullivan and James Sullivan are Directors) for shared premises lease and administrative salaries. $1,800 (2013: 8,844) was also paid to Kumarina for exploration services, and $5,824 (2013: 15,700) was received from Kumarina for shared administrative salaries. The Company also received $4,991 (2013: nil) from Kumarina Resources Pty Ltd for exploration expenses incurred on their behalf.

The Company has a payable of $121 (2013: nil) to Kumarina Resources Pty Ltd as at 30 June 2014.

In addition to the fees paid to Mark Pitts for Company Secretarial Services, the Company also paid $15,199 (2013: Nil) to Endeavour Corporate Pty Ltd, of which Mark Pitts is a partner, for Accounting and bookkeeping services.

The Company has an amount payable of $6,674 (2013: nil) to Endeavour Corporate as at 30 June 2014.

The Company has an amount payable of $24,000 (2013: $26,400) to Hardrock Capital Pty Ltd in relation to Directors fees, a company of which Peter Sullivan is a director.

Loans to Directors and Executives

There were no loans entered into with Directors or executives during the financial year under review.

Related party transactions with Directors and executives are set out in Note 14 to the Financial Report.

END OF REMUNERATION REPORT

MEETINGS OF DIRECTORS

During the year, 3 meetings of directors were held. Attendances were:

	Number Eligible to Attend	Number Attended
Michael D Perrott	3	3
James N Sullivan	3	3
Peter R Sullivan	3	3

OPTIONS

At the date of this report there were no options on issue.

There were no shares issued during the year or since the end of the year upon exercise of options.

AUDIT COMMITTEE

The Board reviews the performance of the external auditors on an annual basis and meets with them during the year to review findings and assist with Board recommendations.

The Board does not have a separate audit committee with a composition as suggested in the best practice recommendations. The full Board carries out the function of an audit committee.

The Board believes that the Company is not of a sufficient size to warrant a separate committee and that the full board is able to meet objectives of the best practice recommendations and discharge its duties in this area.

INDEMNIFYING OFFICERS OR AUDITORS

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or the auditor of the Company or of a related body corporate, indemnified or made any relative agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in defending legal proceedings.

ENVIRONMENTAL REGULATION

The Group's exploration and mining tenements are located in Western Australia. There are significant regulations under the Western Australian Mining Act 1978 and the Environmental Protection Acts that apply. Licence requirements relating to ground disturbance, rehabilitation and waste disposal exist for all tenements held.

The Directors are not aware of any significant breaches during the period covered by this report.

NON-AUDIT SERVICES

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 11 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on the following page and forms part of this directors' report for the year ended 30 June 2014.

This report is signed in accordance with a Resolution of Directors.

James Sullivan
Managing Director

Perth, Western Australia
11th September 2014

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of GME Resources Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

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

Perth, Western Australia
11 September 2014

N G Neill
Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2014

	Note	CONSOLIDATED 2014 $	2013 $
Other income	2	312,913	33,602
Depreciation expense	5	(1,417)	(4,087)
Exploration expenditure written off	6	-	(729,855)
Management and consulting fees		(90,032)	(70,000)
Administration expenses	2	(250,087)	(242,248)
Loss before income tax benefit		(28,623)	(1,012,588)
Income tax benefit	3	481,255	73,394
Net profit/(loss) for the year		452,632	(939,194)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		452,632	(939,194)
		Cents	Cents
Basic profit/(loss) per share	13	0.12	(0.26)
Diluted profit/(loss) per share		0.12	(0.26)

The accompanying notes form part of this financial statement.

Consolidated Statement of Financial Position

As at 30 June 2014

	Note	CONSOLIDATED 2014 $	2013 $
CURRENT ASSETS			
Cash and cash equivalents	10(b)	1,543,752	761,847
Trade and other receivables	4	29,773	14,849
Prepayments		47,669	-
TOTAL CURRENT ASSETS		1,621,194	776,696
NON-CURRENT ASSETS			
Trade and other receivables	4	14,000	183,000
Plant and equipment	5	2,700	4,117
Deferred exploration and evaluation expenditure	6	33,594,943	32,347,488
TOTAL NON-CURRENT ASSETS		33,611,643	32,534,605
TOTAL ASSETS		35,232,837	33,311,301
CURRENT LIABILITIES			
Trade and other payables	7	169,786	77,911
TOTAL CURRENT LIABILITIES		169,786	77,911
TOTAL LIABILITIES		169,786	77,911
NET ASSETS		35,063,051	33,233,390
EQUITY			
Issued capital	8	52,557,101	51,180,072
Option reserve	8	973,537	973,537
Accumulated losses		(18,467,587)	(18,920,219)
TOTAL EQUITY		35,063,051	33,233,390

The accompanying notes form part of this financial statement.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2014

CONSOLIDATED	Note	Issued Capital $	Option Reserve $	Accumulated Losses $	Total $
Balance at 30 June 2012		**50,111,454**	**973,537**	**(17,981,025)**	**33,103,966**
Loss for the year		-	-	(939,194)	(939,194)
Total comprehensive loss for the year		-	-	(939,194)	(939,194)
Transaction with owners in their capacity as owners					
Shares issued (net of costs)	8	1,068,618	-	-	1,068,618
Balance at 30 June 2013		**51,180,072**	**973,537**	**(18,920,219)**	**33,233,390**
Profit for the year		-	-	452,632	452,632
Total comprehensive profit for the year		-	-	452,632	452,632
Transaction with owners in their capacity as owners					
Shares issued (net of costs)	8	1,377,029	-	-	1,377,029
Balance at 30 June 2014		**52,557,101**	**973,537**	**(18,467,587)**	**35,063,051**

The accompanying notes form part of this financial statement.

Consolidated Statement of Cash Flows

For the year ended 30 June 2014

	Note	CONSOLIDATED 2014 $	2013 $
Cash flows from operating activities			
Payments to suppliers and employees		(339,578)	(312,224)
Payments for exploration and evaluation		(1,219,818)	(966,994)
Interest received		14,017	31,048
Research and development tax offset		481,255	73,394
Other income – Proceeds from royalty and facilitation fee		300,000	-
Net cash outflow from operating activities	10(a)	(764,124)	(1,174,776)
Cash flows from investing activities			
Proceeds from sale of assets		-	1,450
Environmental bonds returned		169,000	-
Net cash inflow from investing activities		169,000	1,450
Cash flows from financing activities			
Proceeds from issue of shares		1,389,357	1,078,700
Payment of costs associated with issue of shares		(12,328)	(10,082)
Net cash inflow from financing activities		1,377,029	1,068,618
Net increase/(decrease) in cash and cash equivalents		781,905	(104,708)
Cash and cash equivalents held at the start of the year		761,847	866,555
Cash and cash equivalents held at the end of the year	10(b)	1,543,752	761,847

The accompanying notes form part of this financial statement.

Notes to the Financial Statements

For the year ended 30 June 2013

1. STATEMENT OF ACCOUNTING POLICIES

GME Resources Limited (the "Company") is a listed public Company, incorporated and domiciled in Australia. The consolidated financial statements of the Company for the financial year ended 30 June 2014 comprise the Company and its subsidiaries (together referred to as the "Group").

(a) Basis of preparation

The financial statements are general-purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations and comply with other requirements of the law. The financial statements have also been prepared on a historical cost basis.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements are presented in Australian dollars.

The Group's principal activities are mineral exploration and investment.

(b) Adoption of new and revised standards

In the year ended 30 June 2014, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's 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 2014. 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 the Group's business and, therefore, no changes are necessary to Group accounting policies.

(c) Critical accounting judgements and key estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The recoverability of the carrying amount of exploration and evaluation costs carried forward has been reviewed by the Directors. In conducting the review, the recoverable amount of the Group's deferred exploration and evaluation expenditure of $31,452,816 relating to the NiWest nickel laterite project has been assessed by reference to the higher of "fair value less costs to sell" and "value in use".

In determining value in use, future cash flows are based on:

- Estimates of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction.
- Estimated production and sales levels.
- Estimated future commodity prices.
- Future costs of production.
- Future capital expenditure.
- Future exchange rates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The cashflow model used to support the assessment is calculated over a period of 20 years, being the estimated life of the mine. The discount rate is 8% and for the purpose of this exercise, a future nickel a price of US$10/lb has been assumed with a long term AUD/USD exchange rate of $0.85.

(c) Critical accounting judgements and key estimates (continued)

A scoping study completed in December 2013 concluded that a heap leaching operation combined with a processing plant utilising Direct Solvent Extraction to upgrade purified nickel solutions from the heap leach to produce LME nickel cathode via electrowinning is technologically and potentially economically sound.

Refer to ASX Announcement dated 11 December 2013 for more details on the scoping study.

Variations to expected future cash flows, and timing thereof, could result in significant changes to the impairment test results, which in turn could impact future financial results.

The accounting policies and methods of computation adopted in the preparation of the financial statements are consistent with those adopted and disclosed in the Company's financial statements for the financial year ended 30 June 2013.

(d) Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group recorded an operating profit of $452,632 and a cash outflow from operating activities of $764,124 for the year ended 30 June 2014 and at balance date, had net current assets of $1,451,408.

The Board considers that the consolidated entity is a going concern and recognises that additional funding is required to ensure that the consolidated entity can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of this financial report. Such additional funding can be derived from sources including:

- The placement of securities under the ASX Listing Rule 7.1 or otherwise;
- An excluded offer pursuant to the Corporations Act 2001; or
- The sale of assets.

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Accordingly, the Directors believe that subject to prevailing equity market conditions, the consolidated entity will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report. Should the consolidated entity be unable to obtain sufficient funding as outlined above, there is a material uncertainty that may cause significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

(e) Statement of compliance

The financial statements were authorised for issue on 11th September 2014.

The financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(f) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

(f) Basis of consolidation (continued)

When the Company has less than a majority of the voting rights if an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members are eliminated in full on consolidation.

Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in subsidiaries. Any difference between the amount paid by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit and loss or transferred to another category of equity as specified/permitted by the applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

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

(g) Revenue recognition (continued)

Royalty income

Revenue from royalties is measured at the fair value of the consideration received and receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred, recovery of the consideration is probable and the amount of revenue can be measured reliably.

Facilitation fee

Revenue from facilitation fees is measured at the fair value of the consideration received and receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred, recovery of the consideration is probable and the amount of revenue can be measured reliably.

(h) Borrowing costs

Borrowing costs are recognised as an expense when incurred except those that relate to the acquisition, construction or production of qualifying assets where the borrowing cost is added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

(i) Cash and cash equivalents

Cash and short-term deposits in the Consolidated Statement of Financial Position comprise cash at bank and on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(k) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

(k) Income tax (continued)

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

GME Resources Limited and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own. GME Resources Limited recognises both its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated group.

(l) Other taxes

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 Consolidated Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

(m) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

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

Plant and equipment – 4 to 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 reporting 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(m) Plant and equipment (continued)

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

(ii) Derecognition and disposal

An item of 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 profit or loss in the year the asset is derecognised.

(n) Investments and other financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transactions costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

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

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(n) Investments and other financial assets (continued)

(iv) Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models.

(o) Exploration and evaluation expenditure

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the Consolidated Statement profit or loss and other comprehensive Income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

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

Exploration and evaluation assets are assessed for impairment if:

- sufficient data exists to determine technical feasibility and commercial viability; and
- facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy 1(p)).

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

(p) Impairment of tangible and intangible assets other than goodwill

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimate used to determine the assets recoverable amount since the last impairment loss was recognised.

(p) Impairment of tangible and intangible assets other than goodwill (continued)

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in previous years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such reversal the depreciation charge is adjusted in future periods to allocate the assets revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(q) Impairment of financial assets

The Group assesses at each balance date whether a financial asset or Group of financial assets is impaired.

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a Group of financial assets with similar credit risk characteristics and that Group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed in subsequent periods.

(r) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(s) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) Earnings per share

Basic EPS is calculated as net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

- the after tax effect of dividends and interest associated with potential dilutive ordinary shares that have been recognised as expenses; and
- other non discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and potential dilutive ordinary shares, adjusted for any bonus element.

(u) Segment reporting

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

(v) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(w) Parent entity financial information

The financial information for the parent entity, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

	CONSOLIDATED	
	2014	2013
	$	$
2. REVENUE AND EXPENSES		
Operating Activities		
(a) Revenue:		
Interest received	12,913	32,152
Profit on sale of assets	-	1,450
Facilitation fee for prospecting rights	200,000	-
Royalty Income	100,000	-
Total revenue	312,913	33,602
(b) Expenses:		
Administration costs:		
Audit and taxation compliance fees	43,745	36,825
Corporate compliance costs	32,422	53,005
Employee expenses	-	18,281
Insurance	23,011	12,155
Office costs	37,917	77,911
Research & development claim preparation	71,625	-
Other	41,367	44,071
	250,087	242,248

	CONSOLIDATED	
	2014	2013
	$	$

3. INCOME TAX

(a) Income tax recognised in profit and loss

The major components of tax expense are:

	2014 $	2013 $
Adjustments recognised in the current year in relation to the current tax – R&D tax offset	481,255	73,394
Total tax benefit	481,255	73,394

The prima facie income tax expense on pre-tax accounting result from operations reconciles to the income tax provided in the financial statements as follows:

	2014 $	2013 $
Accounting loss before tax from continuing operations	(28,623)	(1,012,588)
Income tax expense/(benefit) calculated at 30%	(8,587)	(303,777)
Non-deductible expenses	1,601	196
R&D tax incentive	481,255	73,394
Tax losses and deferred tax balances not recognised	6,986	303,581
Income tax benefit reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.	481,255	73,394

(b) Unrecognised deferred tax balances

	2014 $	2013 $
Deferred tax assets comprise:		
Tax losses carried forward	11,650,587	11,567,444
Other deferred tax balances	20,937	23,517
	11,671,524	11,590,961
Deferred tax liabilities comprise:		
Exploration expenditure capitalised	10,078,483	9,704,247
Other deferred tax balances	14,300	331
	10,092,783	9,704,578
Income tax benefit not recognised directly in equity during the year:		
Capital raising costs	3,699	3,024

Potential deferred tax assets attributable to tax losses and capital losses carried forward have not been brought to account because the Directors do not believe it is appropriate to regard realisation of the future tax benefit as probable.

Tax Consolidation

Effective 1 July 2003, for the purposes of income taxation, the Company and its 100% wholly owned subsidiaries formed a tax consolidated group. The head entity of the tax consolidated group is GME Resources Limited.

	CONSOLIDATED	
	2014	2013
	$	$

4. TRADE AND OTHER RECEIVABLES

Current		
Accrued interest	-	1,104
GST Refundable	29,062	13,745
Other	711	-
	29,773	14,849
Non-current		
Bonds	14,000	183,000

5. PLANT AND EQUIPMENT (NON-CURRENT)

Plant and equipment - at cost	740,666	740,666
Less accumulated depreciation	(737,966)	(736,549)
Total plant and equipment	2,700	4,117
Reconciliation of the carrying amount of plant and equipment:		
Carrying amount at the beginning of the year	4,117	8,204
Additions	-	-
Disposals	-	-
Depreciation	(1,417)	(4,087)
Carrying amount at the end of the year	2,700	4,117

6. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE (NON-CURRENT)

Exploration and evaluation phase - at cost		
Movements:		
Balance at beginning of the year	32,347,488	32,104,931
Direct expenditure	1,247,455	972,412
	33,594,943	33,077,343
Less expenditure written off	-	(729,855)
	33,594,943	32,347,488

The ultimate recoupment of the above deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas at amounts sufficient to recover the investment.

The write-off of expenditure arising in the prior year was based on tenements relinquished, and the evaluation of the carrying values of the remaining tenements.

7. PAYABLES (CURRENT)

Trade payables and accruals	169,786	77,911
	169,786	77,911

Trade payables and accruals are non-interest bearing and normally settled on 30 day terms.

Details of exposure to interest rate risk and fair value in respect of liabilities are set out in Note 15. There are no secured liabilities as at 30 June 2014.

	CONSOLIDATED	
	2014	2013
	$	$

8. ISSUED CAPITAL AND RESERVES

436,121,505 (2013: 384,663,864) ordinary shares, fully paid	52,557,101	51,180,072
Ordinary shares		
Balance at the beginning of the year	51,180,072	50,111,454
Entitlement issue (a)	1,389,357	-
Entitlement issue	-	1,078,700
Costs associated with entitlement issue	(12,328)	(10,082)
Balance at the end of the year	52,557,101	51,180,072

	No of Shares	No of Shares
Balance at the beginning of the year	384,663,864	343,175,391
Entitlement issue (a)	51,457,641	-
Entitlement issue	-	41,488,473
Balance at the end of the year	436,121,505	384,663,864

(a) In June 2014, 51,457,641 ordinary shares were issued under a non-renounceable rights issue at 2.7c per share.

Reserves

The option reserve is used to record the fair value of options issued and there have been no further issues of options during the year.

9. CONTROLLED ENTITIES

	Percentage Owned		Company's Cost of Investment	
Name of Controlled Entity (Country of Incorporation)	2014 %	2013 %	2014 $	2013 $
GME Sulphur Inc (USA)	100	100	-	-
GME Investments Pty Ltd (Australia)	100	100	-	-
Golden Cliffs NL (Australia)	100	100	616,893	616,893
NiWest Limited (Australia)	100	100	4,561,313	4,561,313
			5,178,206	5,178,206

	CONSOLIDATED 2014 $	2013 $

10. CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of cash flows from operating activities

	2014 $	2013 $
Profit/(loss) from ordinary activities after tax	452,632	(939,194)
Depreciation / amortisation	1,417	4,087
Gain on sale of assets	-	(1,450)
Exploration costs written off	-	729,855
Tenement reversion account written off	-	7,026
Exploration costs capitalised (excluding creditors)	(1,265,622)	(966,944)
Decrease/(increase) in receivables and prepayments	(46,564)	(1,106)
Increase/(decrease) in sundry creditors	94,013	(7,000)
Net cash outflows from operating activities	(764,124)	(1,174,776)

(b) Reconciliation of cash and cash equivalents

	2014 $	2013 $
Cash balance comprises:		
Cash at bank	176,466	10,384
Deposits at call	1,367,286	751,463
	1,543,752	761,847

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

Short term deposits are made for varying periods between 3 to 6 months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

11. AUDITOR'S REMUNERATION

Amounts received or due and receivable by the auditors of GME Resources Ltd for:

	2014 $	2013 $
- an audit or review of the financial statements of the Company and any other entity in the Group	38,295	35,425
- other services in relation to the Company and any other entity in the Group	5,450	1,400
	43,745	36,825

12. SEGMENT REPORTING

The Group has adopted AASB 8 Operating Segments which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker, being the Board of GME Resources Limited, in order to allocate resources to the segment and assess its performance. The Board of GME Resources Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominantly in one business and geographical segment being the resources sector in Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

	CONSOLIDATED	
	2014	2013
	$	$

13. PROFIT/(LOSS) PER SHARE

	Cents	Cents
Basic and diluted Profit/(loss) per share	0.12	(0.26)
Profit/(loss) used in calculation of basic and diluted earnings per share	452,632	(939,194)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted earnings per share	385,227,783	359,316,112

The Company does not have any options on issue.

14. DIRECTORS' AND EXECUTIVES' DISCLOSURES

(a) Details of Key Management Personnel

Directors

Michael Delaney Perrott – Non-executive Chairman

James Noel Sullivan – Managing Director

Peter Ross Sullivan – Non-executive Director

Executives

Mark Pitts – Company Secretary

(b) Key Management Personnel Compensation

	2014	2013
Short-term employee benefits	234,000	258,000
Post-employment benefits	-	-
Long-term employee benefits	-	-
	234,000	258,000

(c) Other transactions and balances with Key Management Personnel

There were no other transactions with key management personnel during this financial year.

15. FINANCIAL INSTRUMENT DISCLOSURES

Financial risk management objectives

The Group is exposed to market risk (including interest rate), credit risk and liquidity risk.

The Group does not issue derivative financial instruments, nor does it believe that it has exposure to such trading or speculative holdings through its investments in associates.

Risk management is carried out by the Board as a whole, which provides the principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, and liquidity risk. The Group uses different methods to measure different types of risk to which it is exposed. Where appropriate these methods will include sensitivity analysis in the case of interest rate, and other price risks and aging analysis for credit risk.

(a) Categories of financial instruments

2014 Financial Assets	Weighted Average Effective Interest Rate	Floating Interest Rate $	Fixed Interest Rate Maturing Within 1 year $	Fixed Interest Rate Maturing Over 1 year $	Non-interest Bearing $	Total $
Cash assets	2.1%	176,466	1,381,286	-	-	1,557,752
Receivables	n/a	-	-	-	29,773	29,773
		176,466	1,381,286	-	29,773	1,587,525
Payables	n/a	-	-	-	169,786	169,786
		-	-	-	169,786	169,786

2013 Financial Assets	Weighted Average Effective Interest Rate	Floating Interest Rate $	Fixed Interest Rate Maturing Within 1 year $	Fixed Interest Rate Maturing Over 1 year $	Non-interest Bearing $	Total $
Cash assets	3.3%	10,384	934,463	-	-	944,847
Receivables	n/a	-	-	-	14,849	14,849
		10,384	934,463	-	14,849	959,696
Payables	n/a	-	-	-	77,911	77,9118
		-	-	-	77,911	77,911

(b) Interest rate risk sensitivity analysis

The Company and the Group are exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, in respect of the cash balances and deposits.

The sensitivity analyses below have been determined based on the exposure to interest rates for instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At reporting date, if interest rates had been 50 basis points higher and all other variables were held constant, the Group's net profit before tax and equity would reduce by $3,091 and increase by $3,091, respectively (2013:$4,248). A reduction in the interest rate would have an equal but opposite effect.

(c) Liquidity risk

The Company manages liquidity risk by continually monitoring cash reserves and cash flow forecasts to ensure that financial commitments can be met as and when they fall due.

(d) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is not significantly exposed to credit risk from its operating activities, however, the Board does monitor receivables as and when they arise. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset mentioned above. The Group does not hold collateral as security.

No material exposure is considered to exist by virtue of the possible non-performance of the counterparties to financial instruments and cash deposits.

(e) Capital management risk

The Company controls the capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern.

The Company effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

(f) Net fair values

The net fair value of the financial assets and financial liabilities approximates their carrying value. Other than listed investments that are measured at the quoted bid price at balance date adjusted for transaction costs expected to be incurred, no financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Consolidated Statement of Financial Position and in the notes to and forming part of the financial statements.

16. COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities, not provided for in the financial statements of the Group as at 30 June 2014, other than:

(a) Mineral Tenement Leases

In order to maintain current rights of tenure to mining tenements, the Group in its own right or in conjunction with its joint venture partners may be required to outlay amounts of approximately $1,370,880 (2013: $1,888,500) per annum on an ongoing basis in respect of tenement lease rentals and to meet the minimum expenditure requirements of the Western Australian and Queensland Mines Department. These obligations are expected to be fulfilled in the normal course of operations by the Group or its joint venture partners and are subject to variations dependent on various matters, including the results of exploration on the mineral tenements.

(b) Claims of Native Title

Legislative developments and judicial decisions (in particular the uncertainty created in the area of Aboriginal land rights by the High Court decision in the "Mabo" case and native title legislation) may have an adverse impact on the Group's exploration and future production activities and its ability to fund those activities. It is impossible at this stage to quantify the impact (if any) which these developments may have on the Group's operations.

Native title claims have been made over ground in which the Group currently has an interest. It is possible that further claims could be made in the future. The Company has established access agreements with the major claimant groups in the area. All of the mineral resources are located on granted mining leases. Once granted there is no opportunity for veto of project development under the Native Title act, however owners must adhere to the provisions of the Aboriginal Heritage Act 1972 which regulates how to deal with specific heritage sites that may exist on the tenement.

(c) Non-cancellable Operating Lease Commitments	CONSOLIDATED	
	2014 **$**	2013 $
Within one year	4,853	10,681
One year or later and no later than five years	-	4,853
	4,853	15,534

17. INTERESTS IN BUSINESS UNDERTAKINGS – FARM-INS

The Company has entered into a number of agreements with other companies to gain interests in project areas. These interests will be earned by expending certain amounts of money on exploration expenditure within a specific time. The Company can, however, withdraw from these projects at any time without penalty. The amounts required to be expended in the next year have been included in Note 16 – Commitments and Contingent Liabilities.

18. RELATED PARTIES

Total amounts receivable and payable from entities in the wholly owned Group at balance date:

Non-current receivables		
Loans net of provisions for non- recovery	15,437,092	14,235,410
Current payables		
Loans	1,284,011	1,387,360

During the year, the consolidated entity paid $17,486 (2013:$13,801) for commercial rent of a property owned by the Leonora Property Syndicate, an entity in which Peter Sullivan and James Sullivan have an interest.

The balance owed to the Leonora Property Syndicate as at 30 June 2014 was $4,290 (2013: nil).

During the year, $6,273 (2013: $46,143) was paid to Kumarina Resources Pty Ltd (an entity of which Peter Sullivan and James Sullivan are Directors) for shared premises lease and administrative salaries. $1,800 (2013: 8,844) was also paid to Kumarina for exploration services, and $5,824 (2013: 15,700) was received from Kumarina for shared administrative salaries. The Company also received $4,991 (2013: nil) from Kumarina Resources Pty Ltd for exploration expenses incurred on their behalf.

The Company has a payable of $121 (2013: nil) to Kumarina Resources Pty Ltd as at 30 June 2014.

In addition to the fees paid to Mark Pitts for Company Secretarial Services, the Company also paid $15,199 (2013: Nil) to Endeavour Corporate Pty Ltd, of which Mark Pitts is a partner, for Accounting and bookkeeping services.

The Company has an amount payable of $6,674 (2013: nil) to Endeavour Corporate as at 30 June 2014.

The Company has an amount payable of $24,000 (2013: $26,400) to Hardrock Capital Pty Ltd in relation to Directors fees, a company of which Peter Sullivan is a director.

19. PARENT ENTITY DISCLOSURE

As at, and throughout, the financial year ended 30 June 2014 the parent Company of the Group was GME Resources Limited.

	CONSOLIDATED	
	2014	2013
	$	$
Results of the parent entity		
Profit/(loss) after tax for the year	152,629	(340,835)
Other comprehensive income	-	-
Total comprehensive result for the year	152,629	(340,835)
Financial position of the parent entity at year end		
Current assets	1,621,194	776,696
Total assets	36,146,407	34,328,221
Current liabilities	1,751,797	1,463,269
Total liabilities	1,751,797	1,463,269
Total equity of the parent entity comprising of:		
Share capital	52,557,101	51,180,072
Option reserve	973,537	973,537
Accumulated losses	(19,136,028)	(19,288,657)
Total equity	34,394,610	32,864,952

20. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Directors' Declaration

1. In the opinion of the Directors of GME Resources Limited (the "Company"):

a. The financial statements, notes, and the additional disclosures are in accordance with the Corporations Act 2001 including:

   i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2014 and of its performance for the year then ended; and

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

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

c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2014.

This declaration is signed in accordance with a resolution of the Board of Directors.

James Sullivan
Managing Director

Perth, Western Australia
11th September 2014

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of GME Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of GME Resources Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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 for the consolidated entity. The consolidated entity comprises 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(e), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

HLB Mann Judd

Accountants | Business and Financial Advisers

Independence

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

Auditor's opinion

In our opinion:

(a) the financial report of GME Resources 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 30 June 2014 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(e).

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(d) in the financial report, which indicates that additional funding is required to ensure that the consolidated entity can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of these financial statements. Should the consolidated entity be unable to obtain sufficient funding as stated in Note 1(d), there is a material uncertainty that may cause significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Norman Glasse

N G Neill
Partner

Perth, Western Australia
11 September 2014

Shareholder Information

The following additional information, applicable at 1 October 2014 is required by the Australian Securities Exchange Ltd in respect of listed public companies only.

Shareholding

a. Distribution of Shareholders	Number of Holders
1 - 1,000	89
1,001 - 5,000	289
5,001 - 10,000	142
10,001 - 100,000	499
100,001 and over	222
TOTAL	1,241

b. The number of shareholders holding less than a marketable parcel is 716.

c. The names of the substantial shareholders listed in the holding Company's register as at 1 October 2014 are:

Shareholder	Number
ICM Limited	167,621,554
MANDALUP INVESTMENTS PTY LTD	39,601,476
PETER ROSS SULLIVAN	21,507,066
JAMES NOEL SULLIVAN	23,529,698

d. Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

— Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. 20 Largest Shareholders — Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	150,142,778	32.53
2	MANDALUP INVESTMENTS PTY LTD <MANDALUP DISCRETIONARY A/C>	29,421,416	6.37
3	ICM LIMITED	22,053,612	4.78
4	PANORAMIC RESOURCES LIMITED	18,518,519	4.01
5	DUNCRAIG INVESTMENTS SERVICES PTY LTD <PMS SUPER - PERROTT A/C>	18,265,922	3.96
6	HARDROCK CAPITAL PTY LTD	13,673,556	2.96
7	MR PETER ROSS SULLIVAN	10,832,520	2.35
8	TWO TOPS PTY LTD	10,390,539	2.25
9	AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	10,196,540	2.21
10	MANDALUP INVESTMENTS PTY LTD <MANDALUP SUPER FUND A/C>	10,180,060	2.21
11	MMP (WA) PTY LTD <GEOMETT S/F A/C>	7,210,690	1.56
12	PROTAX NOMINEES PTY LTD <RICHARDS SUPER FUND A/C>	7,036,532	1.52
13	MD NICHOLAEFF PTY LTD <M & N SUPER FUND A/C>	6,278,841	1.36
14	SULLIVANS GARAGE PTY LTD	5,388,332	1.17
15	HARDROCK CAPITAL PTY LTD <CGLW (NO2) SUPER FUND A/C>	5,374,132	1.16
16	ZETA RESOURCES LIMITED	5,160,931	1.12
17	JAMES NOEL SULLIVAN	4,288,174	0.93
18	MR DOUGLAS STUART BUTCHER	4,267,311	0.92
19	ECLECTIC INVESTMENT COMPANY LIMITED	3,604,657	0.78
20	TUNZA HOLDINGS PTY LTD	3,603,121	0.78
		345,888,183	77.93

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited. The ASX code is GME.

www.gmeresources.com.au