CONSOLIDATED FINANCIAL STATEMENTS OF

MONUMENT MINING LIMITED

(Expressed in thousands of United States dollars)

For the years ended June 30, 2015 and 2014

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Monument Mining Limited have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS). The financial information contained in the Management Discussion and Analysis has been reviewed to ensure consistency with the consolidated financial statements.

Management maintains systems of internal controls designed to provide reasonable assurance that the assets are safeguarded, all transactions are authorized and duly recorded, and financial records are properly maintained to facilitate the preparation of financial statements in a timely manner. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee of the Board of Directors has approved the consolidated financial statements.

The external auditors have full and unrestricted access to the Audit Committee to discuss the scope of their audit, the adequacy of the system of internal controls and review financial reporting issues. The consolidated financial statements have been audited by BDO Canada LLP, the independent public accounting firm, in accordance with Canadian Auditing Standards.

"Robert Baldock"
Robert Baldock,
President and Chief Executive Officer

"Cathy Zhai"
Cathy Zhai,
Chief Financial Officer

Vancouver, British Columbia
September 29, 2015

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Independent Auditor’s Report

To the Shareholders of
Monument Mining Limited

We have audited the accompanying consolidated financial statement of Monument Mining Limited, which comprise the consolidated statement of financial position as at June 30, 2015 and the consolidated statement of comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Monument Mining Limited as at June 30, 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matters

The consolidated financial statements of Monument Mining Limited for the year ended June 30, 2014 were audited by another auditor who expressed an unmodified opinion on those statements on September 29, 2014.

(signed) “BDO CANADA LLP”

Chartered Accountants
Vancouver, Canada
September 29, 2015

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MONUMENT MINING LIMITED

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2015 and 2014

(in thousands of United States dollars)

	Notes	June 30, 2015	June 30, 2014
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	4	29,353	24,734
Marketable securities	5	247	-
Trade and other receivables	6	2,429	5,537
Prepaid expenses and deposits		575	609
Inventories	7	16,755	16,541
Total current assets		**49,359**	**47,421**
Non-current assets			
Inventories	7	248	5,304
Property, plant and equipment	8	48,826	40,644
Exploration and evaluation	9	162,769	161,346
Intangible asset	10	1,264	-
Deferred costs		46	-
Total non-current assets		**213,153**	**207,294**
Total assets		**262,512**	**254,715**
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	13	6,807	10,114
Finance lease obligations	14	238	259
Gold forward sale contract	15	2,593	-
Total current liabilities		**9,638**	**10,373**
Non-current liabilities			
Finance lease obligations	14	147	452
Gold forward sale contract	15	-	2,593
Derivative liabilities	16	-	95
Asset retirement obligations	17	10,087	11,536
Deferred tax liabilities	18	1,507	2,047
Total non-current liabilities		**11,741**	**16,723**
Total liabilities		**21,379**	**27,096**
Equity			
Share capital	19	118,015	115,895
Capital reserves – warrants	20	2,612	2,612
Capital reserves – options	20	10,302	10,291
Retained earnings		110,204	98,821
Total equity		**241,133**	**227,619**
Total liabilities and equity		**262,512**	**254,715**
Subsequent events	31		

Approved on behalf of the Board:

"Robert Baldock"	"Gerald Ruth"
Robert Baldock, Director	Gerald Ruth, Director

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended June 30, 2015 and 2014
(in thousands of United States dollars, except share and per share amounts)

	Notes	June 30, 2015	June 30, 2014
		$	$
Mining operations			
Revenue		44,838	48,583
Production costs	21	(28,945)	(32,302)
Income from mining operations		**15,893**	**16,281**
Corporate expenses	22	(4,232)	(9,400)
Income before other items		**11,661**	**6,881**
Other income/(loss)			
Interest income		114	892
Loss due to changes in fair value of marketable securities	5	(574)	-
Gain on share repurchase obligation		-	453
Gain due to changes in fair value of derivative liabilities	16	95	727
Settlement payments	23	-	(2,696)
Foreign currency exchange loss		(208)	(1,550)
Loss on disposal of assets		(4)	(97)
Impairment gain/(loss)	24	41	(6,460)
Loss from other items		**(536)**	**(8,731)**
Income/(loss) before income taxes		11,125	(1,850)
Income tax expense	18	(1)	(781)
Future income tax recoveries	18	259	-
Total net and comprehensive income/(loss)		**11,383**	**(2,631)**
Earnings/(loss) per share			
- Basic	25	$ 0.04	$ (0.01)
- Diluted	25	$ 0.04	$ (0.01)
Weighted average number of common shares			
- Basic	25	306,519,400	285,003,619
- Diluted	25	306,519,400	285,003,619

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended June 30, 2015 and 2014
(in thousands of United States dollars)

	Notes	Common shares	Capital reserve - warrants	Capital reserve - options	Retained earnings	Total equity
		$	$	$	$	$
Balances at June 30, 2013		**108,637**	**2,612**	**6,893**	**101,452**	**219,594**
Common shares issued	19	7,230	-	-	-	**7,230**
Share issue costs	20	(29)	-	-	-	**(29)**
Stock options exercised	20	57	-	(21)	-	**36**
Share-based compensation	20	-	-	3,419	-	**3,419**
Net loss for the year		-	-	-	(2,631)	**(2,631)**
Balances at June 30, 2014		**115,895**	**2,612**	**10,291**	**98,821**	**227,619**
Common shares issued	19	2,137	-	-	-	**2,137**
Share issue costs	19	(17)	-	-	-	**(17)**
Share-based compensation	20	-	-	25	-	**25**
Stock options forfeited/expired	20	-	-	(14)	-	**(14)**
Net income for the year		-	-	-	11,383	**11,383**
Balances at June 30, 2015		**118,015**	**2,612**	**10,302**	**110,204**	**241,133**

MONUMENT MINING LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended June 30, 2015 and 2014
(in thousands of United States dollars)

	Notes	June 30, 2015	June 30, 2014
		$	$
Operating activities			
Net income/(loss) for the year		11,383	(2,631)
Adjustments to reconcile net income/(loss) to net cash provided from operating activities:			
Depreciation, depletion and amortization		7,441	9,221
Loss on disposal of assets		4	97
Accretion expense on asset retirement obligations		190	133
Share-based compensation		13	3,401
Gain on fair value of share repurchase obligation		-	(453)
Gain due to changes in fair value of derivative liabilities	16	(95)	(727)
Deferred income tax provision		1	779
Unrealized foreign exchange (gain)/loss		(1,464)	341
Impairment (recovery)/loss	24	(41)	6,460
Loss due to changes in fair value of marketable securities	5	574	-
Provision for deferred income tax	18	(259)	-
Cash provided from operating activities before change in working capital items		**17,747**	**16,621**
Change in non-cash working capital items:			
Trade and other receivables		3,109	(822)
Prepaid expenses and deposits		34	491
Inventories		4,927	2,064
Deferred business development costs		(46)	-
Accounts payable and accrued liabilities		(2,087)	(1,851)
Cash provided from operating activities		**23,684**	**16,503**
Financing activities			
Share issue costs on acquisition	19	(17)	(29)
Proceeds from exercise of stock options and warrants		-	36
Payment for share repurchase obligation		-	(3,203)
Payment of finance lease obligations	14	(282)	(107)
Cash used in financing activities		**(299)**	**(3,303)**
Investing activities			
Expenditures on exploration and evaluation, net of recoveries		(14,786)	(21,619)
Expenditures on property, plant and equipment		(2,819)	(8,780)
Expenditures on intangible asset	10	(160)	-
Investment in marketable securities	5	(939)	-
Reclamation of asset retirement obligations	17	(62)	-
Cash used in investing activities		**(18,766)**	**(30,399)**
Increase/(decrease) in cash and cash equivalents		4,619	(17,199)
Cash and cash equivalents at the beginning of the period	4	24,734	41,933
Cash and cash equivalents at the end of the period	**4**	**29,353**	**24,734**
Cash and cash equivalents consist of:			
Cash		19,001	24,526
Restricted cash		10,352	208
		29,353	**24,734**

Supplemental Cash Flow Information (Note 28)

1. Corporate Information and Nature of Operations

Monument Mining Limited ("Monument" or "the Company") is a Vancouver based gold producer, engaged in the operation of gold mines and acquisition, exploration and development of precious metals and other base metals mineral properties with focus on gold. The Company is incorporated and domiciled under the Canada Business Corporations Act and listed on the Toronto Stock Venture Exchange ("TSX-V: MMY") and Frankfurt Stock Exchange ("FSE: D7Q1") with the head office located at 1100 Melville Street, Suite 1580, Vancouver, British Columbia, Canada V6E 4A6.

The Company's 100% owned Selinsing Gold Mine is located in Pahang State, Malaysia, and in commercial production since September 2010. The Company's exploration and development mineral assets are 100% owned through its subsidiaries, including the gold portfolio of the Selinsing, Buffalo Reef, Felda Land and Famehub projects in Pahang State, Malaysia, Murchison and Tuckanarra Projects in Western Australia ("WA"); and base metal portfolio of the Mengapur Polymetallic Project in Pahang State, Malaysia.

The consolidated financial statements of the Company for the financial year ended June 30, 2015, comprising the Company and its subsidiaries, were authorized for issue in accordance with a resolution of the directors on September 28, 2015. These consolidated financial statements are presented in thousands of United States (US) dollars and all values are rounded to the nearest thousand dollar except per share amounts or where otherwise indicated.

2. Basis of Preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements were prepared on a going concern basis under the historical cost method except for certain derivatives and marketable securities, which are measured at fair value. A summary of significant accounting policies are presented in Note 3 and have been consistently applied in each of the periods presented. Significant accounting estimates, judgments and assumptions used or exercised by management in the preparation of these consolidated financial statements are presented in Note 3 (s).

3. Significant Accounting Policies

a) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries) as of June 30, 2015 from their respective date of acquisition. Control exists over an investee when the Company is exposed, or has rights, to variable returns from its investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control.

All intra-group balances and transactions are eliminated on consolidation, including unrealised gains and losses on transactions. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

The consolidated financial statements include the financial statements of Monument and its subsidiaries. The subsidiaries and percentage of ownership are listed in the following table:

		Interests holding as at	
Entity	Location	June 30, 2015	June 30, 2014
Polar Potential Sdn. Bhd.	Malaysia	100%	100%
Able Return Sdn. Bhd.	Malaysia	100%	100%
Selinsing Gold Mine Manager Sdn. Bhd.	Malaysia	100%	100%
Damar Consolidated Exploration Sdn. Bhd.	Malaysia	100%	100%
Famehub Venture Sdn. Bhd.	Malaysia	100%	100%
Monument Mengapur Sdn. Bhd.	Malaysia	100%	100%
Cermat Aman Sdn. Bhd.	Malaysia	100%	100%
Star Destiny Sdn. Bhd.	Malaysia	100%	100%
Primary Mining Sdn. Bhd.	Malaysia	100%	100%
Monument Mining BC Ltd.	Canada	100%	100%
Monument Australia Pty Ltd.	Australia	100%	100%
Monument Murchison Pty Ltd.	Australia	100%	100%
Monument Gold Operations Pty Ltd.	Australia	100%	100%

b) Foreign currencies

The Company's consolidated financial statements are presented in US dollars which is also the functional currency of the parent company and all of its subsidiaries.

Foreign currency transactions for the Company's subsidiaries are translated into the functional currency using the exchange rate at the dates of the transactions or the prevailing average rates during the transaction periods. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated at the historical rates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The exchange differences on translation of these foreign operations are recognized in profit or loss as foreign exchange gains or losses.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and, where applicable, the initial estimation of any asset retirement obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The amortization begins when the asset is available for use. Maintenance costs are expensed as incurred.

Mineral properties in production are amortized on a unit-of-production ("UOP") basis over the productive life of the mine based on the economically recoverable proven and probable reserves, and portion of measured, indicated, or inferred resources that are reasonably expected to be converted to proven and probable reserves. Gold processing plant is amortized on a UOP basis over the total tonnages of mill feed over the estimated life of mine. Amortization of various components of the gold processing plant and other capital assets are calculated on a straight-line basis over the assets' estimated useful lives over the following periods:

Buildings	10 years
Machinery, heavy equipment and components of plant	2-20 years
Administrative furniture and equipment	5-10 years
Computers	2-5 years
Vehicles	5 years

Amortization expenses from production property and plant are inventoried; amortization from equipment used for exploration is capitalized under associated exploration and evaluation mineral properties; amortization from administrative capital assets is charged against operations.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for property, plant and equipment items and any changes arising from the assessment are applied by the Company prospectively.

d) Mineral properties

Mineral property and development costs represent capitalized expenditures related to the acquisition, exploration and development of mineral properties and related equipment. Mineral property interest acquisition costs include the cash consideration, option payment under an earn-in arrangement, the fair value of common shares issued for mineral property interests and the fair value of warrants issued determined using the Black-Scholes option pricing model.

<u>Exploration and evaluation expenditures</u>

Exploration and evaluation expenditure relates to the initial acquisition costs of mineral properties and costs incurred for investigation and evaluation of potential mineral reserves and resources, including trenching, exploratory drilling, sampling, mapping and other activities in searching for ore bodies under the properties, and to evaluate the technical and commercial viability of developing mineral properties identified through exploration. Exploration and evaluation expenditures, net of any recoveries, are recorded on a property-by-property basis and deferred until the property is placed into production, sold or abandoned or determined to be impaired. The carrying values of capitalized amounts are reviewed annually, or when indicators of impairment are present.

Exploration and evaluation expenditure to any particular property are reclassified to mineral properties and mine development expenditures when technical and commercial viability for that property is established, or otherwise expensed when that property is abandoned or impaired. Exploration and evaluation expenditure that do not relate to any specific property are expensed as incurred.

The establishment of technical and commercial viability is assessed based on technical studies carried out in compliance with industry standards and regulatory requirements and is deemed to be achieved when the Company determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for undeveloped mining projects before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and resources, and approval to mine as further work is undertaken in order to refine the development case to maximize the project's returns.

<u>Mine development expenditures</u>

A mineral property is under the development stage once the development of the property becomes commercially and technically viable. The costs incurred to design and engineer an open pit, to build access roads, camps and other infrastructure for mining, and to remove overburden and other mine waste materials in order to access the ore body at open pit operations ("stripping costs") prior to the commencement of commercial production are categorized as mine development expenditures. Development expenditures to this point including depreciation of related plant and equipment, net of proceeds from incidental sale of ore extracted during the development stage, are capitalized to the related property. The mine development expenditures are reclassified to Property, Plant and Equipment following commencement of commercial production in the manner intended by management.

Mine development expenditure are amortized on a UOP basis over the productive life of the mine based on proven and probable reserves, and portion of measured, indicated, or inferred resources that are reasonably expected to be converted to proven and probable reserves.

Stripping costs incurred during the production phase of a mine are considered production costs and are included in the cost of inventory produced during the period in which stripping costs are incurred. Stripping costs incurred to prepare the ore body for extraction or to provide access to orebody that will be extracted in future periods and would not otherwise have been accessible are capitalized as mine development expenditure and amortized on a UOP basis over the reserves and resource that directly benefit from the stripping activity. New infrastructure costs incurred during the production phase for future probable economic benefit are also capitalized to the related mineral property subject to amortization on a UOP basis.

e) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit ("CGU") to which the asset belongs is determined. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal and its value in use. An impairment loss exists if the asset's or CGU's carrying amount exceeds the recoverable amount and is recorded as an expense immediately.

Tangible assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized into profit or loss immediately.

f) Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and on hand and short-term deposits with an original maturity of three months or less. Restricted cash consists of cash held on hand which shall not be released until certain conditions are met under contractual obligations or a court order.

g) Inventories

Inventories include supplies, stockpiled ore, work in progress and finished goods. Gold bullion and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs of selling final product. Cost is determined by the weighted average method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortization, incurred in converting materials into finished goods. Separately identifiable costs of conversion are specifically allocated.

Supplies inventory consists of consumables used in mining and processing operations and are valued at the lower of cost and net realizable value using the first-in-first-out method. Supplies used in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision.

Stockpiled ore represents ore that has been extracted from the mine that is ready for further processing. Stockpiled ore is measured by estimating the number of tonnes added and removed from the stockpile and is verified based on periodic surveys. Stockpiled ore is valued based on the current mining costs incurred up to the point of stockpiling the ore using the average cost method. Costs include mining, mine-site overhead and associated depreciation and depletion. Costs are removed from stockpiled ore and added to work in process inventory when stockpiled ore is crushed based on the average cost per tonne stockpiled.

Work in progress represents gold in the process of being converted to a saleable product from crushed ore to gold doré. Work in progress is recorded at average cost. Costs comprise mining and processing to produce gold doré including costs of stockpiled ore crushed, crushing, leaching, smelting and associated depreciation and depletion. Costs are removed from work in process inventory as gold doré and is produced based on the average cost per contained recoverable ounce of gold.

Finished goods represent metal available for sale and are valued at the lower of average production cost and net realizable value. The cost of finished goods inventory includes the average cost of work in process inventories incurred prior to refining plus applicable refining costs.

Restricted inventory represents the gold bullion in escrowed metal account and is valued at the lower of average production cost and net realizable value.

h) Intangible asset

Included in Intangible assets as at June 30, 2015 is an interim license of the Intec Technology. Intangible assets are assessed for legal, regulatory, contractual, competitive or other factors to determine if the useful life is definite. Intangible assets with definite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, and are amortized on a straight-line basis through operating income over the related assets' estimated useful life. Intec is patented technology with limited useful life. Once Intec technology is put in use, the cost will be amortized over the life of the license on a straight-line basis.

i) Asset retirement obligation ("ARO")

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the corresponding asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The capitalized rehabilitation cost is depreciated on the same basis as the related asset of plant or mining property.

The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates. The discounted liability is increased for the passage of time and adjusted for changes to the current discount rate, and the amount or timing of the underlying cash flows needed to settle the obligation. The periodic unwinding of the discount is recognized in profit or loss as a finance cost.

Additional disturbances or changes in rehabilitation cost will be recognized as additions or charges to the corresponding assets and asset retirement obligation when they occur.

j) Leases

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 fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases are classified at their inception as either operating or finance lease based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

<u>Operating leases</u>
The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognized as an expense in profit or loss on a straight-line basis over the lease term. Contingent rentals are recognized as an expense when they are incurred.

<u>Finance leases</u>

Leases which effectively transfer substantially all the risks and benefits incidental to ownership of the leased item to the Company are capitalized at the inception of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recorded in profit or loss.

k) Financial instruments

The Company's financial instruments are classified as loans and receivables (cash and cash equivalents and trade and other receivables), financial assets at fair value through profit or loss (FVTPL) (marketable securities), other financial liabilities (trade and other payables and share repurchase obligation) and financial liabilities at fair value through profit or loss (FVTPL) (gold forward sale contract and derivative financial instruments).

<u>Fair value of financial instruments</u>

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Derivative instruments - Foreign currency share purchase warrants
The share purchase warrants with an exercise price in Canadian dollars, which is different from the Company's functional currency (US dollars), are considered derivative instruments. The Company re-measures the fair value of foreign currency denominated share purchase warrants at each reporting date using the Black-Scholes option pricing model over the remaining life of the warrants and translates it into US dollars using the exchange rates at the reporting date. Adjustments to the fair value of the foreign currency share purchase warrants as at the reporting date are recorded in profit or loss.

Derivative instruments - Gold inducement

The gold inducement contractual arrangement (the "gold inducement") with third parties to sell a fixed amount of gold ounces at the fixed price in US dollar or Canadian dollars during the contractual period at the discretion of the third parties is classified as a derivative instrument. The gold inducement derivative instrument includes the gold price derivative component and a foreign exchange derivative component. During the vesting period of the gold inducement, the gold price derivative component is measured at fair value based on a valuation model, under which the fair value is calculated based on the aggregated future cash flow derived by the forward price of gold, the foreign currency forward exchange rate and discounted at a risk free rate of return. Subsequent to the vesting period, the inducement is measured at fair value based on the spot gold market price (London Fix PM) at each reporting date as well as the foreign exchange rate at the reporting period.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that occurred since the initial recognition of the asset (an incurred loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If such evidence exists, the estimated recoverable amount of the financial asset is determined and an impairment loss is recognized for the difference between the recoverable amount and the carrying amount.

l) Taxes

Current tax

Current tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Deferred tax

Deferred tax is recognized, using the balance sheet method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities or deferred tax assets that are probable of being realized are recognized for all taxable temporary differences, except:

- On initial recognition of goodwill;
- Where the deferred tax liability or asset arises from 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 nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is utilized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

The Company recognizes neither the deferred tax asset regarding the temporary differences on the rehabilitation liability, nor the corresponding deferred tax liability regarding the temporary difference on the rehabilitation asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Royalties and revenue based taxes

Royalties and revenue based taxes are accounted for under IAS 12 Income Taxes ("IAS 12") when they have the characteristics of income tax. This is considered the case when they are imposed under government authority and the amount payable is based on taxable income – rather than based on quantity produced or as a percentage of revenue – after adjustment for temporary differences. Obligations arising from royalty arrangements that do not satisfy these criteria are recognized as current provision and included in production costs. The royalties payable by the Company are not considered meeting the criteria to be treated as part of income tax.

m) Share-based payments

The cost of stock options and other equity-settled share-based payment arrangements are recorded based on the estimated fair value at the grant date and charged to earnings over the vesting period.

The Company uses the fair value method for accounting for stock-based awards to employees (including directors). Under the fair value method, compensation expenses attributed to the direct award of stock options to employees are measured at the fair value at the grant date for each tranche using an option pricing model and are usually recognized over the vesting period of the award. When the stock options are exercised, the cash proceeds received and the applicable amounts previously recorded in capital reserve - options are credited to share capital.

n) Share capital

Common shares are classified as equity. Incremental cost directly attributable to the issuance of common shares is recognized as a deduction from equity.

Share purchase warrants that are issued for goods and services are initially accounted for under IFRS 2 Share-based Payment ("IFRS 2") as equity instruments (their initial fair value would be recognized as share issuance costs). Subsequent to their issuance, share purchase warrants issued for goods and services are considered as equity for their entire life. The fair value of such share purchase warrants is not re-measured unless there is a change to the terms of the warrants which cause an increase in value. When these share purchase warrants are exercised, the cash proceeds received and the applicable amounts of share purchase warrants are credited to share capital.

o) Earnings/(loss) per share

Earnings/(loss) per share is calculated based on the weighted average number of common shares issued and outstanding during the year. Diluted earnings/(loss) per common share is calculated using the treasury stock method for outstanding stock options, warrants and convertible notes. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted earnings per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and similar instruments that are "in the money" would be used to repurchase common shares of the Company at the average market price during the year. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

The incremental common shares issuable upon the exercise of stock options and warrants are excluded from the computation if their effect is anti-dilutive.

p) Revenue recognition

The Company's operations produce gold in doré form, which is refined to pure gold bullion as final product prior to sale primarily in the London spot market or under gold sale contracts. Revenue from the sale of metals is recognized in the financial statements when the following conditions have been satisfied:

- the significant risks and rewards of ownership have been transferred;
- neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold, has been retained;
- the amount of revenue can be measured reliably;

- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Insignificant amount of revenue generated from by-product such as silver is credited to the cost of goods sold when its percentage of revenue is less than 5% of total revenue.

q) Segmented reporting

In identifying its operating segments, management generally follows the Company's activities. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The activities are undertaken by the mine operating segment and the exploration and evaluation segment and are supported by the corporate segment, each segment is managed separately. The operating results of the segments are reviewed regularly by the Company's Chief Executive Officer (who is considered the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

r) Gold forward sales transactions

The gold forward sale contract is held for the purpose of delivery of gold in accordance with the Company's expected sale requirements. The consideration received is deferred until such time as gold is delivered and revenue recognition conditions are satisfied.

s) Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS as issued by the IASB requires management to make estimates and judgments that affect the amount reported in the financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and subject to measurement uncertainty. The effect on the financial statements of changes in such estimates in future reporting periods could be significant.

Significant estimates and areas where judgment is applied that have significant effect on the amount recognized in the financial statements are described below. Changes in these estimates and judgments may materially affect the financial position or financial results reported in future periods.

Estimates

Purchase price allocation and valuation of deferred consideration assets

Measuring asset acquisition transactions requires each identifiable asset and liability to be measured at its acquisition-date relative fair value. The determination of the acquisition-date relative fair values often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of mineral properties and plant and equipment acquired generally require a high degree of judgment and includes estimates of mineral reserves acquired, future metal prices and discount rates. Changes in any of the assumptions or estimates used in determining the relative fair value of acquired assets and liabilities could impact the amounts assigned to assets, liabilities and non-controlling interests in the purchase price allocation.

Ore reserves and mineral resource estimates

Proven and probable reserves are the economically mineable parts of the Company's measured and indicated mineral resources demonstrated by at least a preliminary economic assessment study or through continued production. The Company estimates its proven and probable reserves, measured, indicated and inferred mineral resources based on information compiled by appropriately qualified persons. The estimation of future cash flows related to proven and probable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the proven and probable reserves or measured, indicated and inferred mineral resource estimates may impact the carrying value of property, plant and equipment, reclamation and remediation obligations, recognition of deferred tax amounts and depletion, depreciation and amortization, as well as the cost base of ore inventory.

The Company conducts an annual review of its reserves and mineral resources. On April 1, 2015 the review resulted in a change in an accounting estimate in relation to the economically recoverable reserves and resources. Exploration and evaluation expenditure of $14.26 million have been reclassified to mineral properties in relation to the Selinsing and Buffalo Reef projects.

The reclassification and change in economically recoverable reserves and resources has triggered change in estimates with a net increase on depreciation and amortization basis and has caused reclassification of extracted gold materials from waste to ore inventories ("April 2015 Estimation Adjustments").

Depreciation and amortization and determining useful lives

Mineral properties in production are amortized on a unit-of-production basis ("UOP") over the productive life of the mine based on the economically recoverable reserves and resources including proven and probable reserves, and a portion of measured, indicated, or inferred resources that are reasonably expected to be converted to proven and probable reserves. Mobile and other equipment is depreciated, net of residual value, on a straight-line basis, over the useful life of the equipment but does not exceed the related estimated productive life of the mine. The calculation of the UOP rate, and therefore the annual depreciation and amortization expense could be materially affected by changes of estimates of ore reserves and mineral resources of the underlying mineral properties. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves and resources through exploration activities, differences between estimated and actual costs of mining and differences in gold price used in the estimation of mineral reserves. Significant judgment is involved in the determination of useful life and residual values for the computation of depreciation and amortization and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

In fiscal 2015, April 2015 Estimation Adjustments caused an increase in depreciation and amortization of $2.83 million which was recorded in ore inventory against the underlying mineral properties.

Inventory valuation

Expenditures incurred including depreciation and amortization of assets used in mining and processing activities are deferred and accumulated as the cost of ore in stockpiles, work in process, and finished metal inventories. These deferred amounts are carried at the lower of average cost and net realizable value ("NRV"). Write-downs of ore in stockpiles, in-process and finished metal inventories resulting from NRV impairments are reported as a component of current period costs. The primary factors that influence the need to record write-downs include prevailing and long-term metal prices and prevailing costs for production inputs such as labour, fuel and energy, materials and supplies, as well as realized ore grades and actual production levels. The allocation of costs to ore in stockpiles, gold in processing circuits and the determination of NRV involve the use of estimates. There is a high degree of judgment in estimating future costs, future production levels, reserves estimates, gold and silver prices, and the ultimate estimated recovery of ore from processing circuits. There can be no assurance that actual results will not differ significantly from estimates used in the determination of the carrying value of inventories.

In fiscal 2015 the impact of the April 2015 Estimation Adjustments resulted from reserves and resources estimate review on inventory caused an increase of the ore inventory in the amount of $3.57 million.

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment to determine whether it is likely that future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. The determination of a compliant resource is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred).

Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of such expenditures are unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Impairment of non-current assets

The Company assesses each asset or CGU at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, exploration potential, reserves and operating performance. These estimates and assumptions are subject to risk and uncertainty and therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/CGU. Management has assessed its CGUs as being an individual mine site, which is the lowest level for which cash inflows are largely independent of those of other assets/CGUs.

Provision for reclamation and remediation obligations

The Company assesses its provision for asset retirement obligations on an annual basis or when new material information becomes available. Accounting for reclamation and remediation obligations requires management to make estimates of the timing and amount of future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations at each mining operation. Actual costs and timing incurred may differ from those estimated. Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs and timing of those costs could materially impact the amounts charged to operations for reclamation and remediation.

Deferred taxes

The Company recognizes a deferred tax asset to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. To the extent that future cash flows and taxable profit differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on estimated fair values of all share-based awards at the date of grant and is expensed to profit or loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Derivative assets and liabilities

Management is required to determine assumptions used in financial fair value models to estimate derivatives liabilities raised from share purchase warrants, foreign currency forward exchange contracts, gold forward contracts and gold inducement where contractually applicable. The assumptions may be adjusted at each reporting period and the actual value of the derivative liability may differ from the amount currently provided.

Judgments

Determination of commencement of commercial production

The Company assesses the stage of each mine under construction to determine when the mine is substantially complete and ready for its intended use. The Company considers various relevant criteria to assess when the commercial production phase is considered to commence. Some of the criteria used will include, but are not limited to, the following:

- Level of capital expenditure incurred compared to the original construction costs estimates;
- Completion of a reasonable period of testing of the mine plant and equipment;
- Ability to produce gold in saleable form; and
- Ability to sustain ongoing production.

Recovery of gold from non-leachable sulphide material

Ore reserves and mineral resource estimates include non-leachable sulphide material that cannot be processed through the plant in its current configuration. Recovery of gold from the non-leachable sulphide material is expected to be achieved through the successful implementation of the Intec Technology (Note 10) which is currently being tested.

The results from initial test work are positive and the Company expects the current pilot plant testing to be successful. If successful, the Company will incur significant capital costs in commercializing the new plant configuration required. Should testing be unsatisfactory the Company will consider alternatives.

Title to mineral properties

Although the Company has taken steps to verify the title to its mineral properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to administrative delays common in Malaysia, unregistered prior agreements or transfers and title may be affected by undetected defect. To the best of the Company's knowledge, title to its properties are in good standing, except the prospecting exploration permit for the Star Destiny prospect that expired on September 23, 2012. The Company submitted an application of renewal in November 2011 to the Pahang State authority; it also submitted two applications for mining licenses in 2009 and 2010 over sections of the same area. Another application for a mining lease over the prospecting land was also submitted in August 2012. The Company has yet to receive an official notification from the Pahang State authority in response to its applications and several inquiries regarding the title status. According to the Malaysia Mining Engagement 2007, the Company has considered its status quo for the Star Destiny tenement title remaining intact.

Realization of assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards, if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Functional Currency

The Company is involved in the exploration, development and production of gold and base metal resources with continued operations that are heavily reliant on international economics such as the price and demand of gold and other commodities. The Company's resources, future sales and competitive forces are measured in USD and have determined the functional currency of all its entities to be USD.

Business Combinations

The Company makes the assessment of whether an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits directly to investors or other owners, members, or participants'. It also considers whether that a business consists of inputs and processes applied to those inputs that have the ability to create outputs.

Own use contracts

Certain commodity purchase and sale contracts will meet the definition of a derivative and their values will vary in accordance with the value of the underlying commodity. A commodity contract within the scope of IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39") that is also a derivative is accounted for at fair value through profit and loss (FVTPL). Contracts, such as the gold forward sale agreement (Note 15), that are capable of being net cash settled because the contract terms permit net cash settlement; or when the non-financial item is readily convertible into cash are outside the scope of IAS 39 if they were entered into and continue to be held for the purpose of the receipt or delivery of the non-financial item in accordance with the entity's expected purchase, sale or usage requirements and are not written option contracts. Contracts that are exempt from IAS 39 on these grounds are commonly referred to as "own use contracts" and are accounted for as executory contracts.

New and amended standards and interpretations

The Company adopted new and revised standards and interpretations issued by the IASB listed below effective for annual period commencing from July 1, 2014. These changes were made with retrospective application. The nature and the impact of the new standard are described below.

Amendment to IAS 32 – Financial Instruments: Presentation ("IAS 32")

This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms.

The Company has concluded that the amendment did not have an effect on the consolidated financial statements for the current period or prior periods presented.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

Amendments to IAS 36 – Impairment of Assets ("IAS 36")

This amendment on the recoverable amount disclosures for non-financial assets removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13, Fair Value Measurement ("IFRS 13"). The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less costs to sell.

The Company has concluded that the amendment did not have an effect on the consolidated financial statements for the current period or prior periods presented.

IFRIC 21 – Levies ("IFRIC 21")

IFRIC 21 provides guidance on the accounting for a liability to pay a levy, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets ("IAS 37") and those where the timing and amount of the levy is certain. Levies are imposed by a government in accordance with legislation and do not include income taxes, fines or other penalties imposed for breaches of legislation. IFRIC 21 defines an obligating event as the legislatively identified activity that triggers the payment of the levy. Recognition of a liability to pay a levy is at the date of the obligating event. The fact that the Company is economically compelled to continue to operate in the future does not create an obligation to pay a levy that will arise in a future period as a result of continuing to operate.

The Company has concluded that the adoption of IFRIC 21 did not have an effect on the consolidated financial statements for the current period or prior periods presented.

Annual Improvements 2010-2012 Cycle

In the 2010-2012 annual improvements cycle, the IASB issued seven amendments to six standards, which included an amendment to IFRS 13 Fair Value Measurement ("IFRS 13"). The amendment to IFRS 13 is effective immediately and, thus, for periods beginning on July 1, 2014, and it clarifies in the basis for conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment to IFRS 13 had no impact on the Company's financial statements.

Other standards, amendments and interpretations which are effective for the financial year beginning on July 1, 2014 are not material to the Company.

Effective for future annual periods

IFRS 9 – Financial Instruments ("IFRS 9")

IFRS 9 will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 requires that all financial assets be classified as measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities classified at fair value through profit and loss, financial guarantees and certain other exceptions. In response to delays to the completion of the remaining phases of the project, on December 16, 2011, the IASB issued amendments to IFRS 9 which deferred the mandatory effective date of IFRS 9 from January 1, 2013 to annual periods beginning on or after January 1, 2018. The amendments also provided relief from the requirement to restate comparative financial statements for the effects of applying IFRS 9. The Company is evaluating any potential impact of this standard.

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15")

IFRS 15 establishes the principles to report the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. Application of the standard is mandatory for annual periods beginning on or after January 1, 2018, with early application permitted. The Company is evaluating any potential impact of this standard.

4. Cash and Cash Equivalents

	June 30, 2015	June 30, 2014
	$	$
Cash and cash equivalents	19,001	24,526
Restricted cash	10,352	208
	29,353	24,734

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

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

As at June 30, 2015, the Company has restricted cash of $10.35 million (June 30, 2014: $0.21 million), which represents $0.91 million issued letters of credit as guarantees for custom duties and certain equipment, and $9.44 million set aside in a custodian bank account pursuant to a Shah Alam High Court Order, issued in relation to the litigation "SMSB vs Monument" that is pending the disposal and outcome of a full trial. A stay of proceeding filed by Monument has been granted by the Shah Alam High Court in Malaysia.

On October 10, 2012, Selinsing Mine Sdn. Bhd. ("SMSB") filed a Writ and Statement of Claim against Monument and its wholly-owned subsidiaries, Selinsing Gold Mine Manager Sdn. Bhd. ("SGMM") and Able Return Sdn. Bhd. ("Able") (together "Monument"), claiming, among other things, a "5% Participating Joint Venture interest" from two of the tenements of Monument's Selinsing Gold Mine. SMSB was the previous sub-lease holder and operator that sold the Selinsing Gold Mine to Monument and its subsidiaries free and clear of any encumbrances. The transaction was closed on June 25, 2007 and SMSB was paid in full. SMSB did not make its claim in relation to the purported "Participating Joint Venture Interest" until October 2012. Monument denies that SMSB has any joint venture interest in the Selinsing Gold Mine and intends to continue to vigorously defend this claim.

Monument and its Malaysian subsidiary has filed suit in Kuantan High Court against Kesit Pty Ltd. and Peter Steven Kestel, claiming for ownership of the 100% issued shares of SMSB by virtue of the "Able/Selinsing Purchase Agreement" dated May 31, 2007. The entire 100% of SMSB issued shares are now held by Kesit Pty Ltd., a company owned and controlled by Peter Steven Kestel. Peter Steven Kestel is also one of the Directors of SMSB.

5. Marketable Securities

	Total $
Balance, June 30, 2014	-
Investment in marketable securities	939
Loss on fair value of marketable securities	(574)
Loss on foreign exchange	(118)
Balance, June 30, 2015	**247**

	2015 $	2014 $
Change in fair value		
Loss on fair value of marketable securities	(574)	-
Loss on foreign exchange	(118)	-
	(692)	-

A Proposed Transaction was announced on September 4, 2014 pursuant to the Heads of Agreement entered into by Monument and Gascoyne Resource Limited ("Gascoyne"). It included the potential acquisition by Monument of a 50% interest in each of three Gascoyne properties: Dalgaranga, Glenburgh and Mt. Egerton by way of joint venture arrangements, a private placement financing to fund exploration and development of the those properties, and Gascoyne Private Placements that allowed both parties to the Proposed Transaction to have cross shareholding interests up to 19.6% of each other. Upon announcement, the Company initiated the Proposed Transaction by investing $0.94 million (AUD $1.00 million) in Gascoyne for 4 million Gascoyne shares, subscribed at a price of AUD$0.25 per share.

On December 22, 2014 Monument and Gascoyne announced that both parties mutually agreed to terminate the Heads of Agreement due to certain conditions precedent to the completion of the Proposed Transaction not being met. There was no further obligation for Monument to participate any further placements of Gascoyne shares.

During the year ended June 30, 2015, the value of Gascoyne shares have reduced by $0.69 million comprising of $0.57 million loss on fair value and $0.12 million loss on foreign exchange, leaving the fair value of $0.25 million (June 30, 2014: $nil) in marketable securities as of June 30, 2015.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

6. Trade and Other Receivables

	June 30, 2015	June 30, 2014
	$	$
Trade receivable	1,263	1,075
Interest receivable	18	14
Goods and services tax receivable	294	109
Other receivable	854	4,339
	2,429	5,537

Trade and other receivables are non-interest bearing. Trade receivable consists of $1.26 million relating to general trades. Other receivable is due from Third Party contractors in relation to top soil iron production pursuant to the Harmonization Agreement (Note 9 (e)).

7. Inventories

	June 30, 2015	June 30, 2014
	$	$
Current assets		
Mine operating supplies	2,140	3,595
Stockpiled ore (a)	8,992	9,178
Material discharged from gravity plant for CIL process	902	1,082
Work in progress	1,472	2,653
Finished goods	6	33
Restricted finished goods (b)	3,243	-
	16,755	16,541
Non-current assets		
Restricted finished goods (b)	-	4,604
Stockpiled ore (c)	248	700
	248	5,304
	17,003	21,845

The cost of inventory expensed during the year ended June 30, 2015 was $26.54 million (2014 - $29.60 million).

(a) On April 1, 2015, 2.58 million tonnes of super low grade gold materials were reclassified from waste to ore inventory.

(b) The balance of restricted inventory in the amount of $3.24 million at June 30, 2015 was 5,000 ounces of gold on hand as collateral for the Gold Forward Sale contract expiring August 11, 2015 (Note 15) (June 30, 2014: $4.60 million).

(c) The portion of the ore stockpile that is to be processed more than 12 months from the reporting date is classified as non-current inventory. As at June 30, 2015, stockpiled ore represents 96,004 tonnes of refractory sulphide ore with 4,525 ounces of contained gold.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

8. Property, Plant and Equipment

	Mineral Properties[(1)]	Buildings	Plant & Machinery	Vehicles, Furniture & Equipment	Construction in Progress[(2)]	Total
	$	$	$	$	$	$
Cost						
As at June 30, 2013	**27,979**	**1,421**	**30,429**	**3,141**	**2,364**	**65,334**
Transfer	(416)	797	(414)	(2)	(732)	(767)
Addition	2,864	726	5,542	421	1,038	10,591
Disposal	-	-	-	(99)	-	(99)
As at June 30, 2014	**30,427**	**2,944**	**35,557**	**3,461**	**2,670**	**75,059**
Transfer	14,255	-	1,948	793	(2,741)	14,255
Addition	2,256	48	838	111	663	3,916
Disposal	-	-	-	(6)	-	(6)
As at June 30, 2015	**46,938**	**2,992**	**38,343**	**4,359**	**592**	**93,224**
Accumulated depreciation						
As at June 30, 2013	**(18,762)**	**(299)**	**(7,658)**	**(997)**	**-**	**(27,716)**
Charge for the period	(3,278)	(322)	(2,834)	(332)	-	(6,766)
Transfer	-	-	67	-	-	67
As at June 30, 2014	**(22,040)**	**(621)**	**(10,425)**	**(1,329)**	**-**	**(34,415)**
Charge for the period	(6,305)	(390)	(2,874)	(416)	-	(9,985)
Disposal	-	-	-	2	-	2
As at June 30, 2015	**(28,345)**	**(1,011)**	**(13,299)**	**(1,743)**	**-**	**(44,398)**
Net book value						
As at June 30, 2013	9,217	1,122	22,771	2,144	2,364	37,618
As at June 30, 2014	8,387	2,323	25,132	2,132	2,670	40,644
As at June 30, 2015	18,593	1,981	25,044	2,616	592	48,826

(1) Includes mineral properties in development and production stage subject to depletion on a unit of production basis such as open pits at Selinsing Gold Mine and Buffalo Reef Project.

For the year ended June 30, 2015, the Company undertook a review of ore reserves and mineral resources which form the basis for depreciation of mine property, plant and equipment utilising the UOP method. The review resulted in a change in accounting estimate in relation to the economically recoverable reserves and the total tonnages to be mined and processed over the estimated life of mine. In conjunction to the estimated change in life of mine, exploration and evaluation expenditures of $14.26 million were transferred to mineral properties and comprised of $6.65 million from Selinsing (Note 9 (a)) and $7.61 million from Buffalo Reef (Note 9 (b)).

(2) Includes plant and mine development under construction which are not subject to amortization such as Selinsing Phase IV plant construction, excluding intangible assets (Note 10). As of June 30, 2015, the Construction in Progress balance comprised of $0.03 million for plant upgrades at Selinsing and $0.56 million for laboratory test work and pilot plant construction on the Intec Project.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

9. Exploration and Evaluation

	Selinsing Gold Property	Buffalo Reef Property	Famehub Prospect	Murchison Project	Mengapur Project	Star Destiny Prospect	Total
	$	$	$	$	$	$	$
	Note 9 (a)	Note 9 (b)	Note 9 (c)	Note 9 (d)	Note 9 (e)	Note 9 (f)	
Balance, June 30, 2013	**6,855**	**16,196**	**5,063**	**-**	**88,405**	**10,670**	**127,189**
Acquisition of mineral properties	93	-	-	11,395	7,349	-	18,837
Assay and analysis	377	328	-	30	1,642	147	2,524
Drilling	579	459	-	431	739	-	2,208
Geological	445	272	27	259	793	137	1,933
Metallurgical	180	(5)	-	18	790	52	1,035
Site activities	656	460	-	496	619	-	2,231
Asset retirement obligations	-	(95)	-	600	4,745	-	5,250
Property fees	-	85	-	36	-	-	121
Stock-based compensation	-	-	-	-	13	5	18
Balance, June 30, 2014	**9,185**	**17,700**	**5,090**	**13,265**	**105,095**	**11,011**	**161,346**
Transfer to mineral properties	(6,650)	(7,605)	-	-	-	-	(14,255)
Acquisition of mineral properties	26	-	-	3,064	-	-	3,090
Assay and analysis	217	613	-	709	71	-	1,610
Drilling	67	738	-	958	14	-	1,777
Geological	168	634	-	2,027	164	22	3,015
Metallurgical	206	503	-	324	321	-	1,354
Site activities	111	1,186	-	1,276	1,365	-	3,938
Site infastructure	-	-	-	-	616	-	616
Asset retirement obligations	-	499	-	17	(413)	-	103
Property fees	-	16	-	248	-	-	264
Impairment loss	-	-	-	(89)	-	-	(89)
Balance, June 30, 2015	**3,330**	**14,284**	**5,090**	**21,799**	**107,233**	**11,033**	**162,769**

a) Selinsing Gold property

This property is located in Pahang State, Malaysia. The Company acquired a 100% interest in the Selinsing Gold property in 2007 and since then has been developed into a producing mine including a number of open pits and a gold treatment plant with capacity of 1,000,000 tonnes per annum. Commercial production commenced on September 1, 2010 and the plant has continued to run at its full capacity.

While expenditure for open pits in production and the Selinsing Gold plant are recorded under Property, Plant and Equipment, included in Exploration and Evaluation are the Selinsing depth extension under the current open pits and FELDA land. The Company acquired exclusive irrevocable exploration licenses over 896 acres of FELDA land through a subsidiary Able Return Sdn Bhd. The FELDA land is located east and south adjacent to Selinsing and Buffalo Reef, gazetted as a group settlement area covering 3,920 acres of land. The tenements of the FELDA land are owned by local individuals called “Settlers”. On April 2, 2013, the Company obtained consent from FELDA allowing exploration to commence at the acquired FELDA land.

During the year ended June 30, 2015, total exploration expenditure of $0.79 million (2014 - $2.23 million) was incurred at the Selinsing Gold property of which $0.71 million (2014 - $0.89 million) was spent on the Selinsing depth and $0.08 million (2014 - $1.34 million) on the FELDA land. During fiscal year 2015 exploration and evaluation costs of $6.65 million (2014 – $nil) were transferred to Property, Plant and Equipment.

b) Buffalo Reef property

On June 25, 2007, the Company acquired 100% of the common shares of Damar Consolidated Exploration Sdn. Bhd., a company incorporated under the laws of Malaysia, thereby effectively acquiring 100% of the Buffalo Reef tenement property interests, which lie continuously and contiguously along the gold trend upon which the Selinsing Gold property is located. Some deposits at Buffalo Reef have been placed into production and are recorded within Property, Plant and Equipment.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

During the year ended June 30, 2015, total exploration expenditure of $4.19 million (2014 - $1.50 million) was incurred at the Buffalo Reef and Panau properties comprised of $0.61 million (2014 - $0.33 million) in assaying, $0.74 million (2014 - $0.46 million) in drilling, $0.63 million (2014 - $0.27 million) in geological work, $0.50 million (2014 - $0.01 million recovery) in metallurgical work, $1.19 million (2014 - $0.46 million) in site activities, $0.50 million (2014 - $ 0.01 million recovery) related to asset retirement obligations and $0.02 million (2014 - $0.01 million) in property fees. During fiscal year 2015 exploration and evaluation costs of $7.61 million were transferred to Property, Plant and Equipment, as the Company began to mine the Buffalo Reef north area.

c) Famehub prospect

On August 13, 2010, the Company acquired a 100% interest in Famehub Venture Sdn. Bhd. ("Famehub"), a company incorporated in Malaysia to purchase a land package consisting of approximately 32,000 acres of prospective exploration land as well as the associated data base. This land is located to the east of the Selinsing Gold project and the Buffalo Reef prospect. The Famehub prospect is subject to future development, no further work has been performed during the year.

d) Murchison Gold project

The Murchison Gold Project consists of the Burnakura, Gabanintha, and Tuckanarra gold properties, which are located in the Murchison Mineral Field, a highly prospective historical gold province within the Murchison District of Western Australia. Burnakura and Gabanintha are located 40 km southeast of Meekatharra, WA and 765 km northeast of Perth, WA. Tuckanarra is located approximately 40 km south west of Burnakura.

Burnakura and Gabanintha gold properties

In February 2014, Monument acquired the Burnakura and Gabanintha properties, including a number of mining and exploration tenements and lease applications covering approximately 98 square kilometers of mining land prospective for resource extension, and a fully operational gold processing plant, a newly developed camp site and all necessary infrastructure. The acquisition has been accounted for as an asset acquisition. The net identifiable assets acquired at cost of $14.89 million include $13.71 million (AUD$15 million) cash consideration, $1.18 million transaction costs, and asset retirement obligations of $0.60 million for Burnakura and $0.75 million for Gabanintha:

	Total
	$
Mineral properties	11,995
Plant and equipment	4,243
Asset retirement obligation (Note 17)	(1,345)
	14,893

During the year ended June 30, 2015, total exploration expenditure of $5.56 million (2014 - $1.87 million) was incurred at the Burnakura and Gabanintha properties comprised of $0.71 million (2014 - $0.03 million) in assaying , $0.96 million (2014 - $0.43 million) in drilling, $2.03 million (2014 - $0.21 million) in geological work, $0.32 million (2014 - $0.02 million) in metallurgical work, $1.27 million (2014 - $0.54 million) in site activities, $0.02 million (2014 - $ 0.60 million) related to asset retirement obligations and $0.25 million (2014 - $0.04 million) in property fees. Total exploration expenditures were offset by an impairment expense of $0.09 million (2014 - $nil), relating to the Company surrendering two tenements located in the Meekatharra area. The corresponding costs consisting of acquisition costs and property fees, relating to the two tenements were written-off and booked as an impairment expense during fiscal 2015.

Tuckanarra gold property

In November 2014, Monument entered into the Tenement Purchase Agreement ("Agreement") with Phosphate Australia Limited for the acquisition of the Tuckanarra Gold project. Pursuant to the Agreement, the Company has agreed to acquire, free and clear of any encumbrances, a 100% interest in Tuckanarra consisting of two exploration licenses, six prospecting licenses and a mining lease covering a total of 416 square km and containing approximately 100,000 historical indicated and inferred Joint Ore Reserves Committee (JORC) compliant ounces of gold.

The total consideration for Tuckanarra was $3.06 million comprised of $1.75 million (AUD$ 2.0 million) in cash, and 10 million fully paid Monument common shares at a price of CAD$0.25 per share for aggregate total of $2.46 million (CAD$2.50 million), which is valued according to under IFRS 2 "Share-based Payments" at a market price on closing date of $0.115 per share in the amount of $1.02 million. Related transaction costs totaling $0.27 million consisting $0.11 million on due diligence and $0.16 million on stamp duties are also included into to total acquisition cost in the following table:

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Total $
Cash	1,750
Share issued for Tuckanarra Gold Project	1,019
Due diligence costs	295
	3,064

e) Mengapur Polymetallic project

The Mengapur Polymetallic Project is located in Pahang State, Malaysia, approximately 130 kilometers from Monument's wholly-owned Selinsing Gold Mine near Sri Jaya, 12 kilometers from a highway and 75 kilometers from the Malaysian port of Kuantan. The Mengapur Polymetallic Project includes the mineralized bodies and contains a historic Cu-S-Au-Ag oxide and sulphide resource from a previous drilling campaign conducted in the 1980's and previously reported in Snowden report (January, 2012) consisting of 224 million tonnes, averaging 0.597% Cu equivalent (6.54% S, 0.25% Cu, 0.16 g/t Au, and 8.86 g/t Ag) at a cut-off grade of 0.336% Cu equivalent. Extensive exploration programs were carried out since acquisition to confirm historical resources. Metallurgical test works were also carried out in studying down-stream products. The Mengapur Polymetallic Project is currently put on hold under care and maintenance with intension to apply Intec technology in testing sulphide copper recovery upon completion of the Intec trial test work on sulphide gold ore at the Company's Buffalo Reef property.

The carrying value of $107.23 million as of June 30, 2015 was comprised of aggregate acquisition costs of $93.23 million and exploration and evaluation costs of $14.00 million, of which $2.14 million (2014 - $9.34 million) was incurred during fiscal 2015.

Mengapur Polymetallic project acquisition and Harmonization Agreement

In February and December 2012 the Company acquired a 100% interest in Cermat Aman Sdn. Bhd. ("CASB"), a Malaysian company, through MMSB. As a result, the Company now holds a 100% interest in the Mengapur Polymetallic project.

The previous owner of the Mengapur Polymetallic project, Malaco Mining Sdn. Bhd. and its group of companies and shareholders (collectively, "Malaco") held the rights to oxide magnetite material contained in top soil overburden at the Mengapur Polymetallic project, including Areas A and B of the Mengapur Polymetallic project.

MMSB is the exclusive operator of the Mengapur Polymetallic project. It entered into a Harmonization Agreement with Phoenix Lake Sdn. Bhd. ("PLSB") and ZCM Minerals Sdn. Bhd. ("ZCM") (together the "Third Parties"). Pursuant to the Harmonization Agreement, the Third Parties have exclusive rights to mine near-surface oxide iron ores contained in top soil overburden at Area A and Area B under certain conditions, and to purchase the mined oxide iron ore material from MMSB for RM28 per tonne; MMSB has full right to protect its other mineral assets in the same top soil and continue developing access to sulfide and transitional resources. The Company carries out grade control and supervision over the mining operation with all costs recovered in full.

During year ended June 30, 2015, the Company was informed that PLSB has taken over ZCM's engagement. During the year ended June 30, 2015, PLSB has ceased its iron ore operation and has owed CASB the proceeds from sales of iron ore materials in the amount of $0.79 million. The Company has sent notification to PLSB for collection.

f) Star Destiny Sdn Bhd

On November 21, 2011, the Company acquired a 100% interest in Star Destiny Sdn. Bhd. ("Star Destiny") through its wholly owned Malaysian subsidiary; Monument Mengapur Sdn. Bhd. Star Destiny holds an exploration permit covering a 750 hectare property in Pahang State, Malaysia, adjacent to the Mengapur Polymetallic project.

The carrying value of $11.13 million as of June 30, 2015 was comprised of aggregate acquisition costs of $3.68 million and exploration and evaluation costs of $7.35 million, of which $0.02 million was incurred during the year ended June 30, 2015 on completing desktop geological analysis. No activities were carried at the operation site.

10. Intangible Asset

On February 6, 2015, pursuant to the Heads of Agreement entered by Monument and Intec International Projects Pty Ltd ("Intec"), the Company was granted an interim license to exploit the Intec technology with several patents for the extraction of gold and copper from sulphide concentrate; and subject to success of the trial commercialization test work and certain conditions, Monument will obtain the license rights to exploit the Intec technology in respect to an agreed territory which covers most of South East Asia, including Malaysia, Australia and China.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

The consideration of 14 million fully paid Monument common shares were issued to Intec at CAD$0.25 per share (Note 19 (b)(iii)) for aggregated deemed value of C$3.50 million, which has been valued according to IFRS 2 "Share-based Payments" at market price of CAD$0.10 per share on closing date for aggregate cost of $1.12 million (CAD$1.40 million).

The following table represents total transaction costs including $0.14 million incurred in due diligence that was recorded in intangible assets, against share capital:

	Total $
Balance, June 30, 2014	-
Share issued for Intec License	1,118
Due diligence costs	146
Balance, June 30, 2015	1,264

The planned development is a four-stage program which will be tested by Monument using its Selinsing Gold processing plant by replicating the Intec laboratory metallurgical test work and through a pilot plant, a demonstration plant and to a pre-commercialization plant upon success of each stage. The related test work expenditure has been included under construction in progress (Note 8).

11. Capital Management

The Company manages its capital to ensure that it will be able to continue to meet its financial and operational strategies and obligations, while maximizing the return to shareholders through the optimization of equity financing. Management continuously monitors its capital position and periodically reports to the Board of Directors.

The Company is sensitive to changes in commodity prices and foreign exchange. The Company's policy is to not hedge gold sales. The Company's capital management policy has not changed in the 2015 fiscal year.

The Company's objectives when managing capital are to:
- Ensure the Company has sufficient cash available to support the mining, exploration, and other areas of the business in any gold price environment;
- Ensure the Company has the capital and capacity to support a long-term growth strategy; and
- Minimize counterparty credit risk.

Other than restricted cash (Note 4) the Company is not subject to any externally imposed capital restrictions. Monument has the ability to adjust its capital structure by issuing new equity, issuing new debt, and by selling or acquiring assets. The Company can also control how much capital is returned to shareholders through dividends and share buybacks.

The capital of the Company consists of items included in equity and debt, net of cash and cash equivalents.

	June 30, 2015 $	June 30, 2014 $
Total equity attributable to shareholders	241,133	227,619
Total borrowings	-	-
	241,133	227,619
Less: cash and cash equivalents	(29,353)	(24,734)
Total capital	211,780	202,885

12. Financial Instruments and Financial Risk

The Company's financial instruments are classified as loans and receivables (cash and cash equivalents and trade and other receivables), financial assets at fair value through profit or loss (FVTPL) (marketable securities) other financial liabilities (trade and other payables) and financial liabilities at fair value through profit or loss (FVTPL) (gold forward contract and derivative financial instruments).

a) Fair value measurement

The carrying amounts of cash and cash equivalents, restricted cash, trade and other receivables and other financial liabilities – accounts payable and accrued liabilities are considered reasonable approximations of their fair values due to the short-term nature of these instruments. The fair values of the Company's financial assets and liabilities measured on a recurring basis include the following:

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Derivative instruments at FVTPL	June 30, 2015 $	June 30, 2014 $
Financial instrument – assets			
Investment in marketable securities	Level 1	247	-
Financial instrument – liabilities			
Derivative warrant liabilities	Level 2	-	95

b) Risk exposures and responses

The Company's financial instruments are exposed to market risk, credit risk, and liquidity risk.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: foreign currency risk, price risk and interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk to the extent financial instruments held by the Company are not denominated in US dollars.

At the reporting date, the Company is exposed to foreign currency risk through the following assets and liabilities denominated in Malaysian ringgit (RM), Australian dollar (AUD) and Canadian dollar (CAD):

	June 30, 2015			June 30, 2014		
	$	$	$	$	$	$
(in 000's, US dollar equivalent)	AUD	RM	CAD	AUD	RM	CAD
Financial instrument – assets						
Cash and cash equivalents	302	1,299	1,969	528	1,771	7,264
Restricted cash	-	910	-	-	208	-
Trade and other receivable	173	2,060	25	97	4,398	34
Investment in marketable securities	247	-	-	-	-	-
Financial instruments – liabilities						
Accounts payable and accrued liabilities	(1,246)	(5,329)	(232)	(1,278)	(8,486)	(350)
Derivative warrant liabilities	-	-	(13)	-	-	(95)

The Company has not hedged any of its foreign currency risks. The derivative components associated with foreign currency fluctuation are fair valued at each reporting date and gains or losses are recorded in profit or loss.

Based on the above net exposures as at June 30, 2015 and assuming that all other variables remain constant, a 5% depreciation or appreciation of the RM against the US dollar would result in an increase/decrease of approximately $0.01 million (June 30, 2014 – $0.11 million) in the Company's net income, a 5% depreciation or appreciation of the CAD against US dollar would result in an increase/decrease of approximately $0.02million (June 30, 2014 – increase/decrease $0.34 million) in net income and a 5% depreciation or appreciation of the AUD against the US dollar would result in an increase/decrease of approximately $0.01 (June 30, 2014 – increase/decrease $0.03 million) in net income.

Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk. The Company has not hedged any of its commodity risks.

The Company values the warrant derivative liabilities at fair value using the Black-Scholes option pricing model and record gains and losses to other income. As at June 30, 2015 and assuming that all other variables remain constant, a 5% increase/decrease in the market price of the Company's shares would result in unrealized fair value loss/income of approximately $0.01 million (June 30, 2014: $0.04 million) in the Company's net income.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Generally, the Company's interest income will be reduced during sustained periods of lower interest rates as higher yielding cash equivalents and short-term investments mature and the proceeds are reinvested at lower interest rates. The converse situation will have a positive impact on interest income.

To limit interest rate risk, the Company uses a restrictive investment policy. The fair value of the investments of financial instruments included in cash and cash equivalents is relatively unaffected by changes in short-term interest rates. The investments are generally held to maturity and changes in short-term interest rates do not have a material effect on the Company's operations.

Credit risk

The Company's credit risk on trade receivable is negligible and the balances were collected subsequent to end of reporting period.

The Company is exposed to concentration of credit risk with respect to cash and cash equivalents (Note 4). The amount of $12.41 million (June 30, 2014: $2.41 million) is held with a Malaysian financial institution, $0.30 million with an Australian financial institution (June 30, 2014: $0.50 million) and $16.64 million (June 30, 2014: $21.79 million) is held with a Canadian financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through budgeting and forecasting cash flows to ensure it has sufficient cash to meet its short-term requirements for operations, business development and other contractual obligations. The Company's cash and cash equivalents are highly liquid and immediately available on demand for the Company's use. The table below summarizes the maturity profile of the Company's non-derivative and derivative financial liabilities as at June 30, 2015.

	June 30, 2015		June 30, 2014	
	$	$	$	$
	Current	Non-Current	Current	Non-Current
	<1 year	1-3 years	<1 year	1-3 years
Non derivative liabilities				
Accounts payable and accrued liabilities	6,807	-	10,114	-
Finance lease obligations	238	147	259	452
Commitments and contingencies	5,490	599	2,491	522
	12,535	746	12,864	974

13. Accounts Payable and Accrued Liabilities

	June 30, 2015	June 30, 2014
	$	$
Trade payables	5,362	5,371
Salaries and benefits payable	580	155
Other payable	865	4,588
	6,807	10,114

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest-bearing and are normally settled on 30-day terms.
- Salaries and benefits payables are non-interest-bearing and are normally settled on 30-day terms.
- Other payables are non-interest-bearing and have an average term of 30-days, including, amounts due to the owner of top soils at Mengapur Area A and Area B from sales of oxide iron ore, net of associated royalties and the Company's operation expenditure as operator and leaseholder.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

14. Finance Lease Obligations

	June 30, 2015	June 30, 2014
	$	$
Current Liabilities		
Finance Lease	238	259
	238	259
Non-current Liabilities		
Finance Lease	147	452
	385	711

The Group has arranged a finance lease for an on-site SGS laboratory at the Mengapur site with a term of three years from February 1, 2014 to January 31, 2017 at a monthly flat rate. Under the terms of the lease agreement, SGS Malaysia shall provide full laboratory services and shall charge additional fees for assays exceeding the agreed limit. The related equipment provided by SGS Malaysia will be transferred to the Company at the end of the lease term. The lab has been used for all exploration assay work and metallurgical test work across Monument's Malaysian operations.

15. Gold Forward Sale Contract

In conjunction with the issuance of convertible notes that were converted in fiscal 2013, the Company entered into a gold forward sale contract resulting in the advance of $4.78 million (CAD$5.00 million) to the Company on August 11, 2010 with the settlement date as of August 11, 2015. Net proceeds amounted to $4.25 million after subtracting transaction costs in the amount of $0.54 million, of which $0.48 million was for commission and $0.06 million for legal and regulatory fees. The advance will be settled for 5,000 ounces of gold (the "Gold Forward Sale") and has a term of five years plus one day.

In addition, 5,000,000 common share purchase warrants were issued to the Lender on closing of the Gold Forward Sale. Each share purchase warrant is exercisable at CAD$0.50 per share, expiring five years from the date of issuance of the Notes. The warrants must be either exercised or otherwise expire on a pro-rata basis within 30 days of the delivery of gold by the Company.

Upon initial recognition, the Company first allocated the proceeds to the liability component based on the estimated fair value with the residual value being allocated to deferred revenue. Transaction costs were allocated to the various components pro-rata as follows:

	Proceeds	Transaction costs	Net proceeds
	$	$	$
Allocation			
Deferred revenue	2,919	326	2,593
Warrants (Note 16 (a))	1,865	210	1,655
	4,784	536	4,248

16. Derivative Liabilities

	June 30, 2015	June 30, 2014
	$	$
Derivative Liabilities		
Derivative warrant liability – gold forward sale contract (a)	-	19
Derivative warrant liability - convertible units (b)	-	76
	-	95

	June 30, 2015	June 30, 2014
	$	$
Gain in fair value of derivative financial instruments		
Derivative warrant liability - gold forward sale contract (a)	19	145
Derivative warrant liability - convertible units (b)	76	582
	95	727

A summary of the terms and assumptions for derivative warrant liabilities for the years ended June 30, 2015 and 2014 are set out below:

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

	June 30, 2015	June 30, 2014
Terms		
Exercise price	CAD$0.50	CAD$0.50
Expiry date	Aug 11, 2015	Aug 11, 2015
Fair value assumptions		
Risk free rate	0.49%	1.09%
Expected dividends	Nil	Nil
Expected life (years)	0.12	1.12
Volatility	47.23%	46.22%

a) <u>Derivative warrant liability – Gold Forward Sale Contract</u>

A summary of the changes in derivative warrant liability in conjunction with Gold Forward Sale Contract (Note 15) for the years ended June 30, 2015 and 2014 are set out below:

		June 30, 2015		June 30, 2014
		$		$
	Units	**Fair Value**	**Units**	**Fair Value**
Opening balance	5,000,000	19	5,000,000	164
Fair value re-measured during the year	-	(19)	-	(145)
Closing balance	5,000,000	-	5,000,000	19

b) <u>Derivative warrant liability – Convertible notes</u>

A summary of the changes in derivative warrant liability in conjunction with convertible notes for the years ended June 30, 2015 and 2014 are set out below:

		June 30, 2015		June 30, 2014
		$		$
	Units	**Fair Value**	**Units**	**Fair Value**
Opening balance	20,000,000	76	20,000,000	658
Fair value re-measured during the year	-	(76)	-	(582)
Closing balance	20,000,000	-	20,000,000	76

17. Asset Retirement Obligations

The Company's asset retirement obligations ("ARO") consist of reclamation and closure costs for mine development and exploration activities. Although the ultimate amount of reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted cash flows required to settle the Company's obligations is estimated to be $12.44 million (June 30, 2014: $15.94 million), comprised of $11.27 million for Malaysia projects (June 30, 2014: $14.50 million) and $1.17 million for the Australia Projects (June 30, 2014: $1.44 million).

As at June 30, 2015 the present value of the Company's ARO was $10.09 million (June 30, 2014: $11.54 million), comprised of $8.95 million for Malaysia projects (June 30, 2014: $10.19 million) using a pre-tax risk-free rate of 4.10% (June 30, 2014: 4.04%) and an inflation rate of 2.50% (June 30, 2014: 3.30%) and $1.14 million (June 30, 2014: $1.35 million) for the Australia projects using a pre-tax risk-free rate of 2.00% (June 30, 2014: 2.50%) and an inflation rate of 1.30% (June 30, 2014: 3.00%). Significant reclamation and closure activities include land rehabilitation, decommissioning of tailing storage facilities, mined waste dump, road bridges, buildings and mine facilities.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

The following is an analysis of the asset retirement obligations:

	June 30, 2015	June 30, 2014
	$	$
Opening balance	11,536	5,324
Additions	498	6,914
Accretion expense	422	133
Reclamation performed	(62)	-
Reassessment of liabilities	(452)	(750)
Foreign exchange	(1,855)	(85)
Closing balance	10,087	11,536

18. Income Tax

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

	June 30, 2015	June 30, 2014
	$	$
Income tax expense computed at statutory rates	(2,743)	607
Lower effective rate attributable to Malaysian income	5,164	1,745
Non-deductible expenses	(758)	(4,072)
Change in unrecognized deferred tax assets	7,994	2,384
Unutilized tax losses	(9,399)	(1,511)
Non-taxable income	-	68
Non-business income	-	(2)
Income tax expense	258	(781)
Income tax expense consists of the following:		
Current income tax provision	(1)	(2)
Deferred income tax provision	259	(779)
Income tax expense	258	(781)

Deferred tax assets and liabilities have been calculated using the following enacted corporate income tax rates: Canada at 26% (2014: 26%), Malaysia at 25% (2014: 25%) and Australia at 30% (2014: 28.5%). Significant components of recognized deferred tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	June 30, 2015	June 30, 2014
	$	$
Deferred tax liabilities:		
Mineral property interests	(3,051)	(3,475)
Property, plant and equipment	108	(213)
	(2,943)	(3,688)
Deferred tax assets:		
Property, plant and equipment	1,436	1,641
	1,436	1,641
Net deferred tax liabilities	(1,507)	(2,047)

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

Unrecognized deferred tax assets are as follows:

	June 30, 2015	June 30, 2014
	$	$
Unrecognized deferred tax assets:		
Loss carry forwards	9,847	9,246
Other deductible temporary differences	2,537	3,226
	12,384	12,472

The Company's pioneer status income tax exemption for production from the Selinsing Gold Plant expired on January 31, 2015. As a result income tax is payable on taxable income from production beginning February 1, 2015 and offset by the Company's available tax allowances including the mining allowance, the R&D Investment tax incentive allowance, capital cost allowances, and lost carrying forwards.

Deferred tax assets and liabilities, which are probable to be utilized, are offset if they relate to the same taxable entity and the same taxation authority. No deferred tax liabilities have been recognized on temporary differences when the timing of their reversal can be controlled. Other deductible temporary differences primarily comprise of cumulative eligible capital expenditures that are tax deductible according to relevant tax law in Malaysia. No deferred tax asset has been recognized because the amount of future taxable profit that will be available to realize such assets is unpredictable and not probable.

At June 30, 2015, the Company has loss carryforwards for Malaysian tax purposes of approximately $2.44 million (2014: $1.26 million) (Malaysian ringgit $9.21 million (2014: $4.05 million)), that may be applied against future income for Malaysian tax purposes. These losses do not expire.

At June 30, 2015, the Company has non-capital loss carryforwards for tax purposes that are available to reduce future taxable income in Canada of $33.68 million (2014: $33.82 million). The losses expire as follows:

	Total
	$
2025	39
2026	139
2027	914
2027	807
2029	1,931
2030	1,658
2031	3,080
2032	3,232
2033	9,779
2034	12,242
	33,821

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

19. Share Capital

a) Authorized

Unlimited common shares without par value.

b) Common shares

Issued and outstanding:

	Number of shares	Value assigned
		$
Balance, June 30, 2013	**275,058,030**	**108,637**
Issued for exercised stock options	160,000	57
Issued for Mengapur magnetite transaction, net of cost (i)	25,000,000	7,201
Balance, June 30, 2014	**300,218,030**	**115,895**
Issued for Tuckanarra Gold project, net of cost (ii)	10,000,000	1,012
Issued for Intec project, net of cost (iii)	14,000,000	1,108
Balance, June 30, 2015	**324,218,030**	**118,015**

i. The Company acquired a stockpile of approximately 1.2 million tonnes of material at Area C of the Mengapur project for consideration of RM24.00 (approximately CAD$8.33) per tonne or CAD$10,000,000 (the "Aggregate Purchase Price") by way of issuing 20,000,000 fully paid Monument common shares at a deemed price of CAD$0.50 per share. It also entered into the Profit-Sharing Agreement (Note 9 (e)) by issuing an additional 5,000,000 fully paid Monument common shares at CAD$0.50 per share, under which, Monument will pay Malaco net profits after return of capital up to $5 per tonne of iron product.

   The transaction was completed on February 6, 2014. The Company's share price closed at CAD$0.32 per share, as a result $7.35 million was recognized under Exploration and Evaluation Properties (Note 9 (e)) comprised of $5.86 million (CAD$6.40 million) for the stockpile, $1.46 million (CAD$1.60 million) for the profit-sharing arrangement and $0.03 million for transaction costs; and $7.23 million was credited to share capital with $0.09 million foreign exchange loss charged against earnings.

ii. On November 13, 2014 the Company issued to Phosphate Australia Pty Limited 10,000,000 fully paid common shares at a deemed issue price of CAD$0.25 per share. Total fair value of $1.01 million includes 14 million shares valued at the market price of CAD$0.115 per share on closing date for $1.02 million (note 9(d)), offset by share issue cost of $0.01 million.

   The shares were subject to a four month plus one day holding period that expired on March 14, 2015.

iii. On February 6, 2015, the Company issued to Intec 14,000,000 fully paid common shares at CAD$0.25 per share. Total share issuance cost of $1.11 million includes 14 million shares valued at the market price of CAD$0.10 per share on closing date for $1.12 million (Note 10), offset by share issue cost of $0.01 million.

   The shares have been placed in escrow with Intec earning shares by achieving certain milestones based on Intec trial test work. An initial 25% of the escrow shares will be earned by Intec upon Monument accepting that results of the pilot plant testing is satisfactory and elects to proceed to the pre-commercial plant testing. A further 25% of the escrow shares will be earned by Intec upon Monument accepting that the results of the pre-commercial plant testing is satisfactory and electing to proceed to the trial commercial plant testing. The remaining 50% of the escrow shares will be earned by Intec upon Monument accepting that the result of the trial commercial plant testing is satisfactory. If the Company determines that the results of test work do not satisfy its requirements, the Company will have the right to terminate the Heads of Agreement and unearned escrow shares will be returned to the Company.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

20. Capital Reserves

	June 30, 2015	June 30, 2014
	$	$
Warrants (a)	2,612	2,612
Options (b)(c)	10,302	10,291
	12,914	**12,903**

a) Share purchase warrants

As at June 30, 2015 the following warrants were outstanding:

Derivative liability warrants issued in conjunction with:	Gold forward contract	Exercise of convertible notes	Total	Derivative warrant liabilities
	Qty	Qty	Qty	$
Balance, June 30, 2014	**5,000,000**	**20,000,000**	**25,000,000**	**95**
Change in fair value	-	-	-	(95)
Balance, June 30, 2015	**5,000,000**	**20,000,000**	**25,000,000**	**-**

5,000,000 common share purchase warrants were issued to the Lender on closing of the Gold Forward Sale Contract (Note 15) on August 11, 2010 with a term of five years, expired August 11, 2015 subsequent to the year ended June 30, 2015. Each warrant allowed the holder to purchase one fully paid and non-assessable Common Share of Monument at a price of CAD$0.50 per Common Share, upon and subject to the terms and conditions described under Note 15.

b) Stock options

On February 7, 2014 the Company's shareholders approved a new 15% Fixed Stock Option Plan (the "2014 Plan") to replace the 2012 10% rolling Stock Option Plan. The maximum number of shares reserved for issuance under the 2014 Plan is 41,258,705, representing 15% of the number of issued and outstanding shares of the Company on the date it was implemented. At June 30, 2015, a total of 18,772,705 common shares are available for future grant under the 2014 Plan:

	Number of common shares under option plan	Weighted average exercise price
		CAD$
Balance, June 30, 2013	**21,175,501**	**0.41**
Granted	13,865,501	0.33
Exercised	(160,000)	0.25
Forfeited/expired	(15,665,501)	0.41
Balance, June 30, 2014	**19,215,501**	**0.35**
Forfeited/expired	(800,000)	0.33
Balance, June 30, 2015	**18,415,501**	**$0.35**

During the year ended June 30, 2015, 800,000 stock options had forfeited. The general terms of stock options granted under the New Plan include an exercise period of up to ten years and a vesting period of up to two years. The exercise prices of all stock options granted during the prior period were equal to the closing market prices at the grant date. Using the Black-Scholes option pricing model the following assumptions were used to estimate fair value of all stock options:

	June 30, 2015	June 30, 2014
Fair value assumptions		
Risk free rate	n/a	1.86 - 2.54%
Expected dividends	n/a	Nil
Expected life (years)	n/a	5 - 10
Volatility	n/a	66 - 74%

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

The following table summarizes the stock options outstanding at June 30, 2015:

	Options outstanding			Options exercisable	
Exercise price CAD$	**Number of common shares**	**Expiry date**	**Weighted average life (years)**	**Number of common shares**	**Weighted average exercise price CAD$**
0.42	3,000,000	29-Sep-15	0.25	3,000,000	0.42
0.68	20,000	27-Jan-16	0.58	20,000	0.68
0.61	100,000	29-Aug-16	1.17	100,000	0.61
0.42	1,000,000	11-Jan-17	1.54	1,000,000	0.42
0.45	150,000	07-Mar-17	1.69	150,000	0.45
0.455	500,000	09-Oct-17	2.28	500,000	0.46
0.33	200,000	04-Sep-18	3.18	100,000	0.33
0.33	13,445,501	04-Sep-23	8.19	13,445,501	0.33
	18,415,501		**6.22**	**18,315,501**	**0.36**

The following table summarizes the stock options outstanding at June 30, 2014:

	Options outstanding			Options exercisable	
Exercise price CAD$	**Number of common shares**	**Expiry date**	**Weighted average life (years)**	**Number of common shares**	**Weighted average exercise price CAD$**
0.30	500,000	10-Jun-15	0.95	500,000	0.30
0.42	3,000,000	29-Sep-15	1.25	3,000,000	0.42
0.68	20,000	27-Jan-16	1.58	20,000	0.68
0.61	150,000	29-Aug-16	2.17	150,000	0.61
0.42	1,000,000	11-Jan-17	2.54	1,000,000	0.42
0.45	180,000	07-Mar-17	2.69	180,000	0.45
0.455	500,000	09-Oct-17	3.28	250,000	0.455
0.33	420,000	04-Sep-18	4.18	-	-
0.33	13,445,501	04-Sep-23	9.19	13,445,501	0.33
	19,215,501		**7.00**	**18,545,501**	**0.35**

c) Agent options

In the third quarter of fiscal 2013, the Company closed brokered private placements in two tranches by issuing 44,500,000 common shares for gross proceeds of $21.99 million (CAD$22.25 million) at CAD$0.50 per common share. The Company issued 3,115,000 Agents Options in connection with the private placements. The fair value of these Agent Options ($0.31 million) was recognized and debited to share issuance costs as incurred. Agent option activity is as follows:

	Number of common shares per agent option	**Weighted average exercise price CAD$**
Balance, June 30, 2012	-	-
Granted	3,115,000	0.50
Balance, June 30, 2014	**3,115,000**	**0.50**
Expired	(3,115,000)	0.50
Balance, June 30, 2015	**-**	**-**

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

There were no agent options outstanding at June 30, 2015.

The following table summarizes the agent options outstanding at June 30, 2014:

Agent Options outstanding				Agent Options exercisable	
Exercise price CAD$	Number of common shares	Expiry date	Weighted average life (years)	Number of common shares	Weighted average exercise price CAD$
0.50	2,100,000	12-Feb-15	0.62	2,100,000	0.50
0.50	1,015,000	06-Mar-15	0.68	1,015,000	0.50
	3,115,000		**0.64**	**3,115,000**	**0.50**

21. Production Costs

	2015	2014
	$	$
Mining	7,806	8,229
Processing	11,413	12,274
Royalties	2,310	2,494
Operations, net of silver recovery	(92)	76
	21,437	23,073
Accretion of asset retirement obligation	190	133
Depreciation and amortization	7,318	9,096
	28,945	32,302

22. Corporate Expenses

	2015	2014
	$	$
Office and general expenses	240	394
Rent and utilities	122	148
Salaries and wages	1,355	2,046
Share-based compensation	13	3,401
Legal, accounting and audit	1,447	2,051
Shareholders communication	191	510
Travel	330	481
Regulatory compliance and filing	75	95
Project investigation	336	149
Amortization	123	125
	4,232	9,400

23. Settlement Payments

In January 2014, the Company settled the put option in dispute with the former Noteholder who allegedly held the right to cause the Company to repurchase common shares converted from the Notes when the share price was below CAD$0.40. The former Noteholder has agreed to waive their claim to the put option in consideration for a payment of $2.70 million. These rights were previously disputed due to an alleged breach of the early retirement agreement.

24. Impairment Gain (Loss)

On January 12, 2012, the Company entered into an “Agreement for Sale of Gold” (the “Second Gold Forward Purchase Agreement”) with Queenstake Resources USA Ltd (the “Seller”) whereby $5.00 million was paid in advance to purchase 3,665 troy ounces of gold to be delivered on the settlement date of June 12, 2012, or alternatively receive (at the Company’s option) an amount of $6.00 million. The Seller is a subsidiary of Veris Gold Corporation (“Veris”), which is a related party to the Company (Note 26).

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

Subsequent to the initial agreement, Veris defaulted delivery of gold and renegotiated loan payment. On June 9, 2014, Veris filed for and obtained protection from their creditors under the Companies' Creditors Arrangement Act ("CCAA"). As a result, a net impairment loss ($6.46 million) was recorded in the income statement as of June 30, 2014, and written off as bad debt during fiscal 2015. The Company assessed potential impairment on assets as at the period end and determined the following impairment gain/(loss) for the years ended June 30, 2015 and 2014:

	For the year ended June 30,	
	2015	**2014**
	$	**$**
Impairment gain/(loss) on loan receivable (a)	130	(6,460)
Impairment loss on exploration and evaluation (Note 9 (d))	(89)	-
	41	(6,460)

25. Earnings/(Loss) Per Share

The calculation of basic and diluted earnings per share for the relevant periods is based on the following:

	For the year ended June 30,	
	2015	**2014**
Net income/(loss) for the period	**$ 11,383**	**$ (2,631)**
Basic weighted average number of common shares outstanding	306,519,400	285,003,619
Diluted weighted average number of common share outstanding	306,519,400	285,003,619
Basic earnings/(loss) per share	$ 0.04	$ (0.01)
Diluted earnings/(loss) per share	$ 0.04	$ (0.01)

All warrants and options are potentially dilutive in the years ended June 30, 2015 and 2014, but excluded from the calculation of diluted earnings per share are those for which the average market prices below the exercise price. As at June 30, 2015, 14,000,000 shares outstanding have been excluded from the weighted average number of shares outstanding because these shares are to be earned subject to success of the trial commercialization test work and certain milestones and un-earned shares upon termination will be returned to treasury (Note 19 (b)(iii)).

26. Related Party Transactions

a) Entities with directors in common

Balances with related parties as at June 30, 2015 and 2014, along with the transactions which have been entered into with related parties during the year ended June 30, 2015 and 2014:

	June 30, 2015	**June 30, 2014**
	$	**$**
Veris Gold Corp. (formerly Yukon Nevada Gold Corp.)		
Payable balance	-	(602)
Queenstake Resources USA, Ltd		
Loan receivable	-	7,062
Net balance	-	6,460

The Company has written off the $6.46 million loan receivable that was due from Queenstake Resources USA, Ltd (Note 24).

The sales to and purchases from related parties represent the compensation for management and administrative services and are priced on a cost basis.

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

	For the year ended June 30,	
	2015	2014
	$	$
Veris Gold Corp. (formerly Yukon Nevada Gold Corp.), a company with directors in common		
Reimbursement of expenses to related party	130	361

b) Key management personnel

Key management includes directors – executive and non-executive. The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel:

	For the year ended June 30,	
	2015	2014
	$	$
Salaries and directors' fees	1,339	1,401
Share-based payments	9	3,450
	1,348	4,851

27. Commitments and Contingencies

	2016	2017	2018	2019	2020	Total
	$	$	$	$	$	$
Operating leases	100	100	59	56	56	371
Purchase commitments	1,164	-	-	-	-	1,164
Mineral property fees	217	218	222	226	236	1,119
Gold forward settlement	4,009	-	-	-	-	4,009
	5,490	**318**	**281**	**282**	**292**	**6,663**

Operating leases relate to premises leases. Purchase commitments are primarily for mining operations.

28. Supplemental Cash Flow Information

	For the year ended June 30,	
	2015	2014
	$	$
Interest received	96	878
Income taxes paid	-	(30)
Non-cash working capital, financing and investing activities:		
Share-based compensation charged to mineral properties	(2)	18
Amortization charged to mineral properties	980	745
Amortization inherent in inventory	6,290	6,205
Expenditures on exploration and evaluation in accounts payable	1,326	2,409
Property, plant and equipment costs included in accounts payable	8	543
Fair value of exercise of stock options and warrants	-	21
Shares issued pursuant to acquisition of mineral properties	1,019	11,534
Shares issued pursuant to acquisition of Intec License (Note 10)	1,118	-

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

29. Segment Disclosures

The Company operates primarily in the gold mining industry and its major product is gold. Its activities include gold production, acquisition, exploration and development of gold and other base metal properties. The Company's mining operations are in Malaysia. Other than the exploration area segment, no operating segments have been aggregated to form reportable operating segments.

The Company's reportable operating segments reflect the Company's individual mining interests and are reported in a manner consistent with the internal reporting used by the Company's management to assess the Company's performance.

Non-mining, corporate and other operations are reported in "Corporate".

a) Operating segments

June 30, 2015	**Mine Operations**	**Exploration and Evaluation (Polymetallic)**	**Exploration and Evaluation (Gold)**	**Corporate**	**Total**
	$	**$**	**$**	**$**	**$**
Balance sheet					
Current assets	44,642	1,844	575	2,298	**49,359**
Property, plant and equipment	35,032	9,330	4,449	15	**48,826**
Exploration and evaluation	-	118,266	44,503	-	**162,769**
Total assets	79,921	129,441	49,526	3,624	**262,512**
Total liabilities	9,454	6,105	2,362	3,458	**21,379**
Income statement					
Revenue	44,838	-	-	-	**44,838**
Income from mining operations	15,893	-	-	-	**15,893**
Other income, (expenses) and (loss)	(469)	3,786	(1,036)	(6,791)	**(4,510)**
Net income/(loss)	15,424	3,786	(1,036)	(6,791)	**11,383**

June 30, 2014	**Mine Operations**	**Exploration and Evaluation (Polymetallic)**	**Exploration and Evaluation (Gold)**	**Corporate**	**Total**
	$	**$**	**$**	**$**	**$**
Balance sheet					
Current assets	19,298	5,528	687	21,908	**47,421**
Property, plant and equipment	26,317	9,605	4,645	77	**40,644**
Exploration and evaluation	-	116,106	45,240	-	**161,346**
Total assets	50,919	131,240	50,571	21,985	**254,715**
Total liabilities	9,903	10,791	2,685	3,717	**27,096**
Income statement					
Revenue	48,583	-	-	-	**48,583**
Income from mining operations	16,281	-	-	-	**16,281**
Other income, (expenses) and (loss)	(263)	(227)	(4,178)	(14,244)	**(18,912)**
Net income/(loss)	16,018	(227)	(4,178)	(14,244)	**(2,631)**

(in thousands of United States dollars, except share and per share amounts or otherwise stated)

b) Geographic segments

The Company's reportable segments operate within three geographic segments – Australia, Malaysia and Canada.

June 30, 2015	Australia	Malaysia	Canada	Total
	$	$	$	$
Balance sheet				
Current assets	542	46,519	2,298	**49,359**
Property, plant and equipment	4,367	44,444	15	**48,826**
Exploration and evaluation	21,798	140,971	-	**162,769**
Total assets	26,708	232,180	3,624	**262,512**
Total liabilities	2,343	15,578	3,458	**21,379**

June 30, 2014	Australia	Malaysia	Canada	Total
	$	$	$	$
Balance sheet				
Current assets	687	24,826	21,908	**47,421**
Property, plant and equipment	4,313	36,254	77	**40,644**
Exploration and evaluation	13,265	148,081	-	**161,346**
Total assets	18,266	214,464	21,985	**254,715**
Total liabilities	2,593	20,694	3,809	**27,096**

	June 30, 2015	June 30, 2014
	$	$
Income Statement		
Revenue		
- Australia	-	-
- Malaysia	44,838	48,583
- Canada	-	-

30. Comparative Figures

The balances of $4.25 million in each accounts receivable and accounts payable, in relation to the third party iron ore production, were offset against each other in the consolidated balance sheet at June 30, 2014. These two accounts have now been presented separately under "current assets" and "current liabilities" sections of the consolidated balance sheet to conform to the current period financial statement presentation pursuant to the Harmonization Agreement (Note 9(e)).

31. Subsequent Events

Settlement of Gold Forward Contract

The Gold Forward Sale Contract was settled for 5,000 ounces of gold delivered on August 11, 2015. The settlement price was $1,119 per ounce gold and the Company will recognize $5.60 million as revenue offset by $3.48 million of restricted inventory through cost of gold sold. The deferred revenue of $2.59 million will be recognized and net of the $2.12 million income from mining operations, results in a $0.47 million gain on settlement.

Share Capital

Subsequent to the year ended June 30, 2015, 30,000,000 share purchase warrants and 3,000,000 stock purchase options were expired, bringing the total outstanding share purchase warrants to nil and the total outstanding stock purchase options to 15,415,501.