BBX MINERALS LIMITED

ACN 089 221 634

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 June 2014

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Directors

Michael Schmulian (Chairman)

Alastair Smith

William Dix

Michael Hogg (Resigned 23 July 2013)

Secretary

Simon Robertson

Registered Office

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WA Australia 6005

Telephone +61 8 6555 2955

Facsimile +61 8 6210 1153

Share Registry

Boardroom Pty Limited

Level 7, 207 Kent Street

Sydney NSW 2000

Auditor

Lachlan Nielson Partners Pty Limited

Level 18, 201 Kent Street

Sydney NSW 2000

Stock Exchange

Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

ASX Code

BBX (fully paid ordinary shares)

Corporate Governance Statement
30 June 2014

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders. The Group complies with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (the Principles).

Principle 1: Lay solid foundations for management and oversight

Role of the Board and Management

The Board of Directors is responsible for the corporate governance of the Group. The Board provides strategic guidance for the Group, and effective oversight of management. The Board guides and monitors the business and affairs of the Group on behalf of the shareholders by whom they are elected and to whom they are accountable.

Your Board has delegated responsibility for day-to-day management of the Group to an acting CEO and there is a formal delegations structure in place which sets out the powers delegated to the acting CEO and those specifically retained by the Board, these delegations are reviewed on a regular basis.

Responsibilities of the Board

The Board is responsible for:

i.) Supervising the Company's framework of control and accountability systems to enable risk to be assessed and managed;

ii.) Ensuring the Company is properly managed by:

- Setting and communicating clear objectives;
- Appointing and removing the Chief Executive Officer of the Company;
- The appointment and, where appropriate, the removal of the Chief Financial Officer, the Company Secretary, and members of the senior management team;
- Input into and final approval of management's development of corporate strategy and performance objectives;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance; and
- Monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available.

iii.) Approving and monitoring the progress of major corporate initiatives, capital expenditure, capital management, acquisitions and divestitures;

iv.) Approving and monitoring the annual budget and the financial performance and reporting of the Company;

v.) Monitoring overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure division of functions remain appropriate to the needs of the Company;

vi.) Acting in its capacity as the Audit Committee;

vii.) Liaising with the Company's external auditors, and

viii.) Monitoring, and ensuring compliance with, all of the Company's legal obligations, in particular those obligations relating to continuous disclosure, financial reporting, the environment, native title, cultural heritage and occupational health and safety.

Allocation of individual responsibilities

Formal letters of appointment are provided to all new Directors setting out key terms and conditions of their appointment.

Evaluation of Directors

During the current financial year the Board has adopted a self-evaluation process to measure its own performance during each financial year.

Principle 2: Structure the Board to add Value

The Board's policy is that the Board needs to have an appropriate mix of skills, experience, expertise and diversity to be well equipped to help the Group navigate the range of challenges it faces.

The names of the members of the Board as at the date of this report are set out below:

- Michael Schmulian (Independent Chairman)
- Will Dix (Independent)
- Alastair Smith

Details of the Board member's experience, expertise, qualifications, term of office and independence status, are set out in the directors' report.

Composition of the Board

The Board seeks to ensure that:

- At any point in time, its membership represents an appropriate balance between directors with experience and knowledge of the Group and directors with an external or fresh perspective;
- There is a sufficient number of directors to serve on Board committees without overburdening the directors or making it difficult for them to fully discharge their responsibilities; and
- The size of the Board is appropriate to facilitate effective discussion and efficient decision making.

In accordance with the constitution, the Company must hold an election of Directors each year.

The composition and skills mix of the Directors of the Company is constantly monitored. Additional appointments will be considered as the Company's size and complexity increases.

Board committees

The Board has decided given its nature and size it is impracticable to establish separate audit, remuneration, or nomination committees. The board as a whole is responsible for carrying out the functions normally carried out by these committees.

Independent decision making

The Board recognises the important contribution independent Directors make to good corporate governance. All Directors, whether independent or not, are required to act in the best interests of the Group and to exercise unfettered and independent judgment.

Corporate Governance Statement
30 June 2014

Role of the Chair

The Chair of the Board is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's functioning.

The Chair facilitates the effective contribution of all directors and promotes constructive and respectful relations between directors and between Board and management.

Access to information

The Board is provided with the information it needs to discharge its responsibilities effectively and all Directors have complete access to information through the Chairman, Acting CEO or Company Secretary at any time.

In certain circumstances, each Director has the right to seek independent professional advice at the Group's expense, within specified limits, or with the prior approval of the Chairman.

Principle 3: Promote ethical and responsible decision-making

Code of conduct

The Board endeavours to ensure that the directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities.

A code of conduct has been established for Directors and employees. It requires all business affairs to be conducted legally, ethically and with integrity. The code provides for reporting of breach of the code by others.

Diversity policy

In respect of diversity, the Board considers that diversity includes differences that relate to gender, age, ethnicity and cultural background. It also includes differences in background and life experience, communication styles, interpersonal skills, education and problem solving skills.

The Group seeks to develop a culture of diversity within the Group whereby a mix of skills and diverse backgrounds are employed by the Group at all levels.

Female representation within the Group is as follows:

	2014		2013	
	No.	**%**	**No.**	**%**
Board representation	0	0%	0	0%
Key management personal representation	0	0%	0	0%
Group Representation	0	0%	0	0%

The Company strives to achieve diversity however, the small size of the company makes this a challenge.

Principle 4: Safeguard integrity in financial reporting

External auditor

In accordance with the Corporations Act 2001, the lead Audit Partner on the audit is required to rotate at the completion of a 5 year term.

The external auditor attends the AGM and is available to answer your shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Principle 5: Make timely and balanced disclosure

BBX Minerals Limited has established procedures to ensure timely and balanced disclosures of all material matters concerning the Group, and to ensure that all investors have access to information on the Group's financial performance.

These procedures include identification of matters that may have a material effect on the price on the Group's securities, notifying them to the ASX, posting relevant information on the Group's website and issuing media releases.

The Annual Report includes relevant information about the operations of the group during the year, key financial information, changes in the state of affairs and indications of future developments. The Annual Reports are available on the Company's website.

The half year, full year financial results and quarterly reports are announced to the ASX and are available to shareholders via the Companies and ASX websites.

All announcements made to the market, and related information (including presentations to investors and information provided to analysts or the media during briefings) are made available to all shareholders after they are released to the ASX. All ASX announcements, media releases and financial information are available on Group website within one day of public release.

Principle 6: Respect the rights of shareholders

The Company Secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX).

All Executive Management have an ongoing obligation to advise the Company Secretary of any material non-public information which may need to be communicated to the market.

The group makes all ASX announcements available via its website. The Notice of Annual General Meeting (AGM) will be provided to all shareholders and posted on the group's website. Notices for general meetings and other communications with shareholders are drafted to ensure that the nature of the business of the meeting is clearly stated and explained. The Board encourages full participation by shareholders at the Annual General Meeting to ensure a high level of Director accountability to shareholders and shareholder identification with the Group's strategy and goals.

Principle 7: Recognise and manage risk

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth.

The Acting CEO has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The recent economic environment has emphasised the importance of managing and reassessing its key business risks.

The Board is responsible for reviewing the group's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board requires management to design and implement the risk management and internal control system to manage the Group's material business risks and report to it on whether those risks are being managed effectively.

Internal control

The Board is responsible for reviewing the Group's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board has received assurance from the Acting Chief Executive Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate fairly and responsibly

The group's remuneration is set to attract and retain qualified and experienced directors, executives and staff.

The payment of bonuses, options and other incentive payments are reviewed by the board annually as part of the review of remuneration. Any bonuses, options and incentives maybe linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options.

COMPLIANCE WITH ASX CORPORATE GOVERNANCE RECOMMENDATIONS

During the Company's 2014 financial year ("Reporting Period") the Company complied with the ASX Principles and Recommendations other than in relation to the matters specified below.

Principle No	Best Practice Recommendation	Reasons for Non-compliance
2.4	A separate Nomination Committee has not been formed.	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification of attributes required in new Directors. Where appropriate, independent consultants are engaged to identify possible new candidates for the Board.
2.5	Board Evaluation	No performance evaluation for the Board and its members took place in the reporting period. Given the small size of the Board and of the Company, the directors are of the opinion that such a review is neither efficient nor practicable.
3.2, 3.3	The Diversity Policy does not include measureable objectives for achieving gender diversity.	The Board considers due to the size of the Company, setting of measurable diversity objectives is not appropriate. The Company has minimal full time employees and utilises external consultants and contractors to complement the full time workforce as and when required.
4.1,4.2, 4.3	A separate Audit Committee has not been formed.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the identification and management of risk and the review of the operation of the internal control systems.
8.1, 8.2	There is no separate Remuneration Committee.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company.

Directors' Report
30 June 2014

The directors present their report, together with the financial statements of the Group, being BBX Minerals Limited (the Group) and its controlled entities, for the financial year ended 30 June 2014.

1. General information

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Name and Qualifications	Interest in Shares and Options	Experience and Special Responsibilities
Michael Schmulian (Chairman) Non Executive Director Appointed 12 April 2011 BSc (Hons) University of Witwatersrand MSc University of Leicester Fellow of AusIMM **Other Current directorships** None **Former directorships in last 3 years**	3,592,000 fully paid ordinary shares	Mr Schmulian has been a director since 12 April 2011. Mr Schmulian is a geologist with over 40 years of mining and exploration experience. His experience includes 24 years in Brazil where he established a strong network of contacts throughout the industry. He is the former Brazil Country Manager for Western Mining Corporation charged with managing the implementation and operations of two gold mines. South America brownfields Exploration Manager for Anglo Gold Ashanti and Executive Director of ASX listed Mundo Minerals, responsible for establishing the Company's Engenho gold mine . Mr Schmulian is currently COO of ASX listed Crusader Resources and is a Fellow of AusIMM.

Will Dix Non Executive Director Appointed 10 October 2012 BSc, MSc Monash University Member of AusIMM **Other Current directorships** Non Executive Director Credo Resources Ltd Non Executive Director Fitzroy Resources Ltd Managing Director Starfield Metals Ltd **Former directorships in last 3 years** Nil	100,760 fully paid ordinary shares	Mr Dix is a geologist with 18 years' experience in gold, base metals and uranium. He holds a BSc and MSc (Geology) from Monash University and is a member of AusIMM. In previous roles he has led successful growing gold and base metal resources at companies including Lion Ore Mining International. At Lion Ore Mr Dix was part of the team that discovered the Waterloo Nickel Mine and delineated the 2 million ounce Thunder Box Gold project. He has a proven track record of successful project and team management and also extensive capital raising, mergers, acquisitions and divestments.
Alastair Smith Non Executive Director Appointed 15 April 2013 BCom MCom CA **Other Current directorships** Blackwood Equities (NSW) Pty Ltd Yardie (WA) Pty Ltd **Former directorships in last 3 years** Nil	10,000 fully paid ordinary shares Mr Smith also has an interest in 7,288,000 shares in the name of Yardie (WA) Pty Ltd as Trustee for the AW Smith Family Trust. Mr Smith also has a beneficial interest in 6,875,000 options issued to Blackwood Equities (NSW) Pty Ltd expiring 30 March 2016	Mr Smith is director of Blackwood Equities (NSW) Pty Ltd a Sydney based boutique equity Capital markets and brokerage firm. For 8 years prior to joining Blackwood's, Mr Smith worked for 2 large Australian based resource focused stock broking firms and a global accounting firm in both London and Australia.
Michael Hogg Non Executive Appointed 10 September 2010 Resigned 23 July 2013 **Other Current directorships** Non-executive director of Australian Power and Gas Company Limited (since November 2006) Non-executive director of First folio Limited (since April 2006)	1,126,000 fully paid ordinary shares (as at date of resignation)	Mr Hogg is the former Australian Chief Executive Officer of The Cobra Group Pty Ltd which is part of a direct sales organisation with over 10,000 sales representatives in 20 countries worldwide.

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

Company Secretary

Simon Robertson

Mr Robertson gained a Bachelor of Business from Curtin University in Western Australia and Master of Applied Finance from Macquarie University in New South Wales. He is a member of the Institute of Chartered Accountants and the Chartered Secretaries of Australia. Mr Robertson has experience as a Company Secretary and in transaction management. He has also been involved in management of the ASX listing process and several specific asset transfers, general accounting for public companies and preparation of financial statements.

Principal activities and significant changes in nature of activities

The principal activities of the Group during the financial year were mining exploration and development in Brazil and South America

There were no significant changes in the nature of the Group's principal activities during the financial year.

Operating results and review of operations for the year

Operating results

The consolidated loss of the Group amounted to $51,982 for the year ended 30 June 2014 (2013: loss of $1,414,062)

Review of Operations

EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESOURCES

Chapada Gold Project

In July 2013 BBX received an approach from Engep Engenharia e Pavimentacao, associates of Cooperativa Mistados Garimpeiros da Chapada da Natividade – Cooperminer, to purchase BBX´s title to and interest in the Chapada project for a total consideration of BRL(R$) 3.4M (approximately AUD (A$)1.7M).

The following payment terms were agreed and a letter of Intent signed:

1. R$400,000 (approximately A$200,000) on signing the definitive sale and purchase agreement;
2. R$600,000 (approximately A$300,000) on signing the transfer of title documentation to enable the National Department of Mineral Production (DNPM) to process the transfer of the Chapada project to Cooperminer
3. R$500,000 (approximately A$250,000) 6 months after either (i) the commencement of mining activities by Cooperminer, or (ii) the DNPM granting a trial mining license, or (iii) the DNPM granting a Mining Right (or equivalent document), whichever occurs first;
4. R$500,000 (approximately A$250,000) within six (6) months of BBX receiving the payment referred to in item "3" above;
5. R$350,000 (approximately A$175,000) within 6 months of BBX receiving payment referred to in item 4;
6. R$350,000 (approximately A$175,000) within 6 months of BBX receiving payment referred to in item 5;
7. R$350,000 (approximately A$175,000) within 6 months of BBX receiving payment referred to in item 6;
8. R$350,000 (approximately A$175,000) within 6 months of BBX receiving payment referred to in item 7.

A 3% net smelter return royalty is also payable to BBX from the Chapada project, of which 2.1 % is payable to Rio Gameleira Prospeccao e Geologia Ltda, plus 3% of the total sale consideration should the buyers sell the Chapada project to a third party.

BBX's obligation to pay Mundo Mineracao Ltda A$110,000 (due 5 days after the publication in the Official Gazette of the approval by the Brazilian Mines Department of the transference of the Chapada Prospect to BBX under its previous announced option to purchase 51% of the Chapada Project) remained unaffected by the transaction.

The Company in September 2013, on receipt of a non-refundable deposit of R$100,000 (approximately A$50,000) also granted the co-operative approval to utilise a separate legal entity to acquire the Chapada mineral license, and to extend the settlement date to enable the co–operative to agree on which members would participate in the acquisition, and that the acquisition will proceed under the new entity's name and be completed by 30 September 2013.

On 27 September the Company announced that Engep Engenharia e Pavimentacao had completed formal documentation and that BBX had received R$300,000 (approximately A$150,000) to complete the tranche 1 payment due by 30 September 2013. On 12 December 2013 BBX announced receipt of R$600,000 being payment under tranche 2.

BBX then announced on 23 January 2014 that the DNPM (Departamento Nacional de Producao Mineral) under reference No 11.2014 transferred the legal and beneficial interest in mineral right 860.232/1990 from Rio Gameleira Prospeccao e Geologia Ltda to Mineracao BBX do Brasil Ltda which triggered the final payment of $110,000 due to Mundo Mineracao Ltda mentioned above. BBX then settled the final payment of A$110,000 due to Mundo Mineracao Ltda, for 51% of the Chapada Mineral Right by issuing 4,000,000 fully paid ordinary shares to Mundo Mineracao Ltda @ 2cents being a 20% discount to the last traded share price, and paid A$30,000 cash in settlement of its obligations.

On 17 March 2014 BBX announced that the DNPM (Departamento Nacional de Producao Mineral) had transferred the legal and beneficial interest in mineral right 860.232/1990 from Mineracao BBX do Brasil Ltda to Engep Engenharia e Pavimentacao Ltda.

Juma East

On 5 August 2013 BBX announced that the DNPM (Departamento Nacional de Producao Mineral) on 2 August 2013 granted 4 exploration licenses at Juma East that BBX Minerals via Mineracao BBX do Brasil Ltda has optioned to purchase 100% from Raquel Correia da Silva.

DNPM no 7124/2013	Process Number 880.115/08
DNPM no 7125/2013	Process Number 880.116/08
DNPM no 7126/2013	Process Number 880.117/08
DNPM no 7127/2013	Process Number 880.129/08

These exploration licenses are valid for three years with the right to extend for a further three years, subject to positive exploration results and by paying a total of US$500,000 for each tenement over a 6 year period, plus expenditure commitments.

BBX paid US$40,000 being the first option payment due under the agreement on 10 August 2013 five working days after publication of the granting the exploration licenses (US$10,000 per license).

On 19 November BBX announced they had commenced a small 20 day exploration field program on Juma East with the aim of locating and sampling all old workings around the Guida plateau. (Map 1 & 2). Gold had been mined on the Guida plateau from extensive mineralised zones within friable quartz. The plateau is covered in widespread quartz float fragments, derived either from a quartz vein system or of alluvial origin. Gold has been recovered from the majority of the drainages that drain the plateau. Soil sampling and channel sampling of exposed saprolite was to be conducted. BBX then announced the results of the field programme on 20 January 2014.

On 8 January 2014 BBX announced they had renegotiated the repayment dates with the vendor for Juma East as per the table below:

Lease	DNPM Reference	Payment Amount	Due Date
Guida	880.129/2008	US$ 30,000	15 February 2014
Pintado	880.115/2008	US$30,000	15 May 2014
Boia Velha	880.117/2008	US$30,000	15 August 2014
Pepita	880.116/2008	US$30,000	15 August 2014
All four lease areas		US$50,000	Payable one year after the date of each lease payment listed above
All four lease areas		US$100,000	Payable two years after the date of each lease payment listed above
All four lease areas		US$100,000	Payable three years after the date of each lease payment listed above
All four lease areas		US$100,000	Payable four years after the date of each lease payment listed above
All four lease areas		US$100,000	Payable five years after the date of each lease payment listed above

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The terms include an exploration commitment of USD 100,000 (one hundred thousand U.S. dollars) per year on each lease. Any excess of this value spent on any one lease, can be accounted as investment on any other (Juma East) lease. BBX has agreed to pay the vendor of the Juma East Project a net smelter royalty of 3%, of which 1.2% can be purchased for US$1,500,000 by year 5. At any time during the option period, BBX may return the title of any property to the Vendor without affecting the ownership of the remaining properties.

BBX then announced a further exploration update on 7 March 2014 which indicated the following:

- As, V, Cr, Hg, Ga, Sb, Mo typical of alkalic-low sulphidation epithermal Au-Ag systems identified over an extensive area (1.5km x 1.5km)
- Anomalous gold in soils identified intermittently over 1.5 km east/west and 500 meters north/south with gold values from 0.20 g/t to 1.53 g/t
- Presence of anomalous values for mercury and gallium in the soils supports the concept of a totally preserved epithermal Au-Ag system
- 2.23 g/t Au over 2 vertical meters in colluvium material
- Major structures identified in radar and satellite images indicates a rift low sulphidation epithermal Au-Ag system style for the gold mineralisation at Guida

Directors' Report
30 June 2014

Eldorado do Juma

BBX announced the results of its auger drilling and channel sampling program at Eldorado do Juma on 29 November 2013.

Channel Samples.

An initial reconnaissance channel sampling program comprising nine short channels was carried out around the tailings dams over an area of approximately 1km by 300m where visible gold (VG) had previously been noted in the saprolite. The results showed the presence of gold in the fire assays (FA) and metallic screen assays (MS) in eight of the nine channels.

- **4.00m @ 2.32 g/t**, at Raimundão (817326E/9258648N – RL 46m).
- **3.00 m @ 0.78 g/t**, at Carlito (816720E/9258209N – RL 62m).
- **1m @ 8.23 g/t**, in the Manelão adit (816292E/9257669N – RL 83m).
- **1.50 m @ 0.41 g/t,** in the stockwork at Manelão (816259E/9257574N – RL 76m).
- **0.70 m @ 1.14 g/t,** at Indio (816580E/92588354 – RL 78m).
- **1.0m @ 0.82 g/ton,** at Pelé (816580E/925834N RL – 78m).
- **1m @ 1.68 g/t**, in the lateritic stone line adjacent to tailings I (817685E/9258374N).
- **4.00 m @ 0.10 g/t,** in the soils adjacent to the tailings I (817158E/9258518N).

The channel sampling confirmed the presence of gold in oxidized sub-vertical kaolinitic stockwork zones. The gold is visible and is generally coarse, hosted in kaolin veins which cross-cut the volcanic and sedimentary rocks. Gold was also reported in the bedding planes of the oxidized sediments, sandstone, and siltstones with a volcanic contribution when filled with kaolin.

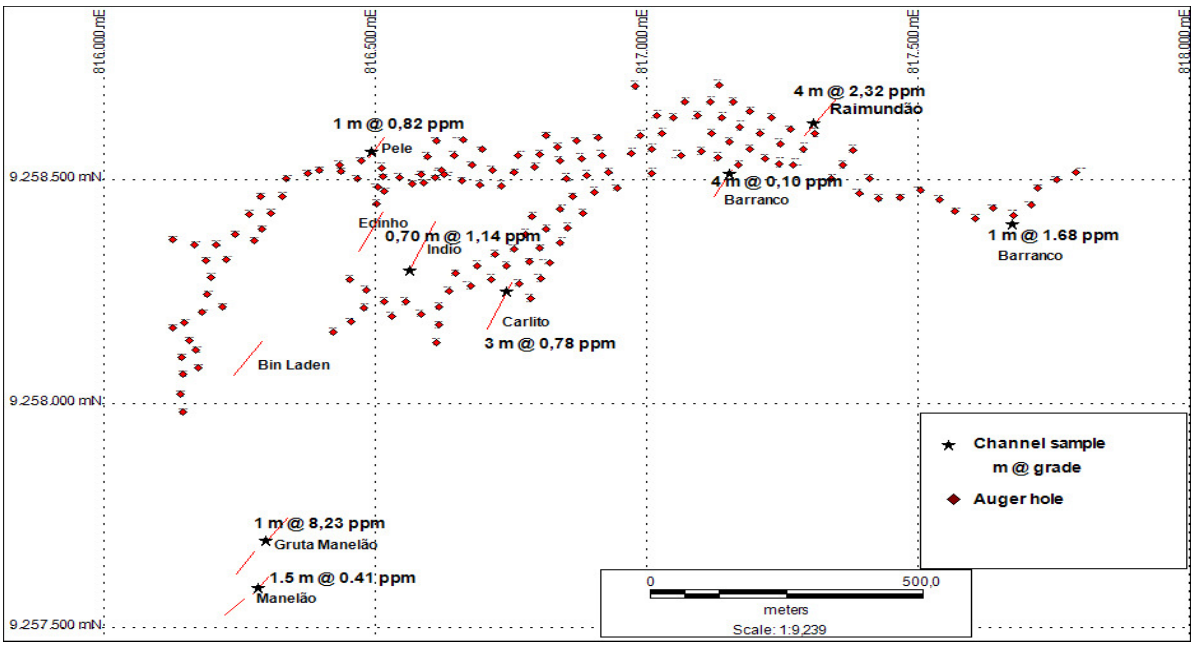
Auger Drilling of Tailings

BBX conducted a systematic auger drilling program over the eleven tailings areas at Eldorado do Juma (EDJ), with the objective of evaluating the economics of retreating the tailings to produce early cash flows.
A total of 153 auger holes were drilled, totalling 1020 meters on a 40m x 40m grid, generally sampling 3 metre composites (refer map 1).

A total of 403 samples including standards, blanks, and duplicates were sealed on site and transported to the Acme laboratory in Itaituba.

The announcement on 29th November 2013 provided a full breakdown of the channel samples and auger drilling results. The results obtained failed to confirm economic grades in the bulk of the tailings tested.

Map 1- Auger Drill Holes and Channel Sample



Tenure

The Juma permit package (Eldorado, Juma East and Juma West) consists of 4 exploration licences, 1 application, 1 garimpo mining permit (PLG) and 1 garimpeiro mining application for a total area of 61,863ha as shown in the table below. All exploration permits when granted are valid for a renewable period of three years.

Permit Schedule Juma Gold Project

Permit Name	Permit Number	Type	Owner	% Interest to be Earned	Area HA
Eldorado do Juma	880.070/2007	PLG Artisanal Mining License	Cooperative Extrativista Mineral	75%	10,000
Eldorado do Juma	880.152/2012	Application for PLG License	Cooperative Extrativista Mineral	75%	4,287
Juma East	880.117/2008	Exploration License	Raquel Correia da Silva	100%	9,642
Juma East	880.116/2008	Exploration License	Raquel Correia da Silva	100%	10,000
Juma East	880.129/2008	Exploration License	Raquel Correia da Silva	100%	9,307
Juma East	880.115/2008	Exploration License	Raquel Correia da Silva	100%	9,493
Juma West	880.037/2012	Exploration License Application	BBX Brazil	100%	9191
Total Area					61,920

Competent Person Statement:

The information in this report relates to exploration results is based on, and fairly represents, information and supporting documentation prepared by Mr. Antonio de Castro who is a Member of the Australasian Institute of Mining and Metallurgy. BBX´s Consulting Geologist Mr. Castro has sufficient experience which is relevant to the style of mineralization and the type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Castro consents to the inclusion in the report of the matters based on his information.

Financial review

Financial position

The net assets of the Group have increased by $110,246 from $1,175,067 at 30 June 2013 to $1,285,313 at 30 June 2014. This increase is largely due to the following factors:

- Increased in the loan balance to CooperJuma;
- Increase in trade debtors under the advance payment agreement signed with Engegold in April 2014 for the purchase of the Company’s Chapada project; and
- Decreased in administration costs, legal fees and Director fees

Significant changes in state of affairs

Chapada Advance Payment Agreement

On 7th April 2014 BBX announced its 100% owned subsidiary Mineracao BBX do Brasil Ltda, and ENGEP Engenharia e Pavimentacao Ltda and Engegold Mineracao Ltda signed an advance payment agreement, where BBX do Brasil will receive 3 advance payments from Engegold who are now the assigned counterparty under the Chapada sales contract, for a total value of R$2,000,000 (approximately AUD $943,000, assuming a conversion rate of approximately 2.12 Brazilian Reals (R$) to the Australian dollar (A$).

The advance payments will be effected as follows:

R$ 400,000 on 4 April 2014 (approximately A$188,679)

R$ 600,000 on 10 May 2014 (approximately A$ 283,018)

R$1,000,000 on 10 July 2014 (approximately A$ 471,698)

Under the financing agreement BBX do Brasil has negotiated the following structured terms:

Agreement Terms

The companies have agreed that all payments due under the Chapada sales contract will be suspended immediately.

Engep Group has the right to elect one of the two following repayment options between 10th July 2014 and 10th January 2015.

- At the sole discretion of Engep, extinguish the total outstanding receivable payments due to BBX of R$2,400,000 (approximately A$ 1,132.075) under the Chapada sales agreement, via the advance payment of R$2,000,000.(approximately A$ 943,000)

- Elect to receive twenty four million (24,000,000) fully paid ordinary shares in BBX Minerals Limited in exchange for the advance payment of R$2,000,000. On making this election, Engep must effect within 30 days after BBX issues the shares the payment of any outstanding amounts due under the Chapada sales agreement that had been suspended, and then continue to effect payments due to BBX as per the Chapada sales contract payment schedule. See the BBX announcement dated 2 July 2013 for more details. Under this structure BBX will receive a further R$2,400,000 (approximately A$ 1,132,000) being the balance due on the Chapada sales contract. BBX will seek shareholder approval to issue any shares in excess of the capacity it has available to it under listing rule 7.1 and or 7.1A at the time Engep makes its election, or will seek shareholder approval to issue the shares at its AGM expected to be held in November 2014, if Engegold has not yet elected to receive shares in repayment of the advance payment.

  Suspended payments due if Engegold elects to receive shares are as follows:

Amount Payable	Payment Terms	Payment Date
R$ 500,000	6 months after 12 December 2013	Due 12 June 2014
R$ 350,000	12 months after 12 December 2013	12 December 2014

Under either option (1 or 2 above) BBX will retain the 3% NSR (Net smelter return) from the Chapada project of which 2.1% is payable to Rio Gameleira Prospeccao e Geologia Ltda. Engegold retains an option to purchase the entire royalty for US$1.2million.

Dividends paid or recommended

The Group did not declare a dividend for the year ended 30 June 2014.

Events after the reporting date

Advance Payment Agreement /Engegold

BBX Minerals Ltd announced on 21 July 2014 (BBX) that via its 100% owned subsidiary Mineracao BBX do Brasil Ltda, BBX has received R$1,000,000 (approximately A$ 471,698) due from Engegold Mineracao Ltda under the advance payment agreement announced on 7 April 2014.

On 25 August 2014 BBX Minerals Ltd (BBX) announced that it's 100% owned subsidiary Mineracao BBX do Brasil Ltda, has received its first royalty payment from Engegold Mineracao Ltda.

Under the Chapada sales agreement, Engegold is to effect a 3% NSR (Net smelter return) on the commencement of production, of which 2.1% is payable to Rio Gameleira Prospeccao e Geologia Ltda. Engegold retains an option to purchase the entire royalty for US$1.2million.

Engegold are targeting a monthly production of 800oz of gold over the initial 12 months.

Eldorado do Juma

On 1 September 2014 BBX Minerals Ltd announced that its 100% owned subsidiary Mineracao BBX do Brasil Ltda, and Arnaldo Villar Da Silva have signed a conditional sales and purchase agreement whereby BBX do Brasil will sell its 100% interest in MINORTE Extracao de Minerio Ltda for R$1,500,000 (approximately A$717,000 assuming a conversion rate of approximately 2.09 Brazilian Reals (R$) to the Australian dollar (A$).

The parties have agreed that they will use their best efforts to conclude a definitive sale and purchase agreement which will be subject to any regulatory approvals required in either Brazil or Australia on the following payment terms:

- The due diligence period is 30 days, which will commence from the date of the agreement. The due diligence period may be extended by mutual agreement.
- On publication in the "official gazette" of the assignment of mining rights of either DNPM No 880.070/2007 or 880.152/2012 to Comin Gold S.A, (75% owned by Minorte Extracao de Minerio Ltda and 25% owned by Cooperativa Extrativista Familiar Do Rio Juma) the following payments are due:

  Tranche 1 R$500,000 (approximately A$239,000) 5 business days after publication of the assignment of either mineral right.

  Tranche 2 R$500,000 (approximately A$239,000) 3 months after payment of tranche 1.

  Tranche 3 R$500,000 (approximately A$239,000) 6 months after payment of tranche 1.

- 5% of each payment received by BBX being R$25,000 (R$75,000 in total) will be paid to FFA Legal Ltd, Av.Jornalista Ricardo Marinho, n° 360, sala 113, Barra da Tijuca, Rio de Janeiro,under a separate success fee agreement.
- On transfer of BBX's 100% interest in Minorte, Arnaldo will assume all Minorte's contractual obligations with Cooperativa Extrativista Familiar do Rio Juma dated 18 July 2012, and BBX's contractual obligations with the former shareholders of Minorte..
- Under the sale and purchase agreement between BBX Minerals Ltd and the former shareholders of Minorte Extracao de Minerio Ltda dated 23 July 2012, 6 (six) million shares were to be issued by BBX as partial payment for acquiring 100% of Minorte. Under the terms of this agreement 6 (six) million shares will be issued within 30 days after BBX receives the tranche1 payment and will be escrowed for 6 months from issuance date.

Options

On 31 July 2014 the Company announced the granting of 6,000,000 unlisted options @ $0.05cents expiring 1 July 2017 to the Company's consultant geologist.

Other than the matters outlined above there have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect:

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

Future developments and results

BBX has successfully secured title to four exploration licenses covering 38,440ha, comprising the Juma East project, in a totally unexplored region containing widespread garimpeiro (artisanal mining) workings. BBX has also applied for tenements in the prospective Pombos area totalling 38,664ha. In total BBX has 100,585ha either under granted leases or under application.

Exploration commenced at Juma East in November 2013, and has continued with sampling and mapping of the principal old workings, and soil sampling, auger drilling and pitting along the identified mineralised structures. An aero magnetic survey is currently being undertaken over the entire Juma East tenement holding, to understand the geochemical targets and to assist in drill target definition for primary gold mineralisation. It is anticipated that a drilling program will commence in early 2015 on identified target areas.

As part of the continuing Juma East evaluation the Company will continue to pursue opportunities for establishing a short-term production base from near-surface mineralisation, utilising the proceeds to conduct systematic exploration for deeper, large-scale mineralised systems.

BBX will continue actively to pursue other opportunities within Brazil to acquire high-margin, modest-capex mineral assets with the potential to generate early cash flows. In addition, the recent commencement of mining at Chapada will generate a modest ongoing royalty income which it is anticipated will largely cover Brazil-based fixed overhead costs.

The Group does not at present generate cash from its operations. The Group will require further funding to meet its corporate expenses and exploration activities. The sale of the Eldorado do Juma asset is expected to assist the group to meet these costs.

Environmental issues

The Group's operations are not subject to significant environmental regulations under the laws of the Commonwealth and States of Australia. However in Brazil the Company must obtain environmental license approval where the exploration activities will impact on the license area.

Meetings of directors

During the financial year, 8 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Alistair Smith	8	8
Michael Schmulian	8	8
Will Dix	8	8

The directors also meet informally between board meetings

Indemnification and Insurance of Directors and Officers

During the financial year, the company paid a premium of $10,143 (2013: $13,129) exclusive of GST, in respect of a contract insuring the directors of the company, the company secretary and all executive officers of the Group against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Options

At the date of this report, the unissued ordinary shares of BBX Minerals Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
19 June 2013 (unlisted)	30 March 2016	$0.05	17,500,000
31 July 2014 (unlisted)	1 July 2017	$0.05	6,000,000
Total Options on issue			23,500,000

Option holders do not have any rights to participate in any issues of shares or other interests in the Group or any other entity.

For details of options issued to directors and other key management personnel as remuneration, refer to the remuneration report.

During the year ended 30 June 2014, no ordinary shares of BBX Minerals Limited were issued on the exercise of options granted.

On 30th June 2014, 5,625,000 listed options @ $0.25cents expired, and 5,625,000 and 7,500,000 unlisted options @ $0.25cents also expired (Note12).

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Non-audit services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Non audit services were provided by a firm associated with the Group´s auditor Lachlan Nielson Partners Pty Limited relating to the Groups Tax returns for 2012 and 2013, and GST returns from 2011 - 2013 and for other services relating to assistance with preparation of a prospectus. Total fees of $14,864 were paid for these services.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2014 has been received and can be found on page 20 of the financial report.

Remuneration report (audited)

Remuneration policy

The remuneration policy of BBX Minerals Limited has been designed to align key objectives with shareholder and business objectives based on key performance areas affecting the Group's financial results. The Board of BBX Minerals Limited believes the remuneration policy to be appropriate.

The Board establishes and monitors the remuneration of the Chief Executive Officer. Currently no Chief Executive Officer has been appointed, but the Company has appointed an acting CEO to assist the Company with day to day management.

The Board may approve incentives, bonuses and options to executives from time to time. The remuneration policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Remuneration paid is valued at the cost to the Group and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. Independent external advice may be sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting, the current maximum is $150,000.

Service Agreements

On appointment to the Board, all non-executive directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

Directors Remuneration details for the year ended 30 June 2014

The following table of benefits and payment details, in respect to the financial year.

Table of benefits and payments

30 June 2014	Directors Fees	Management Fee	Superannuation/ Bonus	Share Based Payments	Total Remuneration
Alistair Smith	24,000	-	-	-	24,000
Michael Schmulian	24,000	-	-	-	24,000
Will Dix	26,400	-	-	-	26,400
Total	74,400	-	-	-	74,400

Directors' Report
30 June 2014

30 June 2013	Directors Fees	Management Fee	Superannuation/Bonus	Share Based Payments	Total Remuneration
Alistair Smith	6,000	-	-	60,500	66,500
Michael Hogg	12,000	-	-	56,333	68,333
Michael Schmulian	12,000	-	-	39,600	51,600
Phillip Suriano	2,000	-	-	50,673	52,673
Paul Page	37,560	127,440	50,000	-	215,000
Will Dix	12,000	-	-	5,038	17,038
Total	81,560	127,440	50,000	212,144	471,144

Cash performance-related bonuses

No bonuses were granted during the financial year to management personnel.

Description of options/rights granted as remuneration

There were no options granted as remuneration to directors during the year.

End of Remuneration Report.

Proceedings on Behalf of the Company

No Person has applied for leave of the court to bring proceedings on behalf of the Company for all or part of those proceedings.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors dated 23 September 2014.

Michael Schmulian
Chairman

Lachlan Nielson Partners
Audit and Assurance

Lachlan Nielson Partners Pty Limited
ABN 65 155 188 837
Level 18, 201 Kent Street
Sydney NSW 2000
Australia

T +61 2 9291 2800

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BBX MINERALS LIMITED

As lead auditor of BBX Minerals Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of BBX Minerals Limited and the entities it controlled during the year.

Lachlan Nielson Partners Pty Limited

Anthony Rose
Director

Sydney, 23 September 2014

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2014

	Note	Consolidated Group 2014 $	Consolidated Group 2013 $
Continuing operations			
Interest received		8,138	13,282
Foreign exchange gain		3,484	-
	3	11,622	13,282
Depreciation and amortisation expense		(3,833)	(1,790)
Administration expense		(209,734)	(362,731)
Foreign Exchange loss		-	(111,640)
Legal and professional fees		(89,543)	(144,573)
Mining and exploration expenses		(362,743)	(321,103)
(Loss) on sale of plant and machinery		(1,116)	-
Staff Costs		(174,693)	(401,072)
Other expenses		(22,514)	(84,435)
Loss from continuing operations before income tax		**(852,554)**	**(1,414,062)**
Income tax expense		-	-
Loss from continuing operations for the year		**(852,554)**	**(1,414,062)**
Profit from discontinued operations	4, 5	800,572	-
Tax on profit from discontinued operations		-	-
Profit from discontinued operations after income tax		**800,572**	**-**
Loss after Income Tax		**(51,982)**	**(1,414,062)**
Other comprehensive income/(loss)			
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Exchange differences on translating foreign operations		85,611	(10,103)
Total comprehensive income / (loss) for the year attributable to ordinary shareholders		**33,629**	**(1,424,165)**
Earnings per share			
From continuing and discontinued operations	13		
Basic earnings per share (cents per share)		(0.04)	(1.77)
Diluted earnings per share (cents per share)		(0.04)	(1.77)
From continuing operations			
Basic earnings per share (cents per share)		(0.73)	(1.77)
Diluted earnings per share (cents per share)		(0.73)	(1.77)

These financial statements should be read with the accompanying notes

BBX Minerals Limited

Statement of Financial Position

30 June 2014

	Note	Consolidated Group 2014 $	2013 $
CURRENT ASSETS			
Cash and cash equivalents	6	285,259	378,668
Trade and other receivables	7	1,015,378	46,366
Exploration & evaluation assets	9	-	737,825
TOTAL CURRENT ASSETS		1,300,637	1,162,859
NON-CURRENT ASSETS			
Property, plant and equipment	8	17,434	19,332
Trade and other receivables	7	101,017	26,306
Exploration & evaluation assets	9	283,860	298,301
TOTAL NON-CURRENT ASSETS		402,311	343,939
TOTAL ASSETS		**1,702,948**	**1,506,798**
CURRENT LIABILITIES			
Trade and other payables	10	372,728	286,824
TOTAL CURRENT LIABILITIES		372,728	286,824
NON-CURRENT LIABILITIES			
Trade and other payables	10	44,907	44,907
TOTAL NON-CURRENT LIABILITIES		44,907	44,907
TOTAL LIABILITIES		**417,635**	**331,731**
NET ASSETS		**1,285,313**	**1,175,067**
EQUITY			
Issued capital	11(b)	14,203,732	13,846,315
Accumulated losses		(13,148,920)	(13,424,538)
Options reserve	12	154,000	762,400
Foreign currency translation reserve		76,501	(9,110)
TOTAL EQUITY		**1,285,313**	**1,175,067**

These financial statements should be read with the accompanying notes

BBX Minerals Limited

Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	Consolidated Group 2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		8,138	13,282
Payments to suppliers and employees		(584,568)	(854,301)
Payments for exploration and evaluation		(362,743)	(321,103)
Net cash in operating activities	17	(939,173)	(1,162,122)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Exploration & evaluation assets		(197,482)	(306,349)
Net proceeds from sale of Exploration & evaluation assets	5	980,323	-
Purchase of property, plant and equipment	8	(3,051)	(19,518)
Return of Capital		-	41,012
Net cash provided by (used in) investing activities		779,790	(284,855)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares and options		-	700,000
Loan advances		(74,710)	(26,306)
Cost of Capital Raising		(3,383)	(49,758)
Net cash (used in) / provided by financing activities		(78,093)	623,936
Net increase in cash held		(237,476)	(823,041)
Cash at beginning of financial year		378,668	1,200,648
Exchange rate changes on the balance of cash held in foreign currencies		144,067	1,061
Cash at end of financial year	6	285,259	378,668

These financial statements should be read with the accompanying note

BBX Minerals Limited

Statement of Changes in Equity

For the Year Ended 30 June 2014

Consolidated Group	Share Capital Ordinary	Accum-ulated Losses	Foreign Exchange Reserve	Option Reserve	Total
	$	$	$	$	$
Balance at 1.7.2012	13,198,429	(12,010,476)	993	608,400	1,797,346
Profit/(loss) attributable to members of parent entity	-	(1,414,062)	(10,103)	-	(1,424,165)
Shares issued during the year	851,644	-	-	-	851,644
Options issued during the year	-	-	-	154,000	154,000
Capital raising costs	(203,758)	-	-	-	(203,758)
Balance at 30.06.2013	13,846,315	(13,424,538)	(9,110)	762,400	1,175,067
Profit/(loss) attributable to members of parent entity	-	(51,982)	85,611	-	33,629
Shares issued during the year	80,000	-	-	-	80,000
Options lapsed during the year	280,800	327,600	-	(608,400)	-
Capital raising costs	(3,383)	-	-	-	(3,383)
Balance at 30.6.2014	14,203,732	(13,148,920)	76,501	154,000	1,285,313

These financial statements should be read with the accompanying notes

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the consolidated financial statements and notes of BBX Minerals Limited (parent), its controlled and jointly control entities and its interest in associates (the 'Group'). BBX Minerals Limited is a for-profit listed public company incorporated and domiciled in Australia. The Group is primarily involved in exploration and development activities in Brazil and South America.

Each of the entities within the Group prepares their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The separate financial statements and notes of the parent entity, BBX Minerals Limited, have not been presented within this financial report as permitted by amendments made to the. Parent entity summary information is included in Note 21.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Principles of Consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements. Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. A list of controlled entities is contained in Note 14 to the financial statements.

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Interests in associates, where the investor has significant influence over the investee, are accounted for using the equity method in accordance with AASB 128 *Associates and Joint Ventures*. Under this method, the investment is initially recognised as cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

(c) Business Combinations

Business combinations are accounted for by applying the acquisition method, which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date. This is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the assets, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities. Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

(d) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated. Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

(e) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(f) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest income is recognised using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Interest revenue

Interest is recognised using the effective interest method.

(g) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Plant and Equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows. Motor Vehicles, Office equipment, Computers – 3-5 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(j)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

(i) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred)

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

(i) Financial Instruments continued

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

The Group's trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Group's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

(i) Financial Instruments continued

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

Purchases and sales of available-for-sale investments are recognised on settlement date.

The investment in Juma East is reported at cost less any impairment charges, as its fair value cannot currently be reliably estimated.

All other available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period consolidated income statements resulting from the impairment of debt securities are reversed through the income statement. If the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Financial liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or other financial liabilities depending on the purpose for which the liability was acquired.

The Group‘s financial liabilities include borrowings, trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(j) Impairment of non-financial assets

At the end of each reporting period, the Group determines whether there is an evidence of an impairment indicator for non-financial assets. Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets, which have suffered an impairment loss, except for goodwill.

(k) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(l) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(m) Earnings per share

The Group presents basic and diluted earnings per share information for its ordinary shares.

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable or redeemable only at the company’s option, and any dividends are discretionary.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary.

(o) Equity-settled compensation

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The amount to be expensed is determined by reference to the fair value of the options or shares granted, this expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non-market performance vesting conditions.

Non-market vesting conditions are taken into account when considering the number of options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of options which are expected to vest based on the non-market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

(p) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;

- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(q) Exploration and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. As the asset is not available for use it is not depreciated or amortised.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the period in which the decision to abandon that area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(r) Critical accounting estimates and judgments

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

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Key judgments - doubtful debts provision

Included in accounts receivable at 30 June 2014 is an amount receivable from sales made to during the current financial year amounting to $578,118 (2013: NIL). The directors believe that the full amount of the debt is recoverable and no doubtful debt provision has been made at 30 June 2014.

Key judgments - exploration and evaluation expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $283,860 (2013: $1,036,126).

Control assessment

The Company is the largest shareholder in Comin Gold and owns 75% of the voting interest. The other shareholder has the remaining 25% of the voting interest. Based on the voting patterns and power able to be exerted by BBX Minerals Limited, management has determined that Comin Gold is controlled by BBX Minerals Limited and therefore forms part of the consolidated entity.

Classification of joint arrangements

BBX Minerals Limited has joint arrangements, which are structured through an incorporated entity. BBX Minerals Limited and the other parties to the arrangements have rights to the net assets of the incorporated entity based on the agreement in place and therefore based on facts and circumstances, the joint arrangements have been classified as a joint venture and therefore equity accounting has been applied.

(s) Going concern

The Group incurred a loss after tax in the year from continuing operations of $852,554 (2013 loss: $1,414,062) and the Group's cash at bank has decreased from $378,668 to $285,259. The Group's ability to meet its operational obligations is principally contingent on the timing of receipt of trade receivables. In the event that receipts are delayed, the Group's continuation as a going concern will be dependent on its ability to sell assets, negotiate terms with creditors, or raise capital. This gives rise to a material uncertainty in relation to the Group's continuance as a going concern, and its ability to realise its assets and settle its liabilities at the amounts stated in the financial report. The directors consider the Group to be a going concern based on the following assumptions, which the directors consider reasonable:

- On July 2014 the Group received R$1,000,000 (A$471,698) of the debtor balance in relation to Chapada, and the Group expects to receive all the remaining balance for this within 12 months from 30 June 2014 in time frames appropriate to meet the obligations of the Group (see note 5 and the directors report for further details);
- The Group continues to carefully manage expenditures, particularly head office expenses;
- The directors anticipate a successful completion of the sale of other projects, which are expected to provide the Group with additional cash inflows; and
- The directors believe that future capital raising's can be undertaken to finance operations if required.

Accordingly, the financial report is prepared on a going concern basis. No adjustments have been made to the financial report relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that maybe necessary should the Group not continue as a going concern.

2. New and revised accounting standards and interpretations

(a) Adoption of new and revised accounting standards

During the year, the following standards became mandatory and have been adopted retrospectively by the Group:

- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Arrangements*
- AASB 12 *Disclosure of Interests in Other Entities*
- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*
- AASB 127 *Separate Financial Statements*
- AASB 128 *Investment in Associates and Joint Ventures*
- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]*
- AASB 2012-9 *Amendments to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039*
- AASB 2012-2 *Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities*

The accounting policies have been updated to reflect changes in the recognition and measurement of assets, liabilities, income and expenses and the impact of adoption of these standards are discussed below.

AASB 10 *Consolidated Financial Statements* is effective for annual reporting periods beginning on or after 1 January 2013 and therefore the Group has applied it for the first time in these financial statements. AASB 10 includes a new definition of control, including additional guidance for specific situations such as control in a principal / agent situation and when holding less than majority voting rights may give control. AASB 10 supersedes the previous requirements of AASB 127 *Consolidated and Separate Financial Statements* and Interpretation 112 *Consolidation - Special Purpose Entities* and resulted in consequential amendments to a number of other standards.

The Group has reviewed its investment in other entities to determine whether any changes were required to the consolidated entity under AASB 10. The composition of the consolidated entity is the same under AASB 10 and therefore there is no change to the reported financial position and performance.

AASB 11 *Joint Arrangements* replaces AASB 131 *Interests in Joint Ventures* and Interpretation 112 *Jointly-Controlled Entities - Non-monetary Contributions by Venturers* as well as consequential amendments to a number of other standards. AASB 11 uses the revised definition of control from AASB 10 and once joint control is determined, then classifies joint arrangements as either joint ventures or joint operations. Joint ventures are accounted for using the equity method, proportionate consolidation is not permitted under AASB 11. Joint operations are accounted for by incorporating the venturer's share of assets, liabilities, income and expenses into the financial statements. There were no changes to the accounting for joint arrangements under AASB 11.

AASB 12 *Disclosure of Interests in Other Entities* includes all disclosures relating to an entity's interest in associates, joint arrangements, subsidiaries and structured entities. On adoption of AASB 12, additional disclosures have been included in the financial statements in relation to investments held.

AASB 13 *Fair Value Measurement* does not change what and when assets or liabilities are recorded at fair value. It provides guidance on how to measure assets and liabilities at fair value, including the concept of highest and best use for non-financial assets. AASB 13 has not changed the fair value measurement basis for any assets or liabilities held at fair value. However, additional disclosures on the methodology and fair value hierarchy have been included in the financial statements.

AASB 119 *Employee benefits* changes the basis for determining the income or expense relating to defined benefit plans and introduces revised definitions for short-term employee benefits and termination benefits.

The Group does not have an annual leave liability. There were no changes to the accounting for Employee benefits under AASB 119.

2. New and revised accounting standards and interpretations (Continued)

(b) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the Group:

Standard Name	Group effective date	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.
AASB 1053 - Application of Tiers of Australian Accounting Standards and amending standards AASB 2010-2, AASB 2011-11, AASB 2012-1, AASB 2012-7 and AASB 2012-11	30 June 2014	This standard allows certain entities to reduce disclosures.	The entity is not adopting the RDR and therefore these standards are not relevant.
AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence – Reduced Disclosure Requirements	30 June 2014	Highlights the disclosures not required in AASB 1054 for entities applying the RDR.	The entity is not adopting the RDR and therefore this standard is not relevant.
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	30 June 2014	AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess. AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice. AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	The Group will review its controlled entities to determine whether they should be consolidated under AASB 10, no changes are anticipated. All joint ventures of the group are equity accounted and therefore minimal impact is expected due to the adoption of AASB 11. Additional disclosures will be required under AASB 12 but there will be no changes to reported position and performance.
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required. The entity has not yet determined the magnitude of any changes which may be needed. Some additional disclosures will be needed.
AASB 2011-4 - Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	30 June 2014	Remove individual key management personnel disclosure requirements (i.e. components of remuneration) for disclosing entities.	Since the entity is a disclosing entity, the KMP remuneration note in the financial statements will not include individual components of remuneration.

2. New and revised accounting standards and interpretations (Continued)

AASB 2011-6 - Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]	30 June 2014	This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards - Reduced Disclosure Requirements.	Since the entity does not comply with the Reduced Disclosure Regime there is no impact on the adoption of this standard.
AASB 2011-7 - Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	30 June 2014	This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.	The impact of this standard is expected to be minimal.
AASB 119 Employee Benefits (September 2011) AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	30 June 2014	The main changes in this standard relate to the accounting for defined benefit plans and are as follows: - elimination of the option to defer the recognition of gains and losses (the 'corridor method'); - requiring remeasurements to be presented in other comprehensive income; and - enhancing the disclosure requirements.	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.
AASB 2010-10 - Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7]	30 June 2014	Makes amendments to AASB 1	No impact since the entity is not a first-time adopter of IFRS.
AASB 2012-2 - Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7]	30 June 2014	Requires the inclusion of information about the effect or potential effect of netting arrangements.	There is no impact on disclosures as there are no offsetting arrangements currently in place.
AASB 2012-4 - Amendments to Australian Accounting Standards – Government Loans [AASB 1]	30 June 2014	Adds exception to retrospective application of Australian Accounting Standards for first time adopters.	No impact as these are not the first time adoption accounts for the entity.
AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]	30 June 2014	AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once. AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments. AASB 116 - clarifies the classification of servicing equipment. AASB 132 and Interpretation 2 - Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs	No expected impact on the entities financial position or performance.

2. New and revised accounting standards and interpretations (Continued)

		of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes AASB 134 - provides clarification about segment reporting.	
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20	30 June 2014	Allows transitional provisions for strippings costs in accordance with Interpretation 20.	There will be no impact as entity does not have stripping costs.
AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039	30 June 2014	Removes reference to withdrawn Interpretation 1039.	No impact on the financial statements.
AASB 1055 - Budgetary Reporting AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements	30 June 2015	This standard specifies the nature of budgetary disclosures and circumstances for inclusion in the financial statements.	No impact as the entity is not a public sector entity.
AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	30 June 2015	This standard adds application guidance to AASB 132 to assist with applying some of the offset criteria of the standard.	There will be no impact to the entity as there are no offsetting arrangements currently in place.

Notes to the Financial Statements

For the Year Ended 30 June 2014

	Consolidated Group 2014 $	Consolidated Group 2013 $
3. REVENUE FROM CONTINUING OPERATIONS		
Other revenue		
Interest received	8,138	13,282
Foreign exchange gains	3,484	-
	11,622	13,282
4. REVENUE FROM DISCONTINUED OPERATION		
Net gain on disposal of Chapada Project	800,572	-

5. DISCONTINUED OPERATIONS

Net gain on disposal of capitalised exploration asset	2014 $	2013 $
Revenue from sale of Chapada Project	1,946,698	-
Carrying value of exploration asset at date of sale	(1,146,126)	-
Gain on disposal of exploration asset	800,572	-
Income tax expense*	-	-
Gain on disposal of exploration asset after tax	800,572	-

* The group has tax losses, so no income tax expense will be incurred.

On 2 July 2013, BBX Minerals Limited (BBX) entered into a letter of Intent for the sale of it's100% interest in the Chapada Project for R$3,400,000 (AUD$1,638,002) to Engegold Group (Engep). Of this amount, R$1,000,000 (AUD$481,765) was received in December 2013 (AUD$1,161,196) the remainder being due contingent on certain future events.

In April 2014, BBX entered into a further agreement under which Engegold would make an advance payment of R$2,000,000 (AUD$963,530) against the contingent receivable of R$2,400,000(AUD$1,156,236).

As part of this prepayment agreement, on or before 10 January 2015, Engep has the following options;

- Either; the original contract amount of R$3,400,000 (AUD$1,638,002) will be reduced to R$3,000,000 (AUD$1,445,296) and will be considered as paid in full by the amounts received, so total contract revenue will become R$3,000,000 (AUD$1,445,296); or.
- Engep can opt to receive 24 million shares for a consideration of R$2,000,000 (AUD$963,530) (approximately AUD$0.0392 per share or R$0.0833 per share) which will be settled by the advance payment of R$2,000,000 (AUD$963,530). In this case, the original contract will continue on the original terms, therefore the original debtor of R$2,400,000 will remain due, with R$1,200,000 (AUD$578,118) contingent on various events as in the original agreement. On 17 March 2014 the contingent events occurred, and accordingly, in the case of the second option, the contingent consideration became due on 10 January 2015.

At 30 June 2014 R$1,000,000 (AUD$481,765) of the prepayment had been received, and a further R$1,000,000 (AUD$481,765) was received on 21 July 2014, bringing the total received at the date of these financial statements to R$3,000,000 (AUD$1,445,296). Under the above arrangements, up until 30 June 2014, BBX has recognised R$3,000,000 (AUD$1,445,296) of the contract value as revenue. Refer the director's report for further details.

The net cash flows of the discontinued division, which have been incorporated into the statement of cash flows, are as follows:

	2014 $	2013 $
Net cash inflow/(outflow) from operating activities	-	(306,349)
Net cash inflow/(outflow) from investing activities	980,323	-
Net cash inflow/(outflow) from financing activities	-	-
Net cash increase/(decrease) in cash generated by discontinued operation	980,323	(306,349)

6. CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2014	**2013**
	$	**$**
Cash at bank and in hand	285,259	378,668

7. TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2014	**2013**
	$	**$**
CURRENT		
Trade receivables		-
Prepayments	49,003	46,366
Receivables from Chapada sale	966,375	-
Total current trade and other receivables	1,015,378	46,366
NON-CURRENT		
Loans to CooperJuma	101,017	26,306

The loans to CooperJuma that attract interest at a rate of 1% per month, commenced on October 2013 and are repayable in September 2014. At this stage, BBX understands that CooperJuma will not be in a position to repay the loans in September 2014. However, BBX has subsequently agreed that the loan may be repaid once production commences at Eldorado do Juma, with the interest continuing to be accrued at a rate of 1% per month on the balance until repaid in full.

The Directors are of the opinion that no impairment provision on the loans is necessary at this point based on the terms and conditions of the indicative sales and purchase agreement for Eldorado do Juma. However, the Directors will continuously review and assess the recoverability of the loans.

Notes to the Financial Statements
For the Year Ended 30 June 2014

8. PROPERTY, PLANT AND EQUIPMENT

	Computer	Motor Vehicles	Office Equipment	Total
	$	$	$	$
At 1 July 2012				
Cost or fair value	2,903	-	-	2,903
Accumulated depreciation	(1,299)	-	-	(1,299)
Net book value	1,604	-	-	1,604
Year ended 30 June 2013				
Opening net book balance	1,604	-	-	1,604
Additions	-	19,518	-	19,518
Depreciation charge	(488)	(1,302)	-	(1,790)
Net book balance	1,116	18,216	-	19,322
As at 30 June 2013				
Cost or fair value	2,903	19,518	-	22,421
Accumulated depreciation	(1,787)	(1,302)	-	(3,089)
Net book value	1,116	18,216	-	19,332
Year ended 30 June 2014				
Opening net book balance	1,116	18,216	-	19,332
Additions	-	-	3,051	3,051
Disposals	(1,116)	-	-	(1,116)
Depreciation charge	-	(3,808)	(25)	(3,833)
Net book VALUE	-	14,408	3,026	17,434
As at 30 June 2014				
Cost or fair value	-	19,518	3,051	22,569
Accumulated depreciation	-	(5,110)	(25)	(5,135)
Net book value	-	14,408	3,026	17,434

Plant and equipment has been tested for impairment at 30 June, 2014 resulting in no impairment loss.

Notes to the Financial Statements

For the Year Ended 30 June 2014

9. EXPLORATION AND EVALUATION ASSETS

	Consolidated Group	
	2014	2013
	$	$
(a)		
Recoverable within 12 months	-	737,825
Recoverable after 12 months	283,860	298,301
	283,860	1,036,126

Exploration Licenses are carried at cost of acquisition less impairment losses. There were no impairment losses recognised in the year.

(b) Exploration, evaluation and development assets

	Exploration and evaluation $	Development $	Total $
2014			
Balance at beginning of the year	1,036,126	-	1,036,126
Expenditure incurred on existing assets	110,000	-	110,000
Expenditure incurred on new assets	283,860	-	283,860
Disposal (note 5)	(1,146,126)	-	(1,146,126)
Balance at end of the year	283,860	-	283,860
2013			
Balance at beginning of the year	736,165	92,424	828,589
Transfer between exploration and development	92,424	(92,424)	
Expenditure incurred	306,349	-	306,349
Transfers between exploration and development costs	(98,812)	-	(98,812)
Balance at end of the year	1,036,126	-	1,036,126

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

10. TRADE AND OTHER PAYABLES

	Consolidated Group	
	2014	2013
	$	$
CURRENT		
Unsecured liabilities		
Trade payables	157,953	237,341
Other payables and accruals	214,775	49,483
	372,728	286,824
NON-CURRENT		
Unsecured liabilities	44,907	44,907

Notes to the Financial Statements
For the Year Ended 30 June 2014

11. ISSUED AND PAID-UP CAPITAL

	2014 No	2013 No	2014 $	2013 $
a. Ordinary shares				
Ordinary shares fully paid	118,454,232	114,454,232	13,922,933	13,846,315

b. Movements in ordinary share capital:

Date	Details	Notes	Number of shares	Issue Price	$
1 July 2012	Opening balance		76,421,352		13,198,429
2 April 2013	Capital Raising		11,400,000	0.020	228,000
19 June 2013	Capital Raising		23,600,000	0.020	472,000
19 June 2013	Director Fees		3,032,800	0.050	151,644
	Less: Transaction costs arising on share issue		-	-	(203,758)
30 June 2013	Balance		114,454,232		13,846,315
30 January 2014	Share payment	c	4,000,000	0.020	80,000
	options expiring		-	-	280,800
	Less: Transaction costs arising on share issue		-	-	(3,382)
30 June 2014	Balance		118,454,232	-	14,203,732

c. On 30 January 2014 the Company issued 4,000,000 ordinary shares @$0.02 to Mundo Mineracao Ltd, a company incorporated in Brazil, as part payment for the final A$110,000 due for the acquisition of Chapada

12. OPTION RESERVE

	Consolidated Group		Consolidated Group	
	2014	2013	2014	2013
	No	No	$	$
Balance beginning of the financial period	30,625,000	18,125,000	762,400	608,400
a) (Expiry) / Issue of 5,625,000 unlisted options to brokers exercisable at $0.25 each on or before 30 June 2014	(5,625,000)	-	(280,800)	-
b) (Expiry) / Issue of 7,500,000 unlisted options to Bacchus Strategic Developments Pty Ltd exercisable at $0.25 each on or before 30 June 2014	(7,500,000)	-	(327,600)	-
c) Issue of 17,500,000 unlisted options to brokers exercisable at $0.05 each on or before 30 March 2016	-	17,500,000	-	154,000
	17,500,000	30,625,000	154,000	762,400

5,625,000 listed options @ $0.25 each and 5,625,000 and 7,500,000 unlisted options @ $0.25 each expired on 30 June 2014.

12. OPTION RESERVE (Continued)

The fair value of the share options granted is estimated as at the date of grant using a Black-Scholes Model taking into account the terms and conditions upon which the options were granted. Expected volatility is estimated using the Black-Scholes option pricing model applying the following inputs:

	2014	2013
Dividend yield (%)	0%	0%
Expected volatility (%)	137%	137%
Risk free interest rate (%)	2.43%	2.43%
Expected life of the option (years)	2.78	2.78
Option exercise price ($)	$0.05	$0.05
Share price at grant date ($)	$0.015	$0.015

13. EARNINGS PER SHARE

	Consolidated Group	
	2014	2013
	Cents	Cents
a. Basic earnings per share		
From continuing operations	(0.73)	(1.77)
From discontinued operation	0.69	-
Total basic earning earnings per share	(0.04)	(1.77)
b. Diluted earnings per share		
From continuing operations	(0.73)	(1.77)
From discontinued operation	0.69	-
Total basic earning earnings per share attributable to the ordinary equity holders of the company	(0.04)	(1.77)

c. Reconciliation of earnings used calculate earnings per share

The earnings and weighted average number of shares used in the calculation of basic earnings per share as follows:

Basic earnings per share	2014	2013
Profit attributable to the ordinary equity holders of the company:		
Profit/(loss) from continuing operations	(852,554)	(1,414,062)
Profit from discontinued operation	800,572	-
Profit attributable to the shareholders of the company	(51,982)	(1,414,062)
Weighted average number of ordinary shares for the purposes of basic earnings per share	116,032,314	79,972,480
Diluted earnings per share		
Profit attributable to the ordinary equity holders of the company:		
Profit from continuing operations	(852,554)	(1,414,062)
Profit from discontinued operation	800,572	-
	(51,982)	(1,414,062)
Weighted average number of ordinary shares for the purposes of basic e.p.s - the calculation of weighted average number of ordinary shares does not include options as stated in Note 12 which are antidilutive as the group has made a loss in the current and prior year.	116,032,314	79,972,480

14. CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*
Subsidiaries of BBX Minerals Ltd:		
BBX Peru	Peru	100%
BBX Lucanas	Peru	100%
BBX Brazil	Brazil	100%
Minorte Extração de Mineração Ltda	Brazil	100%
Comin Gold	Brazil	75%

15. RELATED PARTIES

Directors and Key Management Personnel

The Directors of BBX are considered the key management personnel of the consolidated economic entity. The director's remuneration and equity holdings have been disclosed in the director's report attached to the financial statements.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related Parties:

	Consolidated Group 2014 $	Consolidated Group 2013 $
(a) Brokerage paid on Capital Raising:		
Cash	-	26,950
Options Issued	-	60,500
	-	89,100
(b) Loans receivable (Note 7):		
Loans to Cooper Juma	101,017	26,306
(c) Loans payable		
Opening balance:	-	44,907
Reclassification to non related party	-	(44,907)
	-	-

The unsecured at call loan was provided by Arthur Phillip Pty Ltd, a company that was associated with Mr Paul Page. Upon his death, the loan ceased to be a related party loan.

16. SEGMENT INFORMATION

The Group has identified its operating segments based on internal reports that are reviewed by the Board and management. The Company operated in one business segment during the year, being mineral exploration and in two geographical areas, being Australia and Brazil.

Year 2014	Brazil	Australia	Total
	$	$	$
Revenue			
Segment Revenue	6,916	1,222	8,138
Depreciation	3,833		3,833
Loss after income tax (a)	261,155	(313,137)	(51,982)
Segment total assets (b)	1,679,328	23,620	1,702,948
Segment total liabilities (c)	45,930	371,705	417,635
Cash flow information			
Net cash inflows /(outflows) from operating activities	(616,041)	(323,132)	(939,173)
Net cash inflows /(outflows) from investing activities	779,790	-	779,790
Net cash inflows/(outflows) from financing activities	(74,710)	(3,383)	(78,093)

Year 2013	Brazil	Australia	Total
	$	$	$
Revenue			
Segment Revenue		13,282	13,282
Depreciation	1,302	488	1,790
Loss after income tax (a)	(664,698)	(749,364)	(1,414,062)
Segment total assets (b)	1,129,757	377,041	1,506,798
Segment total liabilities (c)	95,131	236,600	331,731
Cash flow information			
Net cash inflows /(outflows) from operating activities	(465,438)	(696,684)	(1,162,122)
Net cash inflows /(outflows) from investing activities	(325,867)	41,012	(284,855)
Net cash inflows /(outflows) from financing activities	-	650,242	650,242

Notes to the Financial Statements
For the Year Ended 30 June 2014

16. SEGMENT INFORMATION Continued

(a) Profit / (loss) after tax

A reconciliation of loss after tax to the consolidated loss for the year is provided as follows:

	Consolidated Group	
	2014	2013
	$	$
Total loss after tax	(852,554)	(1,414,062)
Profit from discontinued operations	800,572	-
Profit/(loss) for the year	(51,982)	(1,414,062)

b) Segment assets

Reportable segment assets are reconciled to total assets as follows:

	Consolidated Group	
	2014	2013
	$	$
Segment assets	1,702,948	1,506,798
Total segment assets per the statement of financial position	1,702,948	1,506,798

(c) Segment liabilities

Reportable segment liabilities are reconciled to total liabilities as follows:

	Consolidated Group	
	2014	2013
	$	$
Segment liabilities	417,635	331,731
Total liabilities per the statement of financial position	417,635	331,731

17. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated Group	
	2014	2013
	$	$
Net loss after income tax	(51,982)	(1,414,062)
Loss on disposal of plant and equipment	1,116	-
Depreciation & amortisation	3,833	1,790
Gain on sale of asset	(800,572)	-
Shares issued to directors	-	151,644
Investment in Subsidiary written off	-	1
Exploration expenditure written off	-	98,811
Realised foreign exchange gain	(85,611)	(11,163)
Changes in operating assets and liabilities:		
(Increase)/Decrease in assets:		
(Increase) /Decrease trade receivables	(2,845)	-
(Increase) /Decrease prepayments	(2,636)	(5,347)
Increase/(Decrease in liabilities:		
Increase/ (Decrease) in trade payables	(476)	16,204
Net cash flow from operating activities	(939,173)	(1,162,122)

18. SHARE BASED PAYMENTS

No Share based payments were granted during the financial year.

19. AUDITORS' REMUNERATION

	Consolidated Group	
	2014	2013
	$	$
Audit and review of financial statements:		
Auditors of BBX Minerals Limited - Lachlan Nielson Partners Pty Ltd	25,027	27,000
Remuneration for audit or review of financial statements	25,027	27,000
Other services:	14,864	11,100
Total other service remuneration	14,864	11,100
Total auditor's remuneration	39,891	38,100

20. FINANCIAL RISK MANAGEMENT

Capital Risk Management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern. In order to maintain or adjust the capital structure, the Company may issue new shares or return capital to shareholders.

The Company's strategy, unchanged from the prior year, is to maintain a sufficient level of cash to meet its obligations, as and when any debts are due, and to meet any investment commitments.

There are no externally imposed capital requirements for the Company.

The Groups financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

		Consolidated Group	
	Note	2014	2013
		$	$
Financial Assets			
Cash and cash equivalents	6	285,259	378,668
Trade and other receivables			
- Trade and other receivables	7	1,116,395	-
Total Financial Assets		1,401,654	378,668
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	10	417,635	331,731
Total Financial Liabilities		417,635	331,731

Financial Risk Management Policies

The overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, while minimizing potential adverse effects on financial performance. Its functions include the review of liquidity, foreign exchange and interest rate risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through financial instruments are liquidity risk, foreign exchange risk and market risk consisting of interest rate risk.

20. FINANCIAL RISK MANAGEMENT (Cont)

a. Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources; and
- managing credit risk related to financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flow realised from financial assets reflect management's expectation as to timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial Liability and Financial Asset Maturity Analysis

	Within 1 Year		1 to 5 Years		Total	
	2014	**2013**	**2014**	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**	**$**	**$**
Consolidated Group						
Financial liabilities due for payment						
Trade and other payables (excluding est. annual leave)	372,728	286,824	44,907	44,907	417,635	331,731
Total expected outflows	372,728	286,824	44,907	44,907	417,635	331,731
Financial assets — cash flows realisable						
Cash and cash equivalents	285,259	378,668	-	-	285,259	378,668
Trade receivables	966,375	-	101,017	26,306	1,067,392	26,306
Total anticipated inflows	1,251,634	-	101,017	26,306	1,352,651	404,974
Net (outflow)/inflow on financial instruments	878,906	91,844	56,110	(18,601)	935,016	73,243

20. FINANCIAL RISK MANAGEMENT (continued)

b. Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The group is exposed to interest rate risk from funds held on deposit.

c. Foreign Exchange Risk

The Group has foreign operations and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to the Brazilian Real (BRL).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in the currency that is not the entity's functional currency. The risk is measured using the sensitivity analysis.

Sensitivity analysis

A strengthening of the AUD, as indicated below, against the BRL at 30 June 2014 would have increase/(decreased) equity and profit or loss by the amounts shown below. The analysis is based on foreign currency exchange rate variances that the Group considered reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

The following table details the Group's sensitivity to a 10% increase and decrease in the AUD against the BRL. The 10% represents management's assessment of the reasonable possible change in foreign exchange rates.

A positive number indicates an increase in profit or equity where the AUD strengthens 10% against the BRL.

For a 10% weakening of the AUD against the BRL there would be a comparable and opposite impact on the profit or equity.

	Strengthening		**Weakening**	
	Equity	Profit or loss	Equity	Profit or loss
30-Jun-14				
BRL (10% strengthening)	**(104,922)**	**104,922**	**104,922**	**(104,922)**
30-Jun-13				
BRL (10% strengthening)	(18,261)	18,261	18,261	(18,261)

Notes to the Financial Statements

For the Year Ended 30 June 2014

21. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual financial statements for the parent entity shows the following aggregate amounts:

	Parent	
	2014	2013
	$	$
Balance Sheet		
Current Assets	23,616	375,922
Non- Current Assets	2,222,241	2,017,257
Total Assets	2,245,857	2,393,179
Current Liabilities	326,798	237,600
Non-Current Liabilities	44,907	44,907
Total Liabilities	371,705	282,507
Net assets	1,874,152	2,110,672
Shareholder Equity		
Issued capital	14,203,732	13,198,428
Reserves	154,000	608,400
Accumulated Losses	(12,483,580)	(12,498,043)
	1,874,152	2,110,672

	Parent	
	2014	2013
	$	$
Statement of Comprehensive Income		
Total profit/(loss)	(313,137)	(749,364)
Total comprehensive income/(loss)	(313,137)	(749,364)

Notes to the Financial Statements

For the Year Ended 30 June 2014

22. SUBSEQUENT EVENTS

Advance Payment Agreement /Engegold

BBX Minerals Ltd announced on 21 July 2014 (BBX) that via its 100% owned subsidiary Mineracao BBX do Brasil Ltda, BBX has received R$1,000,000 (approximately A$ 471,698) due from Engegold Mineracao Ltda under the advance payment agreement announced on 7 April 2014.

On 25 August 2014 BBX Minerals Ltd (BBX) announced that it's 100% owned subsidiary Mineracao BBX do Brasil Ltda, has received its first royalty payment from Engegold Mineracao Ltda.

Under the Chapada sales agreement, Engegold is to effect a 3% NSR (Net smelter return) on the commencement of production, of which 2.1% is payable to Rio Gameleira Prospeccao e Geologia Ltda. Engegold retains an option to purchase the entire royalty for US$1.2million.

Engegold are targeting a monthly production of 800oz of gold over the initial 12 months.

Eldorado do Juma

On 1 September 2014 BBX Minerals Ltd announced that its 100% owned subsidiary Mineracao BBX do Brasil Ltda, and Arnaldo Villar Da Silva have signed a conditional sales and purchase agreement whereby BBX do Brasil will sell its 100% interest in MINORTE Extracao de Minerio Ltda for R$1,500,000 (approximately A$717,000 assuming a conversion rate of approximately 2.09 Brazilian Reals (R$) to the Australian dollar (A$).

The parties have agreed that they will use their best efforts to conclude a definitive sale and purchase agreement which will be subject to any regulatory approvals required in either Brazil or Australia on the following payment terms:

- The due diligence period is 30 days, which will commence from the date of the agreement. The due diligence period may be extended by mutual agreement.
- On publication in the "official gazette" of the assignment of mining rights of either DNPM No 880.070/2007 or 880.152/2012 to Comin Gold S.A, (75% owned by Minorte Extracao de Minerio Ltda and 25% owned by Cooperativa Extrativista Familiar Do Rio Juma) the following payments are due:

  Tranche 1 R$500,000 (approximately A$239,000) 5 business days after publication of the assignment of either mineral right.

  Tranche 2 R$500,000 (approximately A$239,000) 3 months after payment of tranche 1.

  Tranche 3 R$500,000 (approximately A$239,000) 6 months after payment of tranche 1.

- 5% of each payment received by BBX being R$25,000 (R$75,000 in total) will be paid to FFA Legal Ltd, Av.Jornalista Ricardo Marinho, n° 360, sala 113, Barra da Tijuca, Rio de Janeiro,under a separate success fee agreement.
- On transfer of BBX's 100% interest in Minorte, Arnaldo will assume all Minorte's contractual obligations with Cooperativa Extrativista Familiar do Rio Juma dated 18 July 2012, and BBX's contractual obligations with the former shareholders of Minorte..
- Under the sale and purchase agreement between BBX Minerals Ltd and the former shareholders of Minorte Extracao de Minerio Ltda dated 23 July 2012, 6 (six) million shares were to be issued by BBX as partial payment for acquiring 100% of Minorte. Under the terms of this agreement 6 (six) million shares will be issued within 30 days after BBX receives the tranche1 payment and will be escrowed for 6 months from issuance date.

Options

On 31 July 2014 the Group announced the granting of 6,000,000 unlisted options @ $0.05cents expiring 1 July 2017 to the Group's consultant geologist.

23. CONTINGENT LIABILITIES

The Group has recorded the following contingent liabilities payable.

Juma East Gold Project

BBX Minerals via its wholly owned subsidiary Mineracao BBX do Brasil Ltda holds an option to purchase 100% of the Juma East Project from Raquel Correia da Silva, by paying a total of USD500,000 for each tenement over a 6 year period, plus expenditure commitments, with payments for each tenement.

To date a total of USD40,000 for each lease (Guida, Pintado, Boja Velha and Pepita) has been paid on 15th February, 15th May and 15th August 2014.

The remaining lease payments are as follows:

USD 50,000 (Fifty thousand dollars) is payable 1 year after the date of each lease payment listed above

USD 100,000 (one hundred thousand U.S. dollars) is payable 2 years after the date of each lease payment.

USD 100,000 (one hundred thousand U.S. dollars) is payable 3 years after the date of each lease payment

USD 100,000 (one hundred thousand U.S. dollars) is payable 4 years after the date of each lease payment

USD 100,000 (one hundred thousand U.S. dollars) is payable 5 years after the date of each lease payment

An Exploration commitment of USD 100,000 (one hundred thousand U.S. dollars) per year on each lease. Any excess of this value spent on any one lease can be accounted as an investment on any other (Juma East) lease.

BBX can relinquish any of the leases at any time without any further payment or expenditure commitments.

24. COMMITMENTS

Further expenditure for exploration and mining is at the discretion of the directors of the company.

Directors Declaration
For the Year Ended 30 June 2014

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 21 to 52 are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and the Corporations Regulations 2001; and

   (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company;

2. the Chief Executive Officer has declared that:

   (a) The financial records of the Company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001;

   (b) The financial statements and notes for the financial year comply with the Accounting Standards, and;

   (c) The financial statements and notes for the financial year give a true and fair view;

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

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

On behalf of the Directors

Michael Schmulian
Chairman
23 September 2014

Lachlan Nielson Partners
Audit and Assurance

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INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF BBX MINERALS LIMITED

Scope

Report on the Financial Report

We have audited the accompanying financial report of BBX Minerals Limited comprising the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the company and the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Auditors Report (continued)

Independence

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

Audit Opinion

In our opinion,

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

  (i) giving a true and fair view of the company and the consolidated entity's financial position as at 30 June 2014 and of their performance for the year ended on that date; and

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

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

Significant Uncertainty Regarding Going Concern

Without modification to our opinion expressed above, attention is drawn to Note 1(s) of the financial report, which sets out the basis on which the directors believe the Group will be able to continue as a going concern.

As set out in the note, the Group incurred a loss after tax from continuing operations of $852,552 and the Group's cash at bank balance has decreased from $378,668 to $285,259 during the year ended 30 June 2014. The Group's ability to meet its operational obligations is principally contingent on the timing of receipt of trade receivables. In the event that receipts are delayed, the Group's continuation as a going concern will be dependent on its ability to sell assets, negotiate terms with creditors, or raise capital. This gives rise to a material uncertainty in relation to the Group's continuance as a going concern, and its ability realise its assets and settle its liabilities at the amounts stated in the financial report.

No adjustments have been made to the financial report relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that maybe necessary should the Group not continue as a going concern.

Report on Remuneration Report

We have audited the Remuneration Report included in pages 18 to 19 of the directors' report for the year ended 30 June 2014. The Directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of BBX Minerals Limited for the year ended 30 June 2014, complies with s 300A of the *Corporations Act 2001*.

Lachlan Nielson Partners Pty Limited

Anthony Rose
Director

Sydney, 23 September 2014