

Greatland Gold plc

Report & Financial Statements

for the year ended 30 June 2016

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Company Information

Directors	Alex Borrelli – Non-Executive Chairman Gervaise Heddle – Executive Director Callum N Baxter – Executive Director
<i>all of</i>	1 Adam Street London WC2N 6LE
Secretary	Stephen F Ronaldson
Registered Office	55 Gower Street London WC1E 6HQ
Website	www.greatlandgold.com
Nominated Adviser	SPARK Advisory Partners Limited 5 St. John's Lane London EC1M 4BH
Solicitors	Ronaldsons LLP Solicitors 55 Gower Street London WC1E 6HQ
Auditors	Chapman Davis LLP 2 Chapel Court London SE1 1HH
Broker	SI Capital Limited 46 Bridge Street Godalming Surrey GU7 1HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
Registered number	5625107

Chairman's Statement

It has been a year of change at Greatland Gold that has seen a heightened level of activity on both existing and new exploration projects.

Last year we observed a turnaround in market sentiment towards the global mining sector after several years of falling commodity prices. Although the recovery in commodity prices is still in its nascent phase, the Board of Greatland Gold believes that we are at or near the bottom of the commodities cycle and, consequently, has spent the last year seeking to reposition the Company for what we hope is a sustained upturn in the sector.

In order to capitalise on these opportunities and execute our strategy, changes have occurred at Board level including the appointment of Gervaise Heddle, Executive Director and myself as Non-Executive Chairman. We would also like to note the resignation of John Watkins and, subsequent to the end of the financial year, the resignations of Andrew Bell, former Chairman of Greatland Gold, and Paul Johnson, former Non-executive Director. On behalf of the Board, I would like to thank Andrew, Paul and John for their dedication and service.

Greatland Gold successfully raised £637,000 of new equity (net of costs) during the year and a further £389,025 (net of costs) since the close of the financial year. These funds will be used to advance further our current projects and to take advantage of the exciting opportunities that we believe exist in the market at this time, whilst maintaining a disciplined approach towards capital allocation.

Over the past 12 months the Group recorded a loss of £662,903, equating to a loss of 0.06 pence per share with net cash inflow for the year of £130,871. The loss for the year is reflective of total administrative expenses of £518,894 plus exploration costs of £145,232. This compares to a loss of £1,077,779 in the previous year that equated to a loss of 0.15 pence per share. The Group's cash deposits stood at £883,478 at the period end.

Our strategy for the year ahead involves two key elements. First, we continue to accelerate our plans to exploit our existing pipeline of exploration projects. At the time of writing, Greatland Gold is in the midst of an ambitious exploration campaign at the Ernest Giles gold project in Western Australia, is preparing for further exploration at its Tasmanian gold assets and is awaiting the results of its downhole EM survey from the Bromus project.

Second, we are actively seeking new external opportunities to capitalise on the relatively depressed valuations that we believe still exist in the sector. After the close of the financial year, we announced that Greatland Gold reached an agreement to acquire 100% of the Havieron Project. The Havieron Project covers 135 square kilometres in the Paterson Region of Western Australia and is located approximately 40 kilometres east of the prolific Telfer gold mine. Limited historical drilling by Newcrest in the 1990s demonstrated high grade gold and copper mineralisation and we believe that the Havieron Project provides Greatland Gold with a walk up resource definition drill target in a region that is attracting increasing interest from major mining companies.

In summary, we remain confident in the long-term fundamentals of the major commodities, particularly gold and precious metals. We intend to capitalise on this view by advancing our existing projects and seeking new projects at sensible valuations. Our thanks go to Callum, Gervaise and the team.

Alex Borrelli
Chairman
10 November 2016

Board of Directors

Alex Borrelli

FCA, Non-executive Chairman

Alex is a qualified Chartered Accountant with many years' experience in investment banking encompassing flotations, takeovers, and mergers and acquisitions for private and quoted companies. Alex is also Chairman and CEO of BMR Group Plc (AIM) and CEO of Metal Tiger Plc (AIM).

Gervaise Heddle

BEC(Hons), BA(Juris), CFA, Executive Director

Gervaise is an experienced investor and market commentator, a Non-Executive Director of Thor Mining Plc and is the Managing Director of Bletchley Economics. Gervaise was a Division Director of Macquarie Bank and a Fund Manager at Merrill Lynch Investment Managers. Gervaise is a CFA charterholder and has extensive financial market experience.

Callum Baxter

MSc (Ore Deposit Geology), MAIG, MAusIMM, Executive Director

Callum Baxter is a geologist with over twenty years' global multi-commodity experience and is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy.

He has considerable experience in the natural resources sector as a geologist with junior, mid-tier and major mining companies, primarily specialising in early stage exploration.

Callum is also a Chairman and Chief Executive Office of AIM listed Starvest Plc.

Strategic report

Principal activities and business review

The Group has been established as a mineral exploration and development company focussed on gold in Tasmania and Western Australia.

The Group's objective is to maximise Shareholder value in exploring for and developing mineral deposits. The developments during the period are given in the Chairman's statement.

Principle risks and uncertainties

The management of the business and the execution of the Board's strategy are subject to a number of risks:

- Exploration is speculative in nature; there can never be certainty of outcome.
- The economic viability of a project is affected by world commodity prices.
- Commodity prices are subject to international economic trends, currency fluctuations and consumption patterns over which the Group has no control.

By order of the Board

Callum Baxter

Executive Director

10 November 2016

Directors' report

The Directors present their tenth annual report on the affairs of the Group and parent company, together with the Group financial statements for the year ended 30 June 2016.

Fundraising

The Group raised £637,000 net of costs during the year (2015: £798,750).

Results and dividends

The Group's results are described in the Group statement of comprehensive income on page 17. The audited financial statements for the year ended 30 June 2016 are set out on pages 17 to 40.

The Group has incurred a loss for the year of £662,903 (2015: £1,077,779).

The Directors do not recommend the payment of a dividend.

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to forecasts. Project milestones and timelines are regularly reviewed.

General and economic risks

- Contractions in the world's major economies or increases in the rate of inflation resulting from international conditions;
- movements in the equity and share markets in the United Kingdom and throughout the world;
- weakness in global equity and share markets, in particular, in the United Kingdom, and adverse changes in market sentiment towards the resource industry;
- currency exchange rate fluctuations and, in particular, the relative prices of the Australian Dollar, and the UK Pound;
- exposure to interest rate fluctuations; and
- adverse changes in factors affecting the success of exploration and development operations, such as increases in expenses, changes in government policy and further regulation of the industry; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; and variations in grades and unforeseen adverse geological factors or prolonged weather conditions.

Funding risk

The Group or the companies in which it has invested may not be able to raise, either by debt or further equity, sufficient funds to enable completion of planned exploration, investment and/or development projects.

Commodity risk

Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of the Group. Mining, processing and transportation costs also depend on many factors, including commodity prices, capital and operating costs in relation to any operational site.

Directors' report, continued

Exploration and development risks

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs.
- Success in identifying economically recoverable reserves can never be guaranteed. The Group also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects.
- Some of the states within the countries in which the Group operates have native title laws which could affect exploration and development activities. The companies in which the Group has an interest may be required to undertake clean-up programmes on any contamination from their operations or to participate in site rehabilitation programmes which may vary from country to country. The Group's policy is to follow all applicable laws and regulations and the Group is not currently aware of any material issues in this regard.
- Timely approval of mining permits and operating plans through the respective regulatory agencies cannot be guaranteed.
- Availability of skilled workers is an ongoing challenge.
- Geology is always a potential risk in mining activities.

Market risk

The ability of the Group (and the companies in which it invests) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

Key performance indicators

Given the straightforward nature of the Group's activities, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business at the present time.

Directors

The Directors who served during the year are as follows:

Callum Baxter

Andrew R M Bell – resigned 14 August 2016

John Watkins – resigned 06 April 2016

Alex Borrelli – appointed 18 April 2016

Gervaise Heddle – appointed 27 May 2016

Paul Johnson – appointed 18 April 2016, resigned 14 August 2016

Share capital

Information relating to shares issued during the period is given in Note 14 to the accounts.

Charitable and political donations

During the period there were no charitable or political contributions.

Payment of suppliers

The Group's policy is to settle terms of payment with suppliers when agreeing terms of business, to ensure that suppliers are aware of the terms of payment and to abide by them. It is usual for suppliers to be paid within 30 days of receipt of invoice. At 30 June 2016 the Group's creditors were equivalent to 8 day's costs.

Directors' report, continued

Substantial shareholdings

On 30 June 2016 the following were registered as being interested in 3% or more of the Company's ordinary share capital:

	30 June 2016	
	Ordinary shares of £0.001 each	Percentage of issued share capital
Hargreaves Lansdown (Nominees) Limited	160,310,170	10.79%
TD Direct Investing Nominees (Europe) Limited	158,854,629	10.70%
Hargreave Hale (Nominees) Ltd	151,310,000	10.19%
Barclayshare Nominees Limited	112,562,518	7.58%
Beaufort Nominees Limited	111,752,356	7.52%
Share Nominees Limited	99,247,871	6.68%
HSDL Nominees Limited	99,026,856	6.67%
Jim Nominees Limited	88,346,687	5.95%
HSBC Client Holdings Nominee	54,969,274	3.70%

Included in the above Nominee accounts, Metal Tiger Plc holds a total of 150,000,000 (9.2%) and Paul Johnson and his spouse hold a total of 92,500,000 (5.7%) shares in the Company at the year end.

Furthermore, Starvest Plc holds a total of 85,333,333 (5.2%) (2015: 35,333,333 or 3.56%) shares in the Company of which 16,000,000 (1.08%) (2015: 16,000,000 or 1.61%) are being held by Allied Irish Bank as security for an overdraft facility for Starvest Plc.

Auditors

The Directors will place a resolution before the annual general meeting to reappoint Chapman Davis LLP as auditors for the coming year.

Directors' report, continued

Directors' remuneration

The remuneration of the directors paid during the year was fixed by the remuneration committee formerly consisting of John Watkins and Andrew Bell and latterly consisting of Callum Baxter and Alex Borrelli. This has been achieved acknowledging the need to maximise the effectiveness of the Company's limited resources during the year.

During the year, the Board agreed to pay fees to each director at the rate of £8,000 per annum (2014: £7,500). In addition to this, the businesses with which each director is associated have charged fees and expenses relating to professional services provided as set out in Note 7 to the financial statements.

Furthermore, as announced by the Company on 20 April 2016 the original 30,000,000 director options were cancelled and 100,000,000 (25,000,000 each) were issued to the four directors; Callum Baxter Executive Director, Andrew Bell Chairman, Alex Borrelli Non-Executive Director and Paul Johnson Non-Executive Director. As set out in Notes 7 and 16, under the Company's employee share option plan there were 100 million unexercised options in issue (2014: 30 million).

Events after the reporting period

There are no significant post balance sheet events to disclose for the year ended 30 June 2016, other than those set out in Note 20.

Corporate Governance

A corporate governance statement follows on page 13.

Control Procedures

The Board has approved financial budgets and cash forecasts; in addition, it has implemented procedures to ensure compliance with accounting standards and effective reporting.

Environmental Responsibility

The Company is aware of the potential impact that its subsidiary companies may have on the environment. The Company ensures that it and its subsidiaries at a minimum comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Employment Policies

The Group is committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group provides training and support to employees and sets demanding standards for workplace safety.

Going Concern

Notwithstanding the loss incurred during the period under review, the Directors are of the opinion that ongoing evaluations of the Company's interests indicate that preparation of the Group's accounts on a going concern basis is appropriate. The key factor for a business such as that of the Group is its ability to continue to fund its exploration and development activities. The Directors believe they will be able to raise new finance from stock markets if this is required during 2017.

By order of the Board

Callum N Baxter
Executive Director
10 November 2016

Statement of directors' responsibilities

Directors' responsibilities for the financial statements

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

Company law in the United Kingdom requires the directors to prepare Group and Company financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In addition, the AIM rules of the London Stock Exchange require that the Group financial statements be prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"); the Company financial statements are prepared on the same basis.

In preparing the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the annual report includes information required by the AIM market of the London Stock Exchange.

The maintenance and integrity of the Company's website is the responsibility of the directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Corporate Governance Statement

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Services Authority incorporate the Combined Code, which sets out the principles of Good Governance, and the Code of Best Practice for listed companies. Whilst the Company is not required to comply with the Combined Code, the Company's corporate governance procedures take due regard of the principles of Good Governance set out in the Combined Code in relation to the size and the stage of development of the Company.

Board of Directors

The Board of Directors currently comprises the Non-Executive Chairman and the two Executive Directors. The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the Combined Code have been implemented to an appropriate level. The Board, through the Chairman and the Executive Directors, maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

Board Meetings

The Board meets regularly throughout the year. For the period ending 30 June 2016 the Board met eight times in relation to normal operational matters. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Director who is charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of the Company's solicitors and the Company Secretary, necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively, and all Directors have access to independent professional advice, at the Company's expense, as and when required.

Board Committees

The Board has established the following committees, each of which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting, including accounting policies, and internal financial controls. The Audit Committee comprises two Directors, Gervaise Heddle as its Chairman and, Alex Borrelli. It is responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board of Directors' and senior executives' remuneration. It comprises two Directors, Callum Baxter as its Chairman, and Alex Borrelli. The Non-Executive Directors' remuneration and conditions are considered and agreed by the Board. The financial package for the Executive Directors is established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognised job qualifications and skills. The Committee will also have regard to the terms which may be required to attract an equivalent experienced executive to join the Board from another company.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in the light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Corporate Governance Statement, continued

Insurance

The Group maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company.

Treasury Policy

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee who is in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.

Independent Auditor's Report to the Members of Greatland Gold plc

We have audited the financial statements of Greatland Gold plc for the year ended 30 June 2016 which comprise the Group Statement of Comprehensive Income, the Group and Parent Company Balance Sheets, the Group and Parent Company Cash Flow Statements, the Group and Parent Statements of Changes in Equity, and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2016 and of the Group's and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of Greatland Gold plc,
continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Rowan Palmer (Senior Statutory Auditor)
for and on behalf of Chapman Davis LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
10 November 2016

Group statement of comprehensive income
for the year ended 30 June 2016

	Notes	Year ended 30 June 2016	Year ended 30 June 2015
		£	£
Revenue	2	-	-
Exploration costs		(145,232)	(259,263)
Impairment charge		-	(540,570)
Administrative expenses		(518,894)	(279,431)
Operating loss		(664,126)	(1,079,264)
Finance revenue		1,223	1,485
Loss before taxation	3	(662,903)	(1,077,779)
Income tax expense	4	-	-
Loss for the year		(662,903)	(1,077,779)
Other comprehensive income			
Exchange differences on translation of foreign operations		45,444	(90,937)
Other comprehensive income for the year net of taxation		45,444	(90,937)
Total comprehensive income for the year attributable to equity holders of the parent company		(617,459)	(1,168,716)
Loss per share - basic and diluted	8	(0.06) pence	(0.15) pence

All operations are considered to be continuing.

Group balance sheet
as at 30 June 2016

	Note	30 June 2016 £	£	30 June 2015 £	£
ASSETS					
Non-current assets					
Tangible assets	9	8,058		10,381	
Intangible assets	10	332,154		292,200	
			340,212		302,581
Current assets					
Cash and cash equivalents	17	883,478		748,117	
Trade and other receivables	12	88,429		48,267	
Total current assets			971,907		796,384
TOTAL ASSETS			1,312,119		1,098,965
LIABILITIES					
Current liabilities					
Trade and other payables	13	(68,131)		(175,051)	
TOTAL LIABILITIES			(68,131)		(175,051)
NET ASSETS			1,243,988		923,914
EQUITY					
Called-up share capital	14	1,041,614		992,338	
Share premium reserve		5,720,907		5,050,183	
Share based payment reserve	15	277,533		60,000	
Retained earnings		(6,062,883)		(5,399,980)	
Other reserves		266,817		221,373	
TOTAL EQUITY			1,243,988		923,914

These financial statements were approved by the Board of Directors on 10 November 2016 and signed on its behalf by:

Alex Borrelli
Chairman

Callum N Baxter
Executive Director

Group statement of changes in equity
for the year ended 30 June 2016

	Share capital	Share premium account	Share based payment reserve	Retained earnings	Other reserves	Total
	£	£	£	£	£	£
As at 30 June 2014	579,233	4,664,538	60,000	(4,322,201)	312,310	1,293,880
Loss for the year	-	-	-	(1,077,779)	-	(1,077,779)
Currency translation differences	-	-	-	-	(90,937)	(90,937)
Total comprehensive income	-	-	-	(1,077,779)	(90,937)	(1,168,716)
Share option charge	-	-	-	-	-	-
Share capital issued	413,105	436,895	-	-	-	850,000
Cost of share issue	-	(51,250)	-	-	-	(51,250)
Total contributions by and distributions to owners of the Company	413,105	385,645	-	-	-	798,750
As at 30 June 2015	992,338	5,050,183	60,000	(5,399,980)	221,373	923,914
Loss for the year	-	-	-	(662,903)	-	(662,903)
Currency translation differences	-	-	-	-	45,444	45,444
Total comprehensive income	-	-	-	(662,903)	45,444	(617,459)
Share option charge	-	-	217,533	-	-	217,533
Share capital issued	49,276	693,724	-	-	-	743,000
Cost of share issue	-	(23,000)	-	-	-	(23,000)
Total contributions by and distributions to owners of the Company	49,276	670,724	217,533	-	-	937,533
As at 30 June 2016	1,041,614	5,720,907	277,533	(6,062,883)	266,817	1,243,988

Group statement of changes in equity
for the year ended 30 June 2016, continued

Other reserves	Merger reserve	Foreign currency translation reserve	Total other reserves
	£	£	£
As at 30 June 2014	225,000	87,310	312,310
Currency translation differences	-	(90,937)	(90,937)
Total comprehensive income	-	(90,937)	(90,937)
As at 30 June 2015	225,000	(3,627)	221,373
Currency translation differences	-	45,444	45,444
Total comprehensive income	-	45,444	45,444
As at 30 June 2016	225,000	41,817	266,817

Company balance sheet
as at 30 June 2016

	Note	30 June 2016		30 June 2015	
		£	£	£	£
ASSETS					
Non-current assets					
Investment in subsidiary	11	50,000		50,000	
Current assets					
Cash and cash equivalents	17	852,348		703,311	
Trade and other receivables	12	533,114		305,103	
Total Current Assets		1,385,462		1,008,414	
TOTAL ASSETS		1,435,462		1,058,414	
LIABILITIES					
Current Liabilities					
Trade and other payables	13	(61,795)		(80,189)	
TOTAL LIABILITIES		(61,795)		(80,189)	
NET ASSETS		1,373,667		978,225	
EQUITY					
Called-up share capital	14	1,041,614		992,338	
Share premium reserve		5,720,907		5,050,183	
Share based payment reserve	15	277,533		60,000	
Merger reserve		225,000		225,000	
Retained earnings		(5,891,387)		(5,349,296)	
TOTAL EQUITY		1,373,667		978,225	

These financial statements were approved by the Board of Directors on 10 November 2016 and signed on its behalf by:

Alex Borrelli
Chairman

Callum N Baxter
Executive Director

Company statement of changes in equity
for the year ended 30 June 2016

	Called up share capital	Share premium account	Share based payment reserve	Retained earnings	Merger reserve	Total
	£	£	£	£	£	£
As at 30 June 2014	579,233	4,664,538	60,000	(2,135,033)	225,000	3,393,738
Loss for the year	-	-	-	(3,214,263)	-	(3,214,263)
Total comprehensive income	-	-	-	(3,214,263)	-	(3,214,263)
Share option charge	-	-	-	-	-	-
Share capital issued	413,105	436,895	-	-	-	850,000
Cost of share issue	-	(51,250)	-	-	-	(51,250)
Total contributions by and distributions to owners of the Company	413,105	385,645	-	-	-	798,750
As at 30 June 2015	992,338	5,050,183	60,000	(5,349,296)	225,000	978,225
Loss for the year	-	-	-	(542,091)	-	(542,091)
Total comprehensive income	-	-	-	(542,091)	-	(542,091)
Share option charge	-	-	217,533	-	-	217,533
Share capital issued	49,276	693,724	-	-	-	743,000
Cost of share issue	-	(23,000)	-	-	-	(23,000)
Total contributions by and distributions to owners of the Company	49,276	592,467	217,533	-	-	937,533
As at 30 June 2016	1,041,614	5,720,907	277,533	(5,891,387)	225,000	1,373,667

Group cash flow statement
for the year ended 30 June 2016

	Notes	Year ended 30 June 2016	Year ended 30 June 2015
		£	£
Cash (out)flows from operating activities			
Operating loss		(664,126)	(1,079,264)
(Increase) in trade & other receivables		(40,162)	(17,846)
(Decrease) in trade & other payables		(106,920)	(14,036)
Depreciation		3,323	3,531
Impairment of exploration properties		-	540,570
Share option charge		217,533	-
Salary sacrifice charge		83,000	-
Net (decrease) in cash and cash equivalents from operations		(507,352)	(567,045)
Cash in/(out)flows from investing activities			
Interest received		1,223	1,485
Payments to acquire intangible assets		-	(35,953)
Net cash in/(out)flows used in investing activities		1,223	(34,468)
Cash inflows from financing activities			
Proceeds from issue of shares		660,000	850,000
Transaction costs of issue of shares		(23,000)	(51,250)
Net cash flows from financing activities		637,000	798,750
Net increase in cash and cash equivalents		130,871	197,237
Cash and cash equivalents at the beginning of period		748,117	556,085
Exchange gain/(loss) on cash and cash equivalents		4,490	(5,205)
Cash and cash equivalents at end of period	17	883,478	748,117

Company cash flow statement
for the year ended 30 June 2016

	Notes	Year ended 30 June 2016	Year ended 30 June 2015
		£	£
Cash flows from operating activities			
Operating loss		(542,191)	(3,214,462)
(Increase) in trade & other receivables		(53,012)	(5,587)
(Decrease) in trade & other payables		(18,393)	(104,069)
Impairment provisions		-	2,900,000
Share option charge		217,533	-
Salary sacrifice charge		83,000	
Net (decrease) in cash and cash equivalents from operations		(313,063)	(424,118)
Cash in/(out)flows from investing activities			
Interest received		100	199
Loans to subsidiary		(175,000)	(185,000)
Net cash (outflows) used in investing activities		(174,900)	(184,801)
Cash inflows from financing activities			
Proceeds from issue of shares		660,000	850,000
Transaction costs of issue of shares		(23,000)	(51,250)
Net cash flows from financing activities		637,000	798,750
Net increase in cash and cash equivalents	17	149,037	189,831
Cash and cash equivalents at the beginning of period		703,311	513,480
Cash and cash equivalents at end of period	17	852,348	703,311

Notes to financial statements for the year ended 30 June 2016

1 Principal accounting policies

1.1 Authorisation of financial statements and statement of compliance with IFRS

The group financial statements of Greatland Gold plc for the year ended 30 June 2016 were authorised for issue by the board on 10 November 2016 and the balance sheets signed on the board's behalf by Mr Callum Baxter and Mr Alex Borrelli. Greatland Gold plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM.

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Company's financial statements have been prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Group and Company are set out below.

Adoption of new and revised Accounting Standards

In the current year, the Company has adopted all of the new and revised standards and interpretations issued by the Accounting Standards and Interpretations Board that are relevant to its operations and effective for the current reporting period and there is no material impact on the financial statements of the group or company.

1.2 Significant accounting judgments, estimates and assumptions

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

1.3 Basis of preparation

The consolidated financial statements of Greatland Gold plc and its subsidiary have been prepared in accordance with International Reporting Standards (IFRS) as adopted for use in the European Union.

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below, and on a going concern basis.

1.4 Basis of consolidation

The consolidated accounts combine the accounts of the Company and its sole subsidiary, Greatland Pty Ltd, using the purchase method of accounting.

In the Company's balance sheet the investment in Greatland Pty Ltd includes the nominal value of shares issued together with the cash element of the consideration. As required by the Companies Act 2006, no premium was recognised on the share issue. The difference between nominal and fair value of the shares issued was credited to the merger reserve.

Notes to financial statements
for the year ended 30 June 2016, continued

1.5 Goodwill

Goodwill on acquisition is capitalised and shown within fixed assets. Positive goodwill is subject to annual impairment review with movements charged in the income statement.

Negative goodwill is reassessed by the Directors and attributed to the relevant assets to which it relates.

1.6 Non-current asset investments

Investments in subsidiary companies are classified as non-current assets and included in the balance sheet of the Company at cost at the date of acquisition irrespective of the application of merger relief under the Companies Act.

1.7 Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

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

1.8 Income tax and deferred taxation

Current tax assets and liabilities for the current and prior periods are measured as 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 substantially enacted by the balance sheet date.

Full provision is made for deferred taxation resulting from timing differences which have arisen but not reversed at the balance sheet date.

1.9 Tangible fixed assets

Fixed assets are depreciated on a straight-line basis at annual rates that will reduce the book amounts to estimated residual values over their anticipated useful lives as follows:

- Motor vehicles: 25% per annum
- Equipment: 7% per annum

1.10 Foreign currencies

Both the functional and presentational currency of Greatland Gold plc is sterling (£). Each group entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The functional currency of the foreign subsidiary, Greatland Pty Limited, is Australian Dollars (A\$).

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

On consolidation of a foreign operation, assets and liabilities are translated at the balance sheet rates, income and expenses are translated at rates ruling at the transaction date. Exchange differences on consolidation are taken to the income statement.

1.11 Other income

The Group had no other income during the periods ending 30 June 2016 and 30 June 2015. Previous years consisted of a grant from the state government of Western Australia. Government grants are accounted for on a receipts basis.

Notes to financial statements for the year ended 30 June 2016, continued

1.12 Finance costs/revenue

Borrowing costs are recognised as an expense when incurred.

Finance revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

1.13 Trade and other receivables

Trade receivables, which generally have 30 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.

1.14 Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operation such as trade debtors and trade creditors. The Group has an overseas subsidiary in Australia whose expenses are denominated in Australian Dollars. Market price risk is inherent in the Group's activities and is accepted as such.

There is no material difference between the book value and fair value of the Group's cash.

1.15 Trade and other payables

Trade payables and other payables are carried at amortised cost 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.

1.16 Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any 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.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential 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 dilutive potential ordinary shares, adjusted for any bonus element.

Notes to financial statements
for the year ended 30 June 2016, continued

1.17 Exploration and development expenditure

Exploration and development costs include expenditure on prospects at an exploratory stage. These costs include the cost of acquisition, exploration, determination of recoverable reserves, economic feasibility studies and all technical and administrative overheads directly associated with those projects. A substantial proportion of these costs are carried forward in the balance sheet as intangible fixed assets.

Recoupment of capitalised exploration and development costs is dependent upon successful development and commercial exploitation of each area of interest and are amortised over the expected commercial life of each area once production commences. The Company adopts the 'area of interest' method of accounting whereby a substantial proportion of exploration and development costs relating to an area of interest are capitalised and carried forward until abandoned. In the event that an area of interest is abandoned, or if the Directors consider the expenditure to be of no value, accumulated exploration costs are written off in the financial year in which the decision is made. All expenditure incurred prior to approval of an application is expensed with the exception of refundable rent which is raised as a debtor.

Impairment reviews will be carried out regularly by the Directors of the Company. Where a project is abandoned or is considered not to be of commercial value to the Company, the related costs will be written off.

1.18 Share based payments

The fair value of options granted to directors and others in respect of services provided is recognised as an expense in the profit and loss account with a corresponding increase in equity reserves – the share based payment reserve.

On exercise or cancellation of share options, the proportion of the share based payment reserve relevant to those options is transferred to the profit and loss account reserve. On exercise, equity is also increased by the amount of the proceeds received.

The fair value is measured at grant date charged in the accounting period during which the option becomes unconditional.

The fair value of options is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options were granted. Vesting conditions are non-market and there are no market vesting conditions. The exercise price is fixed at the date of grant and no compensation is due at the date of grant.

Notes to financial statements
for the year ended 30 June 2016, continued

2 Revenue and segmental analysis

The Group's prime business segment is mineral exploration.

The Group operates within two geographical segments, the United Kingdom and Australia. The UK sector consists of the parent company which provides administrative and management services to the subsidiary undertaking based in Australia.

The following tables present revenue and loss information and certain asset and liability information by geographical segments:

	UK	Australia	Total
	£	£	£
Year ended 30 June 2016			
Revenue			
Total segment revenue	-	-	-
Total consolidated revenue			-
Result			
Segment results	(542,192)	(121,934)	(664,126)
Loss before tax and finance costs			(664,126)
Interest receivable			1,223
Loss on disposal of investments			-
Loss before taxation			(662,903)
Taxation expense			-
Loss after taxation			(662,903)

	UK	Australia	Total
	£	£	£
Year ended 30 June 2016			
Assets and liabilities			
Segment assets	940,161	371,958	1,312,119
Total assets	940,161	371,958	1,312,119
Segment liabilities	(61,795)	(6,335)	(68,130)
Total liabilities			(68,130)
Other segment information			
Capital expenditure	-	-	-
Depreciation	-	3,323	3,323

Notes to financial statements
for the year ended 30 June 2016, continued

2	Revenue and segmental analysis, continued	UK	Australia	Total
cont				
	Year ended 30 June 2015	£	£	£
	Revenue			
	Total segment revenue	-	-	-
	Total consolidated revenue			-
	Result			
	Segment results	(314,462)	(764,802)	(1,079,264)
	Loss before tax and finance costs			(1,079,264)
	Interest receivable			1,485
	Loss on disposal of investments			-
	Loss before taxation			(1,077,779)
	Taxation expense			-
	Loss after taxation			(1,077,779)

	UK	Australia	Total
	£	£	£
Year ended 30 June 2015			
Assets and liabilities			
Segment assets	738,112	360,853	1,098,965
Total assets	738,112	360,853	1,098,965
Segment liabilities	(80,188)	(94,863)	(175,051)
Total liabilities			(175,051)
Other segment information			
Capital expenditure	-	35,954	35,954
Depreciation	-	3,531	3,531

3	Loss on ordinary activities before taxation	2016	2015
		£	£
	Loss on ordinary activities before taxation is stated after charging:		
	Auditors' remuneration – audit	15,000	15,000
	Depreciation	3,323	3,531
	Impairment of exploration properties	-	540,570
	Directors' emoluments	293,026	133,000

Auditors' remuneration for audit services above excludes AU\$5,100 (2015: AU\$4,800) charged by Charles Foti (Australia) relating to the audit of the subsidiary company.

Notes to financial statements
for the year ended 30 June 2016, continued

4 Taxation

	2016	2015
Analysis of charge in year	£	£
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2016	2015
	£	£
Loss on ordinary activities before tax	(662,903)	(1,077,779)
Standard rate of corporation tax in the UK	20%	20/21%
	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax	(132,581)	(223,639)
Effects of:		
Expenses not deductible for tax:		
Share option charge	43,507	-
Impairment charge	-	112,168
Future tax benefit not brought to account	89,074	111,471
Income tax expense	-	-

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered.

5 Employee information (excluding directors)

	2016	2015
Staff costs comprised:	£	£
Wages and salaries	-	-
	Number	Number
Administration	-	-

6 Dividends

No dividends were paid or proposed by the Directors. (2015: £Nil)

Notes to financial statements
for the year ended 30 June 2016, continued

7	Directors' emoluments:	2016	2015
		£	£
	Directors' remuneration	293,026	133,000

	Directors' fees	Consultancy fees	Share options cancelled	Payment for Fair Value of Options	Share options granted	Pro rata shares issued: salary sacrifice	Total
2016	£	£	£	£	£	£	£
Executive directors							
C N Baxter	6,000	71,250	(40,000)	-	37,864	6,000	81,114
Paul Johnson	-	-	-	-	37,864	4,375	42,239
Alex Borrelli	-	-	-	-	37,864	4,375	42,239
Gervaise Heddle	-	2,250	-	-	67,820	-	70,070
Non-executive directors							
A R M Bell	6,000	10,500	(10,000)	-	37,864	6,000	50,364
J Watkins	6,000	9,000	(10,000)	2,000	-	-	7,000
	18,000	93,000	(60,000)	2,000	219,276	20,750	293,026
2015	£	£	£	£	£	£	£
Executive directors							
C N Baxter	8,000	87,000	-	-	-	-	95,000
Non-executive directors							
A R M Bell	8,000	10,000	-	-	-	-	18,000
J Watkins	8,000	12,000	-	-	-	-	20,000
	24,000	109,000	-	-	-	-	133,000

Fees in respect of A R M Bell were payable to his business as a consultant.

Fees in respect of C N Baxter were payable to Baxter Geological, a company of which he is a director and which provided his services.

Fees in respect of John Watkins were payable to his business as a chartered accountant in practice.

Fees in respect of Gervaise Heddle were payable to Bletchley Economics, a company of which he is a director and which provide his services.

On 6 April 2016 the Company's directors proposed to swap a proportion of their salary for the next twelve months in exchange for shares in the Company. Under this proposal, a total of 1,239,766,515 shares at 0.175 pence per share were issued at a cost of £83,000. Of this amount £20,750 has been expensed during the year and £62,250 has been included in prepayments as it relates to the future period.

No pension benefits are provided for any director.

Also, see note 21 for related party transactions.

Notes to financial statements
for the year ended 30 June 2016, continued

8 Loss per share

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

	2016 £	2015 £
Loss for the period	(662,903)	(1,077,779)
Weighted average number of Ordinary shares of £0.001 in issue	1,049,314,266	741,937,920
	(0.06) pence	(0.15) pence
Loss per share – basic		
Weighted average number of Ordinary shares of £0.001 in issue inclusive of outstanding options	1,049,314,266	741,937,920

As inclusion of the potential Ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive; as such, a diluted earnings per share is not included.

9 Tangible fixed assets – Group

	Motor vehicle £	Equipment £	Total £
Cost			
At 30 June 2015	24,639	4,216	28,855
Disposals during the period	-	-	-
Additions during the period	-	-	-
Foreign exchange rate fluctuations	3,369	576	3,945
At 30 June 2016	28,008	4,792	32,800
Depreciation			
At 30 June 2015	15,862	2,612	18,474
Disposals during the period	-	-	-
Charge for the period	3,290	33	3,323
Foreign exchange rate fluctuations	2,584	361	2,945
At 30 June 2016	21,736	3,006	24,742
Net book value			
At 30 June 2016	6,272	1,786	8,058
At 30 June 2015	8,777	1,604	10,381

Notes to financial statements
for the year ended 30 June 2016, continued

9 Tangible fixed assets – Group
cont

	Motor vehicle	Equipment	Total
Cost	£	£	£
At 30 June 2014	27,928	4,779	32,707
Disposals during the period	-	-	-
Additions during the period	-	-	-
Foreign exchange rate fluctuations	(3,289)	(563)	(3,852)
At 30 June 2015	24,639	4,216	28,855
Depreciation			
At 30 June 2014	14,266	2,921	17,187
Disposals during the period	-	-	-
Charge for the period	3,494	37	3,531
Foreign exchange rate fluctuations	(1,898)	(346)	(2,244)
At 30 June 2015	15,862	2,612	18,474
Net book value			
At 30 June 2015	8,777	1,604	10,381
At 30 June 2014	13,662	1,858	15,520

10 Intangible non-current assets – Group

	2016 £	2015 £
Exploration properties		
At 30 June 2015	922,994	971,165
Additions during the period	-	35,954
Foreign exchange rate fluctuations	39,954	(84,125)
At 30 June 2016	962,948	922,994
Impairment		
At 30 June 2015	(630,794)	(90,224)
Charge for the period	-	(540,570)
Foreign exchange rate fluctuations	-	-
At 30 June 2016	(630,794)	(630,794)
Net book amount		
At 30 June 2016	332,154	292,200
At 30 June 2015	292,200	880,941

Notes to financial statements
for the year ended 30 June 2016, continued

10 Impairment review
cont

As at 30 June 2016, the Directors carried out an impairment review of the exploration properties and considered an impairment charge was not required (2015: £540,570) as the carrying value of the exploration assets has already been impaired to a value which enables the Company to move toward advanced exploration assets and reduce exposure to early stage mineral exploration.

11	Non-current asset investments in subsidiary - Company	£
	Cost	
	At 30 June 2015	50,000
	Impairment of investment	-
	At 30 June 2016	50,000
	Net book amount	
	At 30 June 2016	50,000
	At 30 June 2015	50,000

The parent company of the Group holds more than 20% of the share capital of the following company:

Company	Country of registration	Class	Proportion held	Nature of business
Greatland Pty Ltd	Australia	Common	100%	Mineral exploration

12	Trade and other receivables	Group		Company	
		2016	2015	2016	2015
		£	£	£	£
	Current trade and other receivables:				
	Prepayments	87,813	34,802	87,813	34,802
	Other debtors	616	13,465	-	-
	Loans due from subsidiary	-	-	445,301	270,301
	Total	88,429	48,267	533,114	305,103

The loan due from subsidiary was interest free throughout the period, and has no fixed repayment date although a provision of £nil (2015: £2,700,000) has been made against this loan.

Notes to financial statements
for the year ended 30 June 2016, continued

13	Trade and other payables	Group		Company	
		2016 £	2015 £	2016 £	2015 £
	Current trade and other payables:				
	Trade creditors	22,047	145,969	15,711	51,106
	Accruals	46,084	29,082	46,084	29,082
	Total	68,131	175,051	61,795	80,188

14 Share capital

<i>Called up, allotted, issued and fully paid</i>	Number	£
As at 30 June 2015, Ordinary shares of £0.001p each	992,337,945	992,338
<i>Issued during the year</i>		
On 06 April 2016, at a price of £0.010p, for cash	200,000,000	20,000
On 06 April 2016, at a price of £0.0175p, in lieu of salary	47,428,570	4,743
On 22 April 2016, at a price of £0.0185p, for cash	245,333,333	24,533
As at 30 June 2016, Ordinary shares of £0.001p each	1,485,099,848	1,041,614

Total share options in issue

As at 30 June 2016 there were 150 million unexercised options over Ordinary shares; 100 million exercisable at 0.2 pence per share in issue and 50 million exercisable at 0.5 pence per share in issue (2015: 30 million).

15 Share based payments

The Company has an employee share option plan to enable the issue of options as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Company. Under the plan, 100 million options were granted for no consideration and were granted for a period of three years expiring 6 April 2019. Under the same plan, 25 million options were granted for no consideration and were granted for a period of three years expiring on 27 May 2019.

The 30 million share options issued on 1 November 2013 have been cancelled.

	Granted during the period	At 30 June 2015	Share options cancelled	Exercisable at 30 June 2016	Exercise price	Date from which exercisable	Expiry date
CN Baxter	25,000,000	20,000,000	(20,000,000)	25,000,000	0.2 pence	6 April 2016	6 April 2019
ARM Bell	25,000,000	5,000,000	(5,000,000)	25,000,000	0.2 pence	6 April 2016	6 April 2019
J Watkins	-	5,000,000	(5,000,000)	-	-	-	-
P Johnson	25,000,000	-	-	25,000,000	0.2 pence	6 April 2016	6 April 2019
A Borrelli	25,000,000	-	-	25,000,000	0.2 pence	6 April 2016	6 April 2019
G Heddle	25,000,000	-	-	25,000,000	0.5 pence	27 May 2016	27 May 2019
	125,000,000	30,000,000	(30,000,000)	125,000,000			

Notes to financial statements
for the year ended 30 June 2016, continued

15 Share based payments

cont

The fair value of the options using the Black-Sholes method and assumptions were as follows:

<u>Options issued</u>	<u>100 million share options</u>	<u>25 million share options</u>
Grant date	6 April 2016	27 May 2016
Fair value at measurement date	0.15 pence	0.27 pence
Share price at grant date	0.18 pence	0.32 pence
Exercise price	0.2 pence	0.5 pence
Expected volatility	176%	178%
Option life	36 months	36 months
Expected dividends	0.00%	0.00%
Risk free interest rate	0.50%	0.50%
Fair value of options granted	£151,455	£67,821

Furthermore, 25 million share options were granted for no consideration to SPARK Advisory Partners Limited, the Company's Nominated advisers, for a period of two years expiring on 06 June 2018.

	Granted during the period	Exercisable at 30 June 2016	Exercise price	Date from which exercisable	Expiry date
SPARK Advisory Partners Limited	25,000,000	25,000,000	0.5 pence	06 June 2016	06 June 2018
	<u>25,000,000</u>	<u>25,000,000</u>			

The fair value of the options in respect of the services to be provided using the Black-Sholes method and assumptions were as follows:

<u>Options issued</u>	<u>25 million share options</u>
Grant date	6 June 2016
Fair value at measurement date	0.23 pence
Share price at grant date	0.32 pence
Exercise price	0.5 pence
Expected volatility	178%
Option life	24 months
Expected dividends	0.00%
Risk free interest rate	0.50%
Fair value of options granted	£58,257

The fair value of the share options expensed during the year was £277,533 less £60,000 in respect of the cancelled share options totaling a net charge of £217,533 (2015: £nil).

The volatility is set by reference to the historic volatility of the share price of the Company. The Black-Sholes model assumes that an option is only capable of exercise at expiry.

Notes to financial statements
for the year ended 20 June 2016, continued

16 Nature and purpose of reserves – Other reserves

Merger Reserve

The merger reserve was created in accordance with the merger relief provisions of the Companies Act 1985 (as amended), and 2006, relating to accounting for business combinations involving the issue of shares at a premium. In preparing group consolidated financial statements, the amount by which the fair value of the shares issued exceeded their nominal value was recorded within a merger reserve on consolidation, rather than in a share premium account.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Available for sale financial asset reserve

This reserve is used to record the post-tax fair value movements in available for sale assets and investments.

17 Cash and cash equivalents – Group	30 June 2016 £	Currency adjustments £	Net Cash flow £	30 June 2015 £
Cash at bank and in hand	883,478	4,490	130,871	748,117
Total cash and cash equivalents	883,478	4,490	130,871	748,117

Cash and cash equivalents – Company	30 June 2016 £	Currency adjustments £	Net Cash flow £	30 June 2015 £
Cash at bank and in hand	852,348	-	149,037	703,311
Total cash and cash equivalents	852,348	-	149,037	703,311

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

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

18 Commitments

As at 30 June 2016, the Company had entered into the following commitment:

Exploration commitments

Ongoing exploration expenditure is required to maintain title to the Group mineral exploration permits. No provision has been made in the financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.

Notes to financial statements
for the year ended 20 June 2016, continued

19 Significant agreements and transactions

There were no significant agreements and transactions to report other than that reported in Note 20 (Acquisition of Havieron Project – Western Australia).

20 Events after the reporting period

Acquisition of Havieron Project – Western Australia

Under the purchase agreement executed on 26 September 2016 between Pacific Trends Resources Pty Ltd (the “Vendor”), Greatland Pty Ltd (the “Purchaser”) and Greatland Gold PLC, the Purchaser agreed to acquire all of the Vendor’s rights, title and interest in the mining tenement EL45/4701 (the “Havieron Project”) once granted and subject to the satisfaction of certain conditions.

The consideration to be paid to the Vendor by the Purchaser consists of AUD\$25,000 in cash and 65,490,000 fully paid ordinary shares in Greatland Gold PLC to be issued by Greatland Gold PLC. This consideration by the Purchaser is payable to the Vendor upon receipt of:

- (a) an unstamped but registrable transfer form for the Mining Tenement in favour of the Purchaser and duly executed by the Vendor and all documents of title evidencing the Vendor’s interest in the Mining Tenement;
- (b) a copy of the Native Title Heritage Agreement in respect of the Mining Tenement which has been previously approved by the Purchaser and signed by all parties to that agreement; and
- (c) confirmation from the Department of the grant of the Mining Tenement to the Vendor.

In the event the Licence Area is the subject of a completed bankable feasibility study and the Purchaser makes a decision to mine, Greatland Gold PLC must issue, within thirty days after the date that decision to mine is made by the Purchaser, an additional 145,530,000 fully paid ordinary shares in Greatland Gold PLC to the Vendor.

Post-Balance Sheet Capital Raise

On 19 July 2016 the Company announced that it has raised £389,025 net of costs through a strategic placing of 146,249,997 new ordinary shares of 0.1 pence each at a subscription price of 0.28 pence per Ordinary Share. Under this placing, warrants to subscribe for a further 146,249,997 new Ordinary Shares in the Company were issued at an exercise price of 0.56p per warrant, within a 24 month exercise period, potentially raising a further £819,000 for the Company at 0.56p, should the options be exercised.

21 Related party transactions

The sub licence agreement to share the rental, service costs and other outgoings of an office with Regency Mines plc and Red Rock Resources plc has been effective throughout the year and a fixed fee of £6,000 per quarter, excl. VAT was agreed. The total cost to the Company during the year was £28,800 (2015: £28,800).

Remuneration of key management personnel

The remuneration of the directors, and other key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS24 Related Party Disclosures.

	2016	2015
	£	£
Short-term employee benefits	111,000	133,000
Share based payments	182,026	-
	<u>293,026</u>	<u>133,000</u>

Notes to financial statements
for the year ended 30 June 2016, continued

22 Financial instruments – Group

The Group uses financial instruments comprising cash, liquid resources and debtors/creditors that arise from its operations.

The Group's exposure to currency and liquidity risk is not considered significant. The Group's cash balances are held in Pound Sterling and in Australian dollars, the latter being the currency in which the significant operating expenses are incurred.

To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation, but controls over expenditure are carefully managed.

The net fair value of financial assets and liabilities approximates the carrying values disclosed in the financial statements. The currency of the financial assets is as follows:

Cash and short term deposits	30 June 2016	30 June 2015
	£	£
Sterling	852,348	703,311
Australian Dollars	31,130	44,806
At 30 June 2016	<u>883,478</u>	<u>748,117</u>

The financial assets comprise interest earning bank deposits.

23 Control

There is considered to be no ultimate controlling entity.

24 Retained earnings of the parent Company

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent Company has not been separately presented in these accounts. The parent Company loss for the period was £542,091 (2015 £3,214,263).