Eurogold Limited

ACN 009 070 384

ANNUAL REPORT

30 June 2015

Contents

CORPORATE DIRECTORY

Directors

Peter Gunzburg	Executive Chairman/Managing Director
Arthur Dew	(resigned 17 November 2014)
Carlilse Proctor	(resigned 17 November 2014)
Mark Wong	(resigned 17 November 2014)
Brett Montgomery	Non-Executive Director (appointed 17 November 2014)
Pauline Collinson	Non-Executive Director (appointed 17 November 2014)

Company Secretary
Pauline Collinson

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Subiaco Western Australia 6008
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Facsimile: 08 93817559
Website: www.eurogold.com.au

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Share Registry - Australia
Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George's Terrace
Perth Western Australia 6000
Telephone: 08 93232000
Facsimile: 08 93232033

Auditors - Australia
Ernst & Young
11 Mounts Bay Road
Perth Western Australia 6000

Solicitors - Australia
Hardy Bowen
Level 1, 28 Ord Street
West Perth Western Australia 6005

DLA Piper
Level 31, Central Park
152 St George's Terrace
Perth Western Australia 6000

Bankers - Australia
BankWest
853 Hay Street
West Perth Western Australia 6000

ASX Code
EUG - Fully Paid Ordinary Shares

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2015.

DIRECTORS

The names and details of the directors of the Company in office during the financial year and until the date of this report are as follows.

Directors were in office for this entire period unless otherwise stated.

Peter Gunzburg - Executive Chairman B Com.

Mr Gunzburg has over 20 years' experience as a stockbroker. He has a Commerce Degree from the University of Western Australia and has previously been a director of Resolute Limited, the Australian Stock Exchange Limited, Eyres Reed Limited and CIBC World Markets Australia Limited.

Mr Gunzburg is a Non-Executive Director of ASX listed entities Fleetwood Corporation Limited (ASX:FWD) and Dragon Mining Limited (ASX:DRA) and a Non-Executive Director of Newzulu Limited (ASX:NWZ).

Brett Montgomery – Non-Executive Director (appointed 17 November 2014)

Mr Montgomery has extensive experience in the management of publicly listed mining companies having previously been the Managing Director of Kalimantan Gold NL and a Director of Grants Patch Mining Limited. Mr Montgomery is also a Non-Executive Director of Magnum Gas and Power Limited (ASX:MPE), Tanami Gold NL (ASX:TAM) and EZA Corporation Limited (ASX:EZA).

Pauline Collinson – Non-Executive Director (appointed 17 November 2014)
Mrs Collinson has worked for the Company for 23 years and has held the position of Company Secretary for 14 years. She is also the Company Secretary of Tanami Gold NL (ASX:TAM).

Arthur Dew - Non-Executive Director B.A., L.L.B. (resigned 17 November 2014)

Mr Arthur Dew has a broad range of corporate and business experience and has served as a Director, and in some instances Chairman of the Board of Directors, of a number of publicly listed companies in Australia, Hong Kong and elsewhere.

He is Chairman of the Allied Group Limited since January 2007. The Allied Group is Eurogold's largest shareholder. He graduated from the Law School of the University of Sydney, Australia, and was admitted as a solicitor and later as a barrister of the Supreme Court of New South Wales. He is currently a non-practising barrister. He is the Chairman and a Non-Executive Director of Allied Properties (H.K.) Limited and a Non-Executive Director of each of SHK Hong Kong Industries Limited and ASX listed Tanami Gold NL (ASX:TAM) and a Non-Executive Director and Chairman of ASX listed Dragon Mining Limited (ASX:DRA). Mr Dew resigned as the Chairman and a Non-Executive Director of Allied Overseas Limited in January 2014.

Carlisle C Procter – Non-Executive Director B.Ec, M.Ec, Ffin (resigned 17 November 2014)

Mr Carlisle Procter graduated from the University of Sydney with a Bachelor's Degree and a Master's Degree in Economics. He is a fellow of the Financial Services Institute of Australasia (FFin.). Based in Australia, Mr Procter worked in the Reserve Bank of Australia for over 30 years, holding various senior management positions. Since leaving the Reserve Bank, he has worked as a consultant to the International Monetary Fund and the Asian Development Bank and has also undertaken private consulting work in the Philippines, Indonesia and Papua New Guinea in the areas of bank supervision, anti-money laundering and corporate governance respectively. Mr Procter is a Non-Executive Director of ASX listed Tanami Gold NL (ASX:TAM).

Mark Wong – Alternate Director B.Bus, FCPA, FCCA, FCIS, FCSHK (resigned 17 November 2014)

Mr. Mark Wong Tai Chun acts as an alternate for Mr Arthur Dew. He was appointed an Executive Director of Allied Properties Limited (APL) in June 2010. He is also director of certain subsidiaries of APL.. Mr. Wong has a Master's Degree in Business Administration and is a fellow of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. He is an executive director of SHK HK IND and the director of investment of AGL. Mr. Wong also acts as an alternate director to Mr. Arthur George Dew in ASX listed Tanami Gold NL.
Mr. Wong resigned as an executive director and the chief executive officer of AOL in January 2014.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the directors in the shares and options of Eurogold Limited ("Eurogold") were:

	Ordinary Shares
Peter Gunzburg	17,071,932
Brett Montgomery	4,700,000
Pauline Collinson	Nil

COMPANY SECRETARY

Pauline Collinson
Mrs Collinson has been employed by the Company for 23 years and has held the position of Company Secretary for 14 years. She is also the Company Secretary of ASX listed Tanami Gold NL.

PRINCIPAL ACTIVITIES

The principal activity of the consolidated group during the financial year was to hold strategic investment positions in companies within the resource sector and to evaluate opportunities within the resource sector. There were no significant changes in the nature of the consolidated groups' principal activities during the year.

OPERATING RESULTS

	2015 $	2014 $
Revenue and other income	61,894	40,939
Loss	(2,984,301)	(758,929)

Included in the operating loss after taxation are the following material items:

	2015 $	2014 $
Reversal of impairment of investment in associate	-	2,594,845
Loss on sale of associate	(3,851,714)	-
Share of associates gains (losses)	1,641,399	(2,139,915)

CORPORATE INFORMATION

Corporate structure

Eurogold Limited is a Company limited by shares that is incorporated and domiciled in Australia. Eurogold Limited is the ultimate parent entity and has prepared a consolidated financial report incorporating the entities that it controlled during the financial year (refer note 23 in the financial report).

REVIEW AND RESULTS OF OPERATIONS AND PRINCIPAL ACTIVITIES

CORPORATE

In October 2014 Eurogold sold its 24.33% stake in Dragon Mining Limited ("Dragon") by way of a pro-rata offer to its shareholders ("Offer") on the basis of 0.25 Dragon shares for every 1 share held on the Record Date.

A total of 8,475,741 Dragon shares were purchased by existing shareholders taking up their entitlement under the Offer with the balance of 21,039,855 shares being purchased by the underwriter, Allied Properties Resources Limited. The Company's outstanding loan facility with Allied of $2,245,922, including interest, was repaid in full.

In November 2014 Allied Properties Resources Limited sold its 36.37% stake in Eurogold at $0.0175 per share.

Messrs Arthur Dew and Carlisle Procter resigned as Directors of Eurogold on 17 November 2014 and Mr Brett Montgomery and Mrs Pauline Collinson were appointed as Non-Executive Directors.

In November 2014 Eurogold conducted a non-renounceable rights issue to raise up to $1,519,094 on the basis of 1 new share for every share held at an offer price of $0.0175 per share.

A total of 21,215,090 shares were issued to shareholders who participated in the Offer. A further 64,472,858 shortfall shares were issued to participants who took up the shortfall under the Offer.

The Directors are continuing to examine prospective investment opportunities that will result in re-quotation of Eurogold's shares.

Investment in Dragon Mining Limited (ASX:DRA)

During the year Eurogold disposed of its 24.34% in Dragon Mining Limited ("Dragon"). The disposal of this interest resulted in a net loss of $3,851,714. Prior to its disposal the investment was equity accounted. Eurogold's share of the net profit of Dragon Mining Limited up to the date of disposal was $1,641,399.

Resource Invest LLC Transaction

Pursuant to Shareholder approval authorising the sale of the Saulyak Gold Project the Company disposed of its Ukrainian gold mining asset to Resource Invest LLC ("RIL") in July 2007.

The Company received an initial payment of US$2,000,000 (A$2,254,767) from RIL and was entitled to receive a further US$3,000,000 no later than 30 days upon RIL meeting a key regulatory milestone relating to the advancement of the Saulyak Gold Project. As a result of the social and political disruption in Ukraine, the Group considers it is unlikely that the regulatory milestone will be met.

Other Project Opportunities

During the financial year the Company reviewed and evaluated a number of project opportunities both within the resource sector and in other sectors. The company continues to pursue an opportunity which will create shareholder value.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

As announced on 2 October 2014 Eurogold sold its 24.33% stake in Dragon Mining Limited by way of a pro-rata offer to its shareholders on the basis of 0.25 Dragon shares for every 1 share held on the Record Date.

A total of $2,811,077 was raised with proceeds being used to extinguish the Company's loan from Allied Properties Resouces Limited and allow the Company to pursue and attract new business opportunities.

FINANCIAL POSITION

The net assets of the consolidated entity at 30 June 2015 totalled $1,757,698 (2014: $888,128).

Total assets at 30 June 2015 totalled $1,848,113 (2014: $2,824,254). The consolidated entity had cash reserves of $1,729,126 at 30 June 2015.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

At the date of this report, there have been no matters or circumstances that have arisen since the end of the financial year which significantly, or may significantly effect:

The consolidated group's operations in future years;
The results of those operations in future years; or
The consolidated entity's state of affairs in future years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Strategy Going Forward

On 4 June 2013, the Company's securities were suspended from trading until such time as the Company has sufficient activities to warrant re-quotation.

Despite the best efforts of management to locate a suitable project and after reviewing numerous opportunities, the Company was not able to identify a project which it believed would deliver adequate value to its Shareholders. The challenging market conditions experienced during the year have severely affected the ability of market participants in the small-cap resources sector to raise funds.

The Company is continuing to explore opportunities which could facilitate re-quotation and deliver value to Shareholders.

DIVIDENDS
No dividend has been declared, provided for or paid in respect of the year ended 30 June 2015.

SHARE OPTIONS

Unissued shares
There are no unissued shares at the date of this report.

Shares issued as a result of the exercise of options
No options were exercised during the financial year and up to the date of the directors' report.

Options issued during the financial year
There were no options issued during the financial year and up to the date of the directors' report.

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company does not currently have any insurance for the indemnification of directors and officers.

INDEMNIFICATION OF AUDITORS
To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

INTERESTS IN CONTRACTS OR PROPOSED CONTRACTS WITH THE COMPANY

During the financial year, no director has had any interest in a contract or proposed contract with the Company being an interest the nature of which has been declared by the director in accordance with Section 300(11)(d) of the *Corporations Act 2001*.

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's directors held during the year ended 30 June 2015 and the number of meetings attended by each director.

	Directors' Meetings	
	No. of meetings held while in office	Meetings attended
Peter Gunzburg	1	1
Arthur Dew	0	0
Carlisle Procter	0	0
Brett Montgomery	1	1
Pauline Collinson	1	1
Mark Wong	0	0

REMUNERATION REPORT (AUDITED)

This Remuneration Report outlines the director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having the authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

Key Management Personnel
Peter Gunzburg (Executive Chairman)
Arthur Dew (Non-Executive Director – resigned 17 November 2014)
Mark Wong (alternate director for Arthur Dew - resigned 17 November 2014)
Carlisle Procter (Non-Executive Director – resigned 17 November 2014)
Brett Montgomery (Non-Executive Director – appointed 17 November 2014)
Pauline Collinson (Non-Executive Director – appointed 17 November 2014)

Remuneration Policy
The Board recognises that the performance of the Company depends upon the quality of its Directors and Executives and to this end the Company is aware that it must attract, motivate and retain experienced Directors and Executives. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Such officers are given the opportunity to receive their base emolument in the form of salary and fringe benefits such as motor vehicle allowances.

In accordance with best practice governance, the structure of Non-Executive Directors and senior executive remuneration is separate and distinct. It should be noted that the amount of salary and the grant of options is at the discretion of the board of directors.

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to Shareholders.

The Company's Constitution and ASX Listing Rules specify that aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting of Shareholders. Approval by Shareholders was granted at a general meeting on 12 August 2008 to pay Non-Executive Directors an aggregate amount of $200,000 per annum. The Board considers fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. Each Non-Executive Director may also receive an equity based component where approval has been received from Shareholders in a general meeting.

There are no employment contracts in place between the Company and directors and executives. The Company does not currently have a remuneration committee, the functions of which are carried out by the full board. Remuneration for directors and executives are not linked directly to the performance of the economic entity.

Company Performance
The table below shows the performance of the Group as measured by the Group's share price and EPS over the last five years.

	2011	**2012**	**2013**	**2014**	**2015**
Share price 30 June	$0.20	$0.09	$0.03	N/A	N/A
EPS (cents per share)	(2.02)	(12.04)	(12.11)	(0.87)	(2.34)

Remuneration of key management personnel

Directors' Remuneration

		Salary And Fees	Post Employment Superannuation	Total
P Gunzburg	2015	50,000	4,750	54,750
Chairman	2014	50,000	4,625	54,625
A Dew*	2015	-	-	-
Non-Executive	2014	-	-	-
C Procter*	2015	-	-	-
Non-Executive	2014	-	-	-
B Montgomery	2015	22,154	-	22,154
Non-Executive	2014	-	-	-
M Wong	2015	-	-	-
Alt for Mr Dew	2014	-	-	-
P Collinson	2015	109,615	10,413	120,028
Non-Executive	2014	-	-	-
Total	**2015**	**181,769**	**15,163**	**196,932**
Total	**2014**	**50,000**	**4,625**	**54,625**

* A Dew and C Procter agreed to not receive any directors' fees.

Options Granted and Vested During the Year

There were no options granted, vested, exercised or lapsed during the year.

Interests in the Shares and Options of the Company and related Bodies Corporate

At 30 June 2015 the interests of the directors in the shares and options of Eurogold Limited were:

Ordinary Shares	**Balance 30 June 2014**	**Granted as Remuneration**	**On exercise of options**	**Net change other**	**Balance 30 June 2015**
Peter Gunzburg	4,207,067	-	-	12,864,865	17,071,932
Arthur Dew	-	-	-	-	-
Carlisle Procter	-	-	-	-	-
Brett Montgomery	-	-	-	4,700,000	4,700,000
Pauline Collinson	-	-	-		-

Loans to Key Management Personnel

There are no loans between the entity and KMP.

Transactions with KMP's

Up until the date of the disposal of its investment in Dragon Mining Limited, Dragon Mining Limited was a related party as Mr. Gunzburg was a director of Dragon Mining Limited. The Company rents office space on an arms-length basis from Dragon Mining Limited. The total amount paid to Dragon Mining Limited for the year ended 30 June 2015 was $21,794 (2014: $44,509).

** END OF REMUNERATION REPORT **

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. The Board believes that the Company has adequate systems in place for the management of environmental requirements and is not aware of any breach of environmental requirements as they apply to the Consolidated Entity.

NON-AUDIT SERVICES

During the year ended 30 June 2015 no fees were paid to external auditors Ernst & Young for non-audit services.

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 9.

Signed in accordance with a resolution of the directors

Peter Gunzburg
Executive Chairman
30 September 2015

Auditor's independence declaration to the Directors of Eurogold Limited

In relation to our audit of the financial report of Eurogold Limited for the financial year ended 30 J une 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

G H Meyerowitz
Partner
30 September 2015

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Eurogold Limited (the "Company") is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

This statement sets out the main corporate governance practices in place throughout the financial year in accordance with 3rd edition of the ASX Principles of Good Corporate Governance and Best Practice Recommendations.

Further information about the Company's corporate governance practices is set out on the Company's website at www.eurogold.com.au.

This Statement was approved by the Board of Directors and is current as at 28 October 2015.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

ASX Recommendation 1.1: a listed entity should establish the functions reserved to the board and those delegated to senior executives and disclose those functions

The Company has complied with this recommendation.

The Board has adopted a Board charter that details the respective board and delegated responsibilities. A copy of this board charter is available in the corporate governance section of the Company's website at www.eurogold.com.au.

ASX Recommendation 1.2: a listed entity should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director and provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director

The Company has not complied with this recommendation.

During the year the Company appointed two new directors to the board one of which is also the Company Secretary and the other who was a former director of the Company. Given the appointees were well known to the Company further checks were not considered necessary.

Information in relation to Directors seeking reappointment is set out in the Directors report and Notice of Annual General Meeting.

ASX Recommendation 1.3: a listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.

The Company has not complied with this recommendation.

The Board considers that due to the Company's size and activities it is not necessary at the present time to enter into written agreements with current board members. The Board intends to enter into written agreements with each director and senior executive upon re-listing of the Company.

ASX Recommendation 1.4: the company secretary of a listed company should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Company has complied with this recommendation.

The Board Charter provides for the Company Secretary to be accountable directly to the board through the Chair.

ASX Recommendation 1.5: a listed entity should:
have a diversity policy which includes the requirement for the board to set measurable objectives for achieving gender diversity and assess annually the objectives and the entity's progress to achieving them;
disclose the policy or a summary of it;
disclose the measurable objectives and progress towards achieving them; and
disclose the respective proportions of men and women on the board and at each level of management and the company as a whole

The Company partly complies with this recommendation.

The Company has adopted a Diversity Policy which is available in the corporate governance section of the Company's website at www.eurogold.com.au.

The Board considers that, due to the size, nature and stage of development of the Company, setting measurable objectives for the Diversity Policy at this time is not appropriate. The Board will consider setting measurable objectives as the Company increases in size and complexity. The Company currently has no employees other than Board members, one of which is a woman.

ASX Recommendation 1.6: a listed entity should disclose the process for evaluating the performance of the board, its committees and individual directors and whether a performance evaluation was carried out during the reporting period in accordance with that process.

The Company has not complied with this recommendation.

The Company, throughthe board, has adopted a self-evaluation process to measure its performance.

Given the current activities of the Company a performance review was not undertaken during the reporting period.

ASX Recommendation 1.7: a listed entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose in relation to each reporting period where a performance evaluation was undertaken in accordance with a process.

The Company has not complied with this recommendation.

The Company has no executives that are not Directors.

Given the current activities of the Company a performance review of executives was not undertaken during the reporting period.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

ASX Recommendation 2.1: The board of a listed entity should establish a nomination committee:
with at least three members the majority of which are independent directors
chaired by an independent Director; and
disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings

The Company has not complied with this recommendation.

Given the present size and complexity of the Company the Board has not constituted a Nomination Committee with the full Board carrying out the role of a Nomination Committee.

ASX Recommendation 2.2: a listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership

The Company has complied with this recommendation.

The Board has established a skill matrix. On a collective basis the Board has the following skills:

Strategic expertise - ability to identify and critically assess strategic opportunities and threats and develop strategies.
Industry knowledge – members of the Board have a broad range of experience in different industries and sectors.
International experience – members of the Board have an understanding the complexities of operating in foreign jurisdictions.
Accounting and finance - members of the Board have experience in accounting and finance or the ability to read and comprehend the company's accounts, financial material presented to the board, financial reporting requirements and an understanding of corporate finance.
Risk management - Identify and monitor risks to which the Company is, or has the potential to be exposed to.
Experience with financial markets - Experience in working in or raising funds from the equity or capital markets.
Investor relations - Experience in identifying and establishing relationships with Shareholders, potential investors, institutions and equity analysts.

ASX Recommendation 2.3: a listed entity should disclose the names of the directors considered by the board to be independent directors and provide details in relation to the length of service of each Director

The Company has complied with this recommendation.

Mr Brett Montgomery is considered to be an Independent Director.

Mr Peter Gunzburg is Executive Chairman and is also a substantial shareholder of the Company and is not considered an Independent Director.

Ms Pauline Collinson is an executive of the Company is therefore not considered and Independent Direcor.

Mr Gunnzburg was appointed a director on 24/09/2001. Mr Montgomery and Ms Collinson were appointed Directors on 17 November 2014.

ASX Recommendation 2.4: the majority of the board of a listed entity should be independent directors

The Company has not complied with this recommendation.

The Board considers that the composition of the Board is adequate for the Company's current size and operations, and includes an appropriate mix of skills and expertise, relevant to the Company's business.

The Board will review its composition as the Company's circumstances change.

ASX Recommendation 2.5: The Chair of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity

The Company has not complied with this recommendation.

The Executive Chair of the Board is Mr Peter Gunzburg. The board considers that given its stage of development it is beneficial that Mr Gunzburg is an Executive. The Board will consider the appointment of an independent chair as the Company increases in size and complexity.

ASX Recommendation 2.6: a listed entity should have a program for inducting new directors and provide appropriate professional development opportunities

The Company has not complied with this recommendation.

While The Board is responsible for providing new directors with an induction to the Company and for the program for providing adequate professional development opportunities for directors and management, the two new directors appointed to the board during the year, one of which is also the Company Secretary and the other who was a former director of the Company, were familiar with the Company's activities and positon at the time of their appointment. No formal professional development activities were provided for Directors during the year.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

ASX Recommendation 3.1: a listed entity should establish a code of conduct and disclose the code or a summary of the code.

The Company has complied with this recommendation.

The Company has established a code of conduct which requires all business affairs to be conducted legally, ethically and with integrity.

A copy of the Company's code of conduct is available in the corporate governance section of the Company's website at www.eurogold.com.au.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

ASX Recommendation 4.1: The Board of a listed entity should establish an audit committee:
with at least three members, all of whom are non-executive directors and a majority of which are independent directors
chaired by an independent Director; and
disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings

The Company has not complied with this recommendation.

Given the present size and complexity of the Company the Board has not constituted an Audit Committee with the full Board carrying out the role of an Audit Committee.

The qualifications of the members of the Board are set out in the Directors report forming part of the Annual Financial Statements.

ASX Recommendation 4.2: The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company partly complies with this recommendation.

The Board has received the assurance required by ASX Recommendation 4.2 in respect of the financial statements for the half year ended 31 December 2014 and the full year ended 30 June 2015 from the Executive Chairman and CFO equivalent. Given the size and nature of the Company's operations the Board has not received the assurance in respect of the quarterly cash flow statements believing that the provision of the assurance for the half and full year financial statements is sufficient.

ASX Recommendation 4.3: a listed entity should ensure that the external auditor attends its Annual General Meeting and is available to answer questions from security holders relevant to the audit.

The Company has complied with this recommendation.

The external auditor attends the Annual General Meeting and is available to answer questions from shareholders relevant to the audit and financial statements. The external auditor will also be allowed a reasonable opportunity to answer written questions submitted by shareholders to the auditor as permitted under the Corporations Act.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

ASX Recommendation 5.1: a listed entity should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

The Company has complied with this recommendation.

The Company has established a continuous disclosure policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure that all Directors, senior executives and employees of the Company understand their responsibilities under the policy. The Executive Chairman and Company Secretary act as the Company's Disclosure Officers who are responsible for implementing and administering this policy. The Disclosure Officers are responsible for all communication with ASX and for making decisions on what should be disclosed publicly under this policy.

In accordance with the Company's continuous disclosure policy, all information provided to ASX for release to the market is posted to its website at www.eurogold.com.au after ASX confirms an announcement has been made.

A copy of the continuous disclosure policy is available in the corporate governance section of the Company's website at www.eurogold.com.au.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

ASX Recommendation 6.1: a listed entity should provide information about itself and its governance to investors via its website

The Company has complied with this recommendation.

The Company's website at www.eurogold.com.au. Contains information about the Company's activities and Directors and the Company's corporate governance practices, policies and charters. All ASX announcements made to the market, including annual and half year financial results are posted on the website as soon as they have been released by the ASX. The full text of all notices of meetings and explanatory material, the Company's Annual Report and copies of all investor presentations are posted on the website.

ASX Recommendation 6.2: a listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors

The Company has complied with this recommendation.

The Company's Executive Chairman is the Company's main contact for investors and potential investors and makes himself available to discuss the Company's activities when requested together with other Directors as required.

Contact with the Company can be made via telephone and facsimile numbers and email addresses provided on the website.

ASX Recommendation 6.3: a listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders

The Company has complied with this recommendation.

The Company encourages participation of shareholders at any general meetings and its Annual General Meeting each year. Shareholders are encouraged to lodge direct votes or proxies subject to the adoption of satisfactory authentication procedures if they are unable to attend the meeting.

The full text of all notices of meetings and explanatory material are posted on the Company's website at www.eurogold.com.au.

ASX Recommendation 6.4: a listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security register electronically

The Company has complied with this recommendation.

Contact with the Company can be made via email addresses provided on the website.

The Company's share registrar provides a facility whereby investors can provide email addresses to receive correspondence from the Company electronically and investors can contact the share registrar via telephone, facsimile or email.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

ASX Recommendation 4.1: The Board of a listed entity should have a committee to oversee risk:
with at least three members, all of whom are non-executive directors and a majority of which are independent directors
chaired by an independent Director; and
disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings

The Company has not complied with this recommendation.

Given the present size and complexity of the Company the Board has not constituted a Risk Committee with the full Board responsible for risk management.

ASX Recommendation 7.2: The Board or a committee of the Board, of a listed entity should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and disclose in relation to each reporting period whether such a review was undertaken

The Company has not complied with this recommendation.

The Board evaluates, controls, reviews and implements the Companies operations and activities withthe Executive Chairman being responsible to the Board for the risk management and control framework. The Company currently does not have an active business or project and is evaluating opportunities for investment.

The Board has not conducted a formal review of its risk management framework during the reporting period due to the limited nature of its activities. Upon acquiring a business or project and re-listing on ASX the Company will re-evaluate its risk management framework consistent with the business or project invested in.

ASX Recommendation 7.3: a listed entity should disclose if it has an internal audit function and if it does not have an internal audit function that fact and the processes it employs for evaluating and continually improving the effectiveness of risk management and internal control processes

The Company has complied with this recommendation.

Given the Company's current size and level of operations it does not have an internal audit function.

The Board evaluates, controls, reviews and implements the Companies operations and activities.

ASX Recommendation 7.4: a listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does how it manages or intends to manage those risks.

The Company has complied with this recommendation.

The Company has exposure to economic risks, including general economy wide economic risks and risks associated with the economic cycle.

The Company is currently evaluating opportunities for the acquisition of or investment in new businesses or projects. The ability to acquire a business or project for reasonable consideration may be impacted by the general economic climate.

There will a requirement in the future for the Company to raise additional funding to pursue its business objectives.

The Company's ability to raise capital may be effected by these economic risks.

The Board does not consider that given its current level of operations it has any exposure to environmental risk.

The Board currently considers that the Company does not have any material exposure to social sustainability risk.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

ASX Recommendation 8.1: The board of a listed entity should establish a remuneration committee:
with at least three members the majority of which are independent directors
chaired by an independent Director; and
disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings

The Company has not complied with this recommendation.

Given the present size and complexity of the Company the Board has not constituted a Remuneration Committee.

ASX Recommendation 8.2: a listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives

The Company has complied with this recommendation.

Non-Executive Directors are paid a fixed annual fee for their service to the Company as a Non-Executive Director.

Executives of the Company typically receive remuneration comprising a base salary component and superannuation contributions as required by law.

ASX Recommendation 8.3: a listed entity which has an equity based remuneration scheme should have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the scheme and disclose the policy or a summary of that policy.

The Company has not complied with this recommendation.

The Company does not have a formal policy in relation on this matter. The Company does not, at this time have any securities on issue which were granted under an equity based remuneration scheme. The Company will consider implementing a policy in relation to this matter if a new equity based remuneration scheme is implemented.

		Consolidated Group	
	Notes	2015 $	2014 $
Revenue	3	9,495	331
Other income	3	52,399	40,608
Depreciation expense		(1,443)	(1,444)
Administration expenses		(369,576)	(283,521)
Employee benefits expense	3	(192,017)	(169,098)
Movement in the fair value of investments classified as held for trading		(270)	(2,762)
Share of (loss)/profit of associate	8a	1,641,399	(2,139,915)
Loss on sale of investment in associate	8a	(3,851,714)	-
Reversal of impairment of investment in associate	8a	-	2,594,845
Foreign exchange loss		(86,876)	(45,967)
Interest expense		(129,268)	(119,619)
Loan drawdown fees		-	(118,817)
Impairment of available for sale financial assets	7	(56,430)	(388,570)
Impairment of other assets		-	(125,000)
Loss before income tax expense		**(2,984,301)**	**(758,929)**
Income tax expense	4	-	-
Loss after income tax expense		**(2,984,301)**	**(758,929)**
Other comprehensive income			
Items that may be subsequently reclassified to operating result			
Fair value loss on available for sale financial assets	14	-	(338,754)
Impairment loss reclassified to the profit and loss	14	-	388,570
Share of other comprehensive income of associate	8a	(144,520)	(1,319,811)
Reversal of share of associates reserves on disposal	8a	2,499,515	-
Other comprehensive loss for the period, net of tax		**2,354,995**	**(1,269,995)**
Total comprehensive loss attributable to the members of Eurogold Limited		**(629,306)**	**(2,028,924)**
- basic and diluted loss per share (cents per share) for the year attributable to members of Eurogold Limited	19	(2.34)	(0.87)

The accompanying notes form part of these financial statements.

	Notes	Consolidated Group 2015 $	2014 $
Current Assets			
Cash and cash equivalents	16	1,729,126	29,906
Trade and other receivables	5	2,447	24,791
Investments classified as held for trading	6	3,620	3,890
Total Current Assets		**1,735,193**	**58,587**
Non-Current Assets			
Available for sale investment	7	112,920	169,379
Plant and equipment	9	-	1,443
Investment in associate	8	-	2,594,845
Total Non-Current Assets		112,920	**2,765,667**
TOTAL ASSETS		**1,848,113**	**2,824,254**
Current Liabilities			
Trade and other payables	10	66,370	86,489
Interest bearing liabilities	11	-	1,821,074
Provisions	12	24,045	28,563
Total Current Liabilities		**90,415**	**1,936,126**
TOTAL LIABILITIES		**90,415**	**1,936,126**
NET ASSETS		**1,757,698**	**888,128**
SHAREHOLDERS' EQUITY			
Contributed equity	13	61,538,458	60,039,582
Reserves	14	45,680	(2,309,315)
Accumulated losses	15	(59,826,440)	(56,842,139)
TOTAL SHAREHOLDERS' EQUITY		**1,757,698**	**888,128**

The accompanying notes form part of these financial statements.

For the year ended 30 June 2015

Consolidated	Issued Capital	Accumulated Losses	Net Unrealised Gain Reserve	Foreign Currency Translation Reserve	Employee Benefit Reserve	Total Equity
Balance at beginning of year	60,039,582	(56,842,139)	65,227	(2,420,222)	45,680	888,128
Loss for the period	-	(2,984,301)	-	-	-	(2,984,301)
Other comprehensive income	-	-	(65,227)	2,420,222	-	2,354,995
Total comprehensive income/(loss) for the year	**-**	**(2,984,301)**	**(65,227)**	**2,420,222**	**-**	**(629,306)**
Share issue	1,498,876	-	-	-	-	1,498,876
Balance at 30 June 2015	**61,538,458**	**(59,826,440)**	**-**	**-**	**45,680**	**1,757,698**

For the year ended 30 June 2014

Consolidated	Issued Capital	Accumulated Losses	Net Unrealised Gain Reserve	Foreign Currency Translation Reserve	Employee Benefit Reserve	Total Equity
Balance at beginning of year	60,039,582	(56,083,210)	15,411	(1,100,411)	45,680	**2,917,052**
Loss for the period	-	(758,929)	-	-	-	**(758,929)**
Other comprehensive income	-	-	(338,754)	(1,319,811)	-	**(1,658,565)**
Impairment loss reclassified to loss for the period	-	-	388,570	-	-	**388,570**
Total comprehensive income/(loss) for the year	-	**(758,929)**	**49,816**	**(1,319,811)**	-	**(2,028,924)**
Balance at 30 June 2014	**60,039,582**	**(56,842,139)**	**65,227**	**(2,420,222)**	**45,680**	**888,128**

The accompanying notes form part of these financial statements.

	Notes	Consolidated Group 2015 $	Consolidated Group 2014 $
Cash Flows from Operating Activities			
Receipts from customers		52,399	40,608
Payments to suppliers and employees (GST inclusive)		(546,538)	(514,019)
Interest received		9,495	331
Interest paid		-	(119,619)
Net cash flows used in operating activities	16(b)	**(484,644)**	**(592,699)**
Cash Flows from Investing Activities			
Proceeds on the sale of shares in associate		2,811,077	-
Underwriting fee paid on sale of associates shares		(71,552)	-
Net cash flows from investing activities		**2,739,525**	**-**
Cash Flows from Financing Activities			
Proceeds from share issue		1,498,877	-
Proceeds from borrowings		191,382	666,701
Repayment of borrowings		(2,245,920)	-
Financing fees		-	(118,817)
Net cash flows (used in)/from financing activities		**(555,661)**	**547,884**
Net increase/(decrease) in cash and cash equivalents		**1,699,220**	**(44,815)**
Cash and cash equivalents at the beginning of the financial year		29,906	74,721
Cash equivalents at the end of the financial year	16(a)	**1,729,126**	**29,906**

The accompanying notes form part of these financial statements.

1. CORPORATE INFORMATION

The financial report of Eurogold Limited (the Company) for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 30 September 2015.

Eurogold Limited is a Company limited by shares incorporated and domiciled in Australia and whose shares are publicly traded on the Australian Securities Exchange. The company is a for-profit entity. The nature of the operation and principal activities of the consolidated entity are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The financial report has been prepared on a historical cost basis, except for held for trading and available for-sale investments, which have been measured at fair value.

The financial report is prepared in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

(b) Compliance Statement

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) New Accounting Standards and Interpretations applied

The accounting policies adopted are consistent with those of the previous financial year, except the following Accounting Standards and interpretations, mandatorily adopted for the annual period beginning on 1 July 2014:

Reference	Title	Summary
AASB 2012-3	Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities	AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.
AASB 2014-1 Part A -Annual Improvements 2010–2012 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2010–2012 Cycle	AASB 2014-1 Part A: This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle.
AASB 2014-1 Part A -Annual Improvements 2011–2013 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2011–2013 Cycle	Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items: AASB13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132. AASB 140 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of AASB 3 that includes an investment property. That judgment is based on guidance in AASB 3.

(d) **New Accounting Standards and Interpretations that are not yet mandatory**

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ending 30 June 2015. These are outlined in the table below:

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 9	*Financial Instruments*	AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments.	1 January 2018	1 July 2018
AASB 15	Revenue from Contracts with Customers	AASB 15 *Revenue from Contracts with Customers* replaces the existing revenue recognition standards AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations (Interpretation *13 Customer Loyalty Programmes*, Interpretation 15 *Agreements for the Construction of Real Estate,* Interpretation 18 *Transfers of Assets from Customers*, Interpretation 131 *Revenue—Barter Transactions Involving Advertising Services* and Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry*). AASB 15 incorporates the requirements of IFRS 15 *Revenue from Contracts with Customers* issued by the International Accounting Standards Board (IASB) and developed jointly with the US Financial Accounting Standards Board (FASB). AASB 15 specifies the accounting treatment for revenue arising from contracts with customers (except for contracts within the scope of other accounting standards such as leases or financial instruments).The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation Currently, AASB 15 is effective for annual reporting periods commencing on or after 1 January 2017. Early application is permitted. (Note A) AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.	1 January 2018*	1 July 2017**
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	The subjects of the principal amendments to the Standards are set out below: AASB 5 *Non-current Assets Held for Sale and Discontinued Operations:*	1 January 2016	1 July 2016

Reference	Title	Summary	Application date of standard	Application date for Group
		Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change. AASB 7 *Financial Instruments: Disclosures:* Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 *Disclosure–Offsetting Financial Assets and Financial Liabilities* is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 *Interim Financial Reporting* when its inclusion would be required by the requirements of AASB 134. AASB 119 *Employee Benefits*: Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 *Interim Financial Reporting:* Disclosure of information 'elsewhere in the interim financial report' - amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.		
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 *Presentation of Financial Statements* arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 July 2016
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 *Materiality*	The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 July 2015

* The IASB has decided to defer the effective date of IFRS 15 (the international equivalent of AASB 15) from 1 January 2017 to 1 January 2018.
** The Company is currently evaluating the impact of the new standard.

The potential effect of these standards is yet to be fully determined. For standards and interpretations effective from 1 July 2014, it is not expected that the new Standards and Interpretations will significantly affect the Group's financial position of performance.

(e) Statement of Significant Accounting Policies

(i) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Eurogold Limited (Eurogold) and its subsidiaries as at 30 June 2015 (the Group).

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
Exposure, or rights, to variable returns from its involvement with the investee; and
The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee
Rights arising from other contractual arrangements
The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:
De-recognises the assets (including goodwill) and liabilities of the subsidiary
De-recognises the carrying amount of any non-controlling interests
De-recognises the cumulative translation differences recorded in equity
Recognises the fair value of the consideration received
Recognises the fair value of any investment retained
Recognises any surplus or deficit in profit or loss
Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Business combinations are accounted for using the acquisition method.

(ii) Investment in associate

The Group's investment in associate is accounted for using the equity method of accounting in the consolidated financial statements. The associates are entities over which the Group has significant influence and that are neither subsidiaries nor joint ventures.

The financial statements of associates are used by the Group to apply the equity method of accounting.

Investment in the associate is carried at cost plus post acquisition changes in the Group's share of net assets of the associate, less any impairment of value.

(iii) Revenue recognition

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

Rendering of Services
Revenue is recognised as the services are rendered in accordance with the terms and conditions of the contract.

Interest
Revenue is recognised as the interest accrues (using the effective interest method, 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.

(iv) Income tax
Current income 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 the assets and liabilities and their carrying amounts for financial reporting purposes.

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

- where the deferred income tax arises from the initial recognition of goodwill or 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; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences 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 assets and unused tax losses can be utilised except:

- where 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; and
- in respect of deductible temporary difference associated with investments in subsidiaries, deferred tax asset are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

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.

ncome taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

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.

(v) Goods and services tax
Revenues, expenses and assets (other than receivables) are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(vi) *Plant and equipment*

Cost

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

The cost of an item of plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciation is provided on a straight-line basis on all plant and equipment. Major depreciation periods are:

	Life	Method
Plant & equipment	3 – 5 years	straight line

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset.

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 item) is included in the profit or loss in the period the item is derecognised.

(vii) *Impairment of non-financial assets*

At each reporting date, the consolidated entity assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the consolidated entity makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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 assessment of the time value of money and the risks specific to the asset.

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

(viii) *Trade and other receivables*

All trade and other receivables are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the receivable.

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

Allowance for doubtful debts are made based on an assessment made by directors on the recoverability of receivables.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(ix) *Investments and other financial assets*
Investments and financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale assets. The classification depends on the purpose for which the investments were acquired.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Recognition and Derecognition
All regular way purchases and sales of financial assets are recognised on the trade date, ie 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 market place. Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or been transferred.

(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 with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the statement of financial position.

(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) *Available-for-sale investments*
Available-for-sale investments are those non-derivative financial assets, principally equity securities that are designated as available-for-sale or are not classified as any of the two preceding categories. After initial recognition available-for-sale securities 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 values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance date.

(x) *Leased assets*
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the specific asset or assets and the arrangement conveys a right to use the asset.

Operating Leases
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating leases are expensed in the profit or loss on a straight-line basis over the term of the lease.

(xi) *Trade and other payables*
Liabilities for trade creditors and other amounts are carried at amortised cost and represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year that are unpaid and arise when the consolidated entity becomes obliged to make future payments in respect of the purchase of these goods and services.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accruals basis.

(xii) *Foreign currency translation*
Both the functional and presentation currency of Eurogold Limited is Australian dollars (A$).

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date. All exchange differences in the consolidated financial report are taken to the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the original transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(xiii) *Employee benefits*
Liabilities arising in respect of wages and salaries, annual leave and any other employee entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates expected to be paid when the liability is settled. All other employee entitlement liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to high quality corporate bonds that have terms to maturity approximating the terms of the related liability are used.

(xiv) *Provisions*
A provision is recognised when a legal or constructive obligation exists as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the consolidated entity expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(xv) *Cash and cash equivalents*
Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less 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 Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the statement of financial position.

(xvi) *Issued Capital*
Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity, net of tax, as a reduction of the proceeds received.

(xvii) *Earnings Per Share*

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity (other than dividends on ordinary shares), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and other non-discretionary changes in revenues and expenses that would result from the dilution of potential ordinary shares, by the weighted average number of ordinary shares and dilutive potential ordinary shares of the Company adjusted for any bonus issue.

(xviii) *Interest-bearing loans and borrowings*

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised.

(xix) *Judgements in applying accounting policies and key sources of estimation uncertainty*

(i) Significant accounting estimates and assumptions

The carrying value 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 outlined below.

(ii) Impairment of available-for-sale assets

The Group holds a number of available-for-sale financial assets and follows the requirements of *AASB 139 Financial Instruments: Recognition and Measurement* in determining when an available-for-sale asset is impaired.

In making these estimates of assumptions the Group assessed the duration and extent to which the fair value is less than cost.

		Consolidated Group	
		2015	**2014**
3.	**REVENUE AND EXPENSES**	**$**	**$**
(i)	**Revenue and other income**		
	Revenue		
	Interest received	9,495	331
	Total revenue	9,495	**331**
	Other income		
	Other income	52,399	40,608
(ii)	**Employee benefits expense**		
	Salaries and wages	169,370	150,481
	Superannuation	15,164	13,919
	Provision for employee entitlements	7,483	4,698
		192,017	**169,098**

4. INCOME TAX

		2015 $	2014 $
(a)	Major components of income tax expense for the years ended 30 June 2015 and 2014 are:		
	Statement of comprehensive		
	Current income tax		
	Current income tax charge	-	-
	Deferred income tax		
	Relating to origination and reversal of temporary differences	-	-
	Income tax expense/(benefit) reported in the Statement of Comprehensive Income	**-**	**-**
(b)	Amounts charged or credited directly to equity		
	Deferred income tax related to items charged (credited) directly to equity		
	Gain on available for sale investments	-	-
	Income tax reported in equity	-	-
(c)	A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the years ended 30 June 2015 and 2014 is as follows:		
	Accounting loss before tax	(2,984,301)	(758,929)
	At statutory income tax rate of 30% (2014: 30%)	(895,290)	(227,679)
	Temporary timing differences	732,597	(82,103)
	Deferred tax assets not brought to account	162,693	309,781
	Income tax expense / (benefit) reported in the Statement of Comprehensive Income	**-**	**-**
	Tax Losses		
	Unused tax losses for which no tax loss has been booked as a deferred tax asset	3,278,580	2,736,271
	Potential benefit at 30%	983,574	820,881

	Statement of Financial Position 2015 $	Statement of Financial Position 2014 $
(d) **Deferred income tax**		
Deferred income tax at 30 June relates to the following:		
CONSOLIDATED		
Deferred tax liabilities		
Available for sale asset	-	-
Deferred tax assets		
Provision for employee entitlements	7,214	8,569
Listed investments held for trading	67,014	66,933
Investment in associate	-	2,648,360
Accruals	7,500	7,500
Tax Losses (Australia)	983,574	820,881
Tax Losses (UK)	-	22,007
Unrealised losses on shares	640,161	623,224
Net deferred tax asset	1,705,463	4,197,474
Temporary differences not recognised	(1,705,463)	(4,197,474)
Deferred tax benefit recognised	-	-

Deferred tax assets have not been brought to account at 30 June 2015 (other than to offset deferred tax liabilities) because the directors do not believe it is appropriate to regard realisation of the future tax benefit as probable. These benefits will only be obtained if:

(i) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
(ii) the Consolidated Entity complies with the conditions for the deductibility imposed by law including the continuity of ownership and/or business tests; and
(iii) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit from the deduction for the loss.

	Consolidated Group 2015 $	Consolidated Group 2014 $

5. TRADE AND OTHER RECEIVABLES

	2015 $	2014 $
Current		
Other receivables	2,447	24,791
	2,447	**24,791**

Terms and conditions relating to the above financial instruments:
There are no receivables that are aged past the payment terms, and all receivables are current.

6. INVESTMENTS CLASSIFIED AS HELD FOR TRADING

	2015 $	2014 $
Shares in listed entities classified as held for trading	3,620	3,890
	3,620	**3,890**

Investments classified as held for trading consist of investments in ordinary shares. The fair value has been determined by Level 1 in accordance with the hierarchy disclosed in Note 26(c).

	Consolidated Group	
	2015	**2014**
	$	**$**

7. AVAILABLE FOR SALE FINANCIAL ASSETS

Shares in listed entities classified as available for sale (1)	112,920	169,379
	112,920	**169,379**

(1) Investments classified as available for sale consist of investments in ordinary shares. The fair value has been determined by Level 1 in accordance with the hierarchy disclosed in Note 26(c).

8. INVESTMENT IN ASSOCIATE

Listed		
Dragon Mining Limited	-	2,594,845
	-	**2,594,845**

The Group disposed of its interest in Dragon Mining Limited ("Dragon") during the year.

a)Movements in the carrying amount of the Group's investment in associates

Dragon Mining Limited		
Carrying value - opening	2,594,845	3,459,726
Share of (loss)/gain after income tax	1,641,399	(2,139,915)
Share of other comprehensive income	(144,520)	(1,319,811)
Reversal of previous impairment	-	2,594,845
Reversal of reserves	2,499,515	-
Underwriting fee incurred	71,552	-
Proceeds received on sale of shares	(2,811,077)	-
Loss on disposal of investment in associate	(3,851,714)	-
Carrying value – end of the year	**-**	**2,594,845**
Fair value of investment	**-**	**2,594,845**

	Consolidated Group 2015 $	2014 $
b) Summarised financial information		
The following table illustrates summarised financial information of Dragon Mining Limited for the year ended 30 June 2015:		
	$000's	**$000's**
Extract from the associate's statement of financial position		
Current assets	-	26,571
Non-current assets	-	13,630
	-	40,201
Current liabilities	-	(12,523)
Non-current liabilities	-	(12,660)
Net assets	-	15,018
Share of associate's net assets	**-**	**3,655**
Extract from the associate's statement of comprehensive income from 1 July 2014 to date of disposal	**2015 $000**	**2014 $000**
Revenue	22,983	82,286
Expenses	(16,543)	(100,593)
Loss for the period before taxation	6,440	(18,307)
Income tax expense	(16)	1,056
Loss for the period after income tax	6,424	(17,251)
Adjustment for accounting policy differences*	316	3,575
	6,740	13,676
Share of associate's (loss)/profit after income tax	1,641	(3,323)
Less amount not booked due to carrying value reducing to zero**	-	1,183
Share of associate's (loss)/profit after income tax shown in Statement of Comprehensive Income	**1,641**	**(2,140)**
Other comprehensive income	(592)	(8,421)
Share of associate's other comprehensive income	(144)	(2,050)
Less amount not booked due to carrying value reducing to zero**	-	730
Share of other comprehensive income shown in Statement of Comprehensive Income	(144)	**(1,320)**

*Dragon Mining Limited's accounting policy is to expense exploration and evaluation expenditure as incurred, while the Group's accounting policy is to capitalise exploration and evaluation expenditure on qualifying areas of interest.
** Share of associates profit/(loss) after income tax and other comprehensive income reduced proportionately.

	Consolidated Group 2015 $	2014 $
9. PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment - at cost	26,802	26,802
Accumulated depreciation	(26,802)	(25,359)
	-	**1,443**
Net carrying amount at end of year	**-**	**1,443**

Reconciliation
Reconciliations of the net carrying amounts of property, plant and equipment at the beginning and end of the current and previous financial year.

	2015 $	2014 $
Plant and equipment		
Net carrying amount at beginning of year	1,443	2,887
Additions		-
Depreciation expense	(1,443)	(1,444)
Net Carrying amount at end of year	**-**	**1,443**

10. PAYABLES AND ACCRUALS

	2015 $	2014 $
Sundry accruals	66,370	86,489
	66,370	**86,489**

Trade and other payables are generally unsecured, interest free and on 30 day terms.

11. LOAN PAYABLE

	2015 $	2014 $
Loan payable	-	1,821,074
	-	**1,821,074**

The outstanding loan due to AP Finance Limited was repaid as part of the transaction to dispose of the Company's investment in Dragon Mining Limited

12. PROVISIONS

	2015 $	2014 $
Annual Leave	15,236	10,394
Long Service Leave	8,809	18,169
	24,045	**28,563**

13. CONTRIBUTED EQUITY

	2015 $	2014 $
Issued and paid up capital		
Ordinary shares fully paid	61,538,458	60,039,582
	61,538,458	60,039,582

Movements in fully paid ordinary shares on issue:	**Number of Shares**	**Total $**
Balance at 1 July 2014	86,805,402	60,039,582
Shares issued	85,687,948	1,498,876
Balance at 30 June 2015	172,493,350	61,538,458

(b) Terms and conditions of contributed equity

Ordinary Shares
Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(c) Capital management

When managing capital, defined as equity and debt facilities, management's objective is to ensure that the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

14. RESERVES

	Consolidated Group	
	2015	2014
	$	$
Employee benefit reserve	45,680	45,680
Foreign currency translation reserve	-	(2,420,222)
Net unrealised gain reserve	-	65,227
	45,680	(2,309,315)
Employee Benefit Reserve		
Balance at beginning of year	45,680	45,680
Value of options granted and expensed	-	-
Balance at the end of the year	**45,680**	**45,680**
Foreign Currency Translation Reserve		
Balance at beginning of year	(2,420,222)	(1,100,411)
Share of foreign currency translation reserve of associate	-	(1,319,811)
Share of foreign currency translation reserve of associate reversed on disposal	2,420,222	
Balance at the end of the year	**-**	**(2,420,222)**
Net Unrealised Gain Reserve		
Balance at beginning of year	65,227	15,411
Fair value loss on available for sale financial assets	-	(338,754)
Impairment loss reclassified to profit and loss	-	388,570
Reversed on disposal of associate	(65,227)	-
Balance at end of year	**-**	**65,227**

* The employee benefit reserve is used to record the value of share based payments made to employees.
** The net unrealised gain reserve is used to record the movements in the fair value of available for sale investments.
*** The foreign currency translation reserve is used to record the translation of foreign subsidiaries.

15. ACCUMULATED LOSSES

	2015	2014
Balance at the beginning of the year	(56,842,139)	(56,083,210)
Net loss attributable to members	(2,984,301)	(758,929)
	(59,826,440)	**(56,842,139)**

	Consolidated Group 2015 $	2014 $
16. CASH AND CASH EQUIVALENTS		
(a) Cash and cash equivalents in the Statement of Financial Position		
Cash balances comprises		
Cash at bank	**1,729,126**	**29,906**
(b) Reconciliation of the net loss after tax to the net cash flows from operations		
Net loss after income tax	(2,984,301)	(758,929)
Depreciation	1,443	1,444
Share of associate's loss/(profit)	(1,641,399)	2,139,915
Fair value adjustment on investments classified as held for trading	270	2,762
(Reversal)/impairment in investment in associate	-	(2,594,845)
Draw down fees	-	118,817
Foreign exchange loss	86,876	45,967
Impairment of available for sale financial assets and other assets	56,430	513,570
Loss on sale of shares in associate	3,851,714	-
Interest accrued	129,268	-
Changes in Assets & Liabilities:		
Receivables	22,345	(2,438)
Prepayments	-	26,663
Payables	(11,808)	(95,911)
Provisions	4,518	10,286
Net cash used in operating activities	**(484,644)**	**(592,699)**

17. EXPENDITURE COMMITMENTS

There are no expenditure commitments not recorded in the Financial Statements.

18. SEGMENT INFORMATION

For management purposes, the Group is organised into one main operating segment, which invests in equity securities. All the Group's activities are interconnected and all significant operating decisions are based on analysis of the Group as one segment. The financial results of the segment are the equivalent of the financial statements as a whole. All revenues and non-current assets are considered to be derived and held in one geographical area being Australia.

19. LOSS PER SHARE

Basic earnings per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year adjusted by any bonus issue.

Diluted earnings per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the parent adjusted for the weighted average number of ordinary shares and dilutive potential ordinary shares of the Company adjusted by any bonus issue.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Consolidated Group	
	2015	**2014**
Net Loss used in calculating basic and diluted EPS	(2,984,301)	(758,929)
Weighted average number of ordinary shares for basic earnings per share	127,410,481	86,805,402
Effect of dilution:		
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	**127,410,481**	**86,805,402**
Basic and diluted loss per share (cents per share) for the year attributable to members of Eurogold Limited	(2.34)	(0.87)

20. DIRECTORS & KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) 2015

P L Gunzburg	Executive Chairman
B Montgomery	Director (Non-Executive – appointed 17 November 2014)
P Collinson	Director (Non-Executive – appointed 17 November 2014))
A Dew	Director (Non-Executive – resigned 17 November 2014)
C Procter	Director (Non-Executive – resigned 17 November 2014)
M Wong	Alternate director for Arthur Dew – resigned 17 November 2014)

(a) Details of Key Management Personnel

(i) 2014

P L Gunzburg	Executive Chairman
A Dew	Director (Non-Executive – resigned 17 November 2014)
C Procter	Director (Non-Executive – resigned 17 November 2014)
M Wong	Alternate director for Arthur Dew – resigned 17 November 2014)

(b) Employment Contracts

There are no employment contracts in place between the Company and directors and executives.

(c) Compensation by Category: Key Management Personnel

	Consolidated Group	
	2015	**2014**
	$	**$**
Short-Term employee benefits	181,769	50,000
Post-Employment	15,163	4,625
	196,932	**54,625**

Key management personnel are those directly accountable and responsible for the operational management and strategic direction of the Company and the consolidated entity.

(d) Options granted to Key Management Personnel

The Company currently has an Options Scheme in place however during the year no options were under the scheme.

(e) Loans to Key Management Personnel

Up until the date of the disposal of its investment in Dragon Mining Limited, Dragon Mining Limited was a related party as Mr. Gunzburg was a director of Dragon Mining Limited. The Company rents office space on an arms-length basis from Dragon Mining Limited. The total amount paid to Dragon Mining Limited for the year ended 30 June 2015 was $21,794 (2014: $44,509).

	Consolidated 2015 $	Consolidated 2014 $
21. AUDITORS' REMUNERATION		
Amounts received or due and receivable by Ernst & Young Australia for:		
- an audit or review of the financial report of the entity and any other entity in the consolidated entity	**38,500**	**38,500**

22. RELATED PARTY DISCLOSURES

Other related party transactions

(a) **Wholly Owned Group Transactions**
Details of interests in controlled entities are set out in Note 23. Details of dealings are set out below.

(b) **Ultimate Parent Company**
Eurogold Limited is the ultimate Australian holding Company.

(c) **Transactions with Other Related Parties**

Up until the date of the disposal by the Company of its investment in Dragon Mining Limited, Dragon Mining Limited was a related party as Mr. Gunzburg was a director of Dragon Mining Limited. The Company rents office space on an arms-length basis from Dragon Mining Limited. The total amount paid to Dragon Mining Limited for the year ended 30 June 2015 was $21,794 (2014: $44,509).

23. CONTROLLED ENTITIES

Consolidated entities of Eurogold Limited	Country of Incorporation	Equity Interest held by consolidated entity %	
		2015	2014
Eurogold Holdings (Bermuda) Limited (i)(ii)	Bermuda	100.0	100.0
Eurogold (Bermuda) Limited (i))(ii)	Bermuda	100.0	100.0
Esmeralda Mining Limited (i)	Cyprus	100.0	100.0
Brinkley Mining PLC (i))(ii)	UK	100.0	100.0

All interests in controlled entities are in the ordinary shares of these entities
(i) These entities are not audited locally by Ernst & Young
(ii) Currently being deregistered

Prior to the end of the financial year the Company applied for the deregistration of Brinkley Mining PLC. This application is currently being processed. The only asset remaining in Brinkley Mining PLC at 30 June 2015 is cash totalling GBP 1,874 ($3,879). The Company has subsequently received these funds from Brinkley Mining PLC.

24. EVENTS SUBSEQUENT TO BALANCE DATE

At the date of this report, there have been no matters or circumstances that have arisen since the end of the financial year which significantly, or may significantly effect:

- The consolidated group's operations in future years;
- The results of those operations in future years; or
- The consolidated entity's state of affairs in future years.

25. PARENT ENTITY – EUROGOLD LIMITED

Information relating to Eurogold Ltd:	2015 $	2014 $
Current assets	1,735,126	43,755
Total assets	1,848,113	2,802,210
Current liabilities	90,415	1,914,082
Non-current liabilities	-	-
Total liabilities	90,415	1,914,082
Issued capital	61,538,458	60,039,582
Accumulated losses	(59,830,315)	(59,197,134)
Reserves	45,680	45,680
Total shareholders' equity	1,757,698	888,128
Loss of the parent entity	(2,984,301)	(2,078,260)
Total comprehensive loss of the parent entity	(2,984,301)	(2,102,464)

Refer to note 27 for disclosure of contingent asset and liabilities of the parent entity.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) **Financial Risk Management Objectives & Policies**

The Group's principal financial instruments comprise cash, investments in listed companies, some of which are classified as held for trading and some considered long term investments and trading assets and short term borrowings.

The main purpose of these financial instruments is to raise finance for the Group operations. The Group has various other financial assets and liabilities such as receivables and payables, which arise directly from its operations.

The Executive Chairman is responsible for managing the risks associated with the Group's financial investments and reporting to the board of directors.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

(b) **Interest Rate Risk - Consolidated**

The consolidated entity's exposure to interest rate risks and the effective interest rates of financial assets (excluding investments in controlled entities and associates) and financial liabilities are as follows:

Financial Instrument	Floating Interest Rate		Non-Interest Bearing		Fixed Interest Rate		Total	
	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $
(i) Financial Assets								
Cash assets	1,729,126	29,906	-	-		-	1,729,126	29,906
Receivables	-	-	2,447	24,792	-	-	2,447	24,792
Total financial assets	1,729,126	**29,906**	2,447	**24,792**	**-**	**-**	**1,731,573**	**54,698**
(ii) Financial Liabilities								
Payables	-	-	66,370	86,499	-	1,821,074	66,370	1,907,563
Total financial liabilities	**-**	**-**	**66,370**	**86,499**	**-**	**1,821,074**	**66,370**	**1,907,563**

A reasonable possible change in interest rates would not have a material impact on the financial position or performance of the consolidated entity.

c) **Fair values**

The carrying amount of financial assets and financial liabilities recorded in the financial statements at amortised cost approximates their respective fair values.

The Fair Value Hierarchy assigns rankings to the level of judgment which is applied in deriving inputs for valuation techniques used to measure fair value. The three levels of the Fair Value Hierarchy are as follows:

Level 1 is the preferred input for valuation and reflects unadjusted quoted prices in active markets for identical assets or liabilities which the economic entity can access at the end of the reporting period. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 is the valuation of assets and liabilities either directly or indirectly based upon market observables other than quoted prices. For example: financial assets with fair values based on broker quotes; investments in private equity funds with fair values obtained via fund managers; and assets that are valued using the economic entities' own models whereby the majority of assumptions are market observable.

Level 3 relates to inputs that are unobservable. Unobservable inputs means that fair values are determined in whole or in part using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Investments classified as held for trading and held for sale consist of investments in ordinary shares. Fair value of the investments has been determined as described in Level 1 above.

(d) **Credit Risk Exposures**

The consolidated entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount, net of any allowance for doubtful debts, of those assets as indicated in the statement of financial position.

Concentration of Credit Risk

The consolidated entity is not materially exposed to any individual overseas country or individual customer.
The company only banks with reputable financial institutes with good credit ratings.

(e) **Liquidity Risk**

The consolidated entity's objective is to maintain consistency of funding via the raising of equity or short term loans as and when required. The contractual maturity analysis of trade payables of $66,370 is set out in note 10. Refer to note 27 in reference to the royalty payment guaranteed by the Company.

(f) **Market Price Risk on Held for Trading and Available for Sale Investments**

The amount of investments recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 2.

A reasonably possible change in the market value of investments would not have a material impact on the financial position or perfomance of the group.

27. CONTINGENT ASSET AND LIABILITIES

a) On 10 July 2007 the Group disposed of its Ukrainian gold mining assets for US$5,000,000. US$3,000,000 of this amount remains outstanding and will only be received upon the purchaser meeting a regulatory milestone relating to the advancement of the Saulyak Gold Project. As a result of the social and political disruption in Ukraine, the Group considers it is unlikely that the regulatory milestone will be met.

b) The Company has guaranteed the payment of a royalty by Saulyak Limited Liability Company based on gold output from the Saulyak Gold Project which was disposed of by the Company on 10 July 2007. The royalty is up to 2% net smelter royalty per ounce of gold produced form the Saulyak Gold Project payable only in respect of ounces of gold produced over 750,000 ounces in total. Gold production from the Saulyak Gold Project has not yet commenced with the current owners of the project yet to secure a mining licence. At the time of the sale of the project by the Company total reserves identified at the project were not in excess of 750,000 ounces.

The Directors' of the Company declare that:

1) In the opinion of the directors:

   (a) the financial statements, notes and additional disclosures included in the directors' report designated as audited, of the Company and of the consolidated entity are in accordance with the *Corporations Act 2001,* including:

   (b) complying with Accounting Standards and the Corporations Regulations 2001; and

   (c) giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2015 and of their performance for the year ended on that date;

2) The financial report also complies with International Financial Reporting Standards.

3) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

4) 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 2015.

This declaration is made in accordance with a resolution of the Board of Directors signed on 30 September 2015.

Peter Gunzburg
Executive Chairman
30 September 2015

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Independent auditor's report to the members of Eurogold Limited

Report on the financial report

We have audited the accompanying financial report of Eurogold Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of 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 of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

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Opinion

In our opinion:

a. the financial report of Eurogold 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 2015 and of its performance for the year ended on that date

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the remuneration report

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

Opinion

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

Ernst & Young

G H Meyerowitz
Partner
Perth
30 September 2015

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Additional information as required by the Australian Securities Exchange and not shown elswhere in this Report is as follows. The information is current as at 30 September 2015.

Statement of Listing Shareholdings

The distribution of ordinary fully paid shares in the Company is as follows:

Spread of Holdings			Number of Holdings	Number of Units	Percentage Issued Capital
1	-	1,000	78	27,519	0.02
1,001	-	5,000	115	338,547	0.20
5,001	-	10,000	47	356,045	0.21
10,001	-	100,000	92	3,701,013	2.15
100,0001	&	Over	81	168,070,226	97.42
			413	**172,493,350**	**100.00**

Unmarketable Parcels

The number of shareholders holding less than a marketable parcel is 260 totalling 975,829.

Number of Securities on Issue

The following equity securities were on issue as at 30 September 2015

- 172,493,350 fully paid ordinary shares

Top 20 Shareholders as a 30 September 2015

Name	Number of Shares	% Shares Held
Mr Paul Gabriel Sharbanee <The Scorpion Fund A/C>	27,911,561	16.18
Supergun Pty Ltd <Bricklanding Super A/C>	16,617,932	9.64
Enerview Pty Ltd	11,500,000	6.67
Sun Hung Kai Investment Services Ltd <Client Katong Assets Ltd A/C>	10,225,620	5.93
HSBC Custody Nominees (Australia) Limited	6,258,522	3.63
Shah Nominees Pty Ltd	6,000,000	3.48
Rivista Pty Ltd	5,740,000	3.33
Fong Chau Alan Cheung	5,720,000	3.32
Stevsand Holdings Pty Ltd <Formica Horticultural A/C>	5,714,286	2.31
Gerise Pty Ltd	4,700,000	2.72
Littlerose Holdings Pty Ltd <S James Family A/C>	4,500,000	2.61
Jay Hughes and Linda Hughes <Inkese Super A/C>	3,500,000	2.03
Citicorp Nominees Pty Limited	3,339,612	1.94
Peloton Pty Ltd	3,157,270	1.83
Bouchi Pty Ltd	3,000,000	1.74
Graham Forward Pty Ltd <Graham Forward P/L S/F A/C>	2,860,000	1.66
Michael Gunzburg and Joanne Gunzburg	2,860,000	1.66
Nefco Nominees Pty Ltd	2,860,000	1.66
Two Tops Pty Ltd	2,860,000	1.66
Wilgun Pty Ltd	2,287,857	1.33
	131,612,660	**75.33**

The portion of shares held by the 20 largest shareholders in the Company is 75.33%.

Voting Rights

In accordance with the Company's Constitution, voting rights of ordinary shares are on a show of hands whereby each member present in person (or representing a corporation who is a member) shall have one vote and upon a poll, each share will have one vote.

Restricted Securities

There are no restricted securities.

Substantial Holders as at 30 September 2015

The substantial shareholders pursuant to the provisions of the Corporations Act and listed in the Company's register is as follows:

Name	Number of Shares	% Shares Held
Paul Gabriel Sharbanee	33,911,561	19.65
Peter Gunzburg	17,071,932	9.87
Enerview Pty Ltd	11,500,000	6.67
Sun Hung Kai Investment Services Ltd <Client Katong Assets Ltd A/C>	10,225,620	5.93