Canterbury Resources Limited

ACN 152 189 369

Incorporating the following trading entities:

- Canterbury Resources Limited, Australia
- Canterbury Exploration Pty Ltd, Australia
- Capella Ventures Pty Ltd, Australia
- Capella Vanuatu Ltd, Vanuatu

Financial Report
for the Financial Year Ended 30 June 2013

CANTERBURY RESOURCES LIMITED
AND CONTROLLED ENTITIES

A.C.N. 152 189 369

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

The directors of Canterbury Resources Limited submit herewith the annual financial report for the financial year ended 30 June 2013. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names and positions of the directors and company secretary of the company during or since the end of the financial year are:

John Ernest Doluglas Anderson BCom, MBA, GAICD (Non-Executive Chairman)

John has over 33 years experience in the finance sector in banking, investment banking and general consulting and in the mining sector in Australia and Chile. He has held positions of Managing Director or Chairman with a number of public and private companies in Australia and as a Director of mining companies in Chile. John has experience in general financing and capital raisings, developing and implementing business plans for new and existing entities and taking companies from IPO through to operations. In ASX listed companies in the capacity of director or chairman John has been a member of audit, remuneration and finance committees. John was Chairman of Anchor Resources Ltd from IPO through to its sale to Chinese interests. Among other previous positions, John was Managing Director of an Australian publicly listed mining company and was responsible for turning around its unprofitable operations and implementation of mining and operating plans.

Grant Alan Craighead (Executive Director) - BSc, MAusIMM, GAICD

Grant is a geologist with extensive experience in the exploration, mining and financial sectors. This includes eight years as Chief Geologist with Elders Resources NZFP Ltd and five years as an Associate Director at Macquarie Bank. During his period with Elders he was associated with exploration and development successes including Red Dome, Selwyn, Wafi, Glendell, Narama and Kidston. He was a co-founder of Anchor Resources Ltd and its Managing Director at the time of its sale to Chinese interests in 2011. He is also a co-founder and executive director of Breakaway Investment Group; a financial company that provides funds management, private equity and research services in the resource sector.

Gary Noel Fallon BAppSc, MSEG, GAICD (Non-Executive Director)

Gary is a geophysicist with 24 years of mineral and coal exploration experience. He is Director and principal consultant to Geophysical Resources and Services, a geophysical contracting and consulting company. He has been involved in extensive precious, base metal and coal exploration and mining projects mainly throughout Australia, focusing on application of geophysical techniques to operating mines. He has worked for Scintrex Consulting, Whim Creek Consolidated, Dominion Mining and MIM Exploration, providing exposure to mining via both open cut and underground methods, and has been involved in other private exploration ventures. Utilising his project management skills, his work required the application of geophysical methods to add value to operations. Gary was the recipient of the Bowen Basin Geology Group Leichhardt Award (2003) for the application of geophysical technology to coal operations.

Ross Earle Moller (Non-Executive Director and Company Secretary) BCom Grad. Dip AppCorpGov CA ACIS NZICA ICSA

Ross is a Chartered Accountant and Chartered Secretary and is principal of the consulting firm, Rahui Resources. Ross brings 30 years' of experience in providing corporate advisory and secretarial services to a range of listed and unlisted companies. Most recently Ross was Company Secretary for ASX listed junior explorer, Anchor Resources Ltd, through its IPO to its eventual sale to Chinese interests.

Stephen Bartrop (Non-Executive Director) BSc (Hons), Grad Dip Sec Inst., PhD, MAusIMM, MSEG, GAICD
(Appointed 7 June 2013)

Steve is a geologist with extensive financial, exploration and mining experience. After a decade working in the mining industry, for Ashton Mining and Mt Isa Mines, Steve became involved in finance sector analysing resource companies and managing investments. Initially this was with leading global financial institutions such as Macquarie, Bankers Trust, Ord Minnett and JPMorgan, and more recently with Breakaway Investment Group which he co-founded in 2005. He was a co-founder and director of ASX-listed KUTh Energy, and has managed both retail and private equity funds.

Principal Activities

For the year under review, the principal activity of the consolidated entity and parent entity (the Group) was exploration for minerals.

Future Developments

Disclosure of information other than that disclosed elsewhere in this report regarding likely developments in the operations of the consolidated entity and parent entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity and parent entity. Accordingly, this information has not been disclosed in this report.

Review of Operations

During the year the Group commenced a phase of project generation, aimed at building a portfolio of gold and copper exploration properties in the SW Pacific and eastern Australian regions. An important early success was the acquisition of Capella Ventures Pty Ltd ("Capella") in December 2012. Capella's key assets comprised five applications on the island of Malekula in Vanuatu, covering areas prospective for epithermal gold systems and porphyry copper-gold systems. Two licences (PL 1836 & 1837) were subsequently granted in early 2013 and an initial reconnaissance program completed in June.

Assessment of opportunities to further expand the Company's exploration portfolio continues.

The results of the operations of the consolidated entity during the financial year were as follows:	Consolidated	
	2013	**2012**
	$	**$**
Net loss after income tax	**(113,393)**	(4,704)

Changes in State of Affairs

There was no significant change in the state of affairs of the consolidated entity and parent entity other than that referred to in the financial statements or notes thereto.

Post Balance Date Events

There were no events subsequent to balance date which require disclosure in these accounts.

Dividends

No dividends have been paid or declared since the start of the financial year. The directors do not recommend the payment of a dividend in respect of the year ended 30 June 2013.

Share Options

During the financial year 2,700,000 share options were granted at an exercise price of 9 cents per share expiring on 30 June 2018. Since the end of the financial year no further options have been issued.

Indemnification of Officers And Auditors

The company has not, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred by such an officer or auditor.

Auditors' Independence Declaration

The auditors' declaration of independence is attached to this directors report on page 4.

Directors' Meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the financial year, two audit committee meetings were held.

	Board of Directors	
	Held	**Attended**
J Anderson	6	5
G Craighead	6	6
G Fallon	6	6
R Moller	6	5
S Bartrop	1	1

Signed in accordance with a resolution of the directors made pursuant to s. 298(2) of the Corporations Act 2001.

On behalf of the Directors

J ANDERSON
Director

Sydney, 23 October 2013

bdjpartners
incorporating Boulter Partners
CHARTERED ACCOUNTANTS

partners
C H Barnes FCA
A J Dowell CA
B Kolevski CPA (Affiliate ICAA)
M Galouzis CA
A N Fraser CA

associate
M A Nakkan CA

consultant
R H B Boulter FCA

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Auditor's Independence Declaration

To the directors of Canterbury Resources Limited

As engagement partner for the audit of Canterbury Resources Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been:

i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

BDJ Partners

Chartered Accountants

……………………………………………………
Anthony Dowell
Partner
21 October 2013

bdjpartners
incorporating Boulter Partners
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Independent Auditor's Report

To the members of Canterbury Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Canterbury Resources Limited, which comprises the statements of financial position as at 30 June 2013, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or 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 *International Financial Reporting Standards*.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Opinion

In our opinion:

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

(i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2013 and of their performance for the year ended on that date; and

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

(b) the consolidated financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in Note 1.

BDJ Partners
Chartered Accountants

....
Anthony J Dowell
Partner

29 October 2013

CANTERBURY RESOURCES LIMITED
AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION

In accordance with a resolution of directors, I state that in the opinion of the directors:

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

(ii) Giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2013 and of their performance for the year ended on that date .

(i) Complying with Accounting Standards and the Corporations Regulations 2001; and

(b) There are reasonable grounds to believe, having regard to the matters set out in Note 1, that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors

Director

Sydney, 23 October 2013

CANTERBURY RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	Consolidated 2013 $	2012 $
Revenue and other income	5	**3,449**	-
Administration expenses		**(5,798)**	(853)
Corporate costs		**(21,499)**	(1,992)
Depreciation expense		**(17)**	-
Exploration expense		**(13,440)**	-
Marketing expenses		**-**	(1,305)
Rental expense		**(8,210)**	-
Share based payments expense		**(52,626)**	-
Travel expenses		**(14,440)**	(554)
Other expenses		**(812)**	-
Loss before income tax benefit		**(113,393)**	(4,704)
Income tax benefit	6	**-**	-
Net loss after related income tax benefit	18	**(113,393)**	(4,704)
Other comprehensive income			
Other comprehensive income before income tax expense		**-**	-
Income tax expense		**-**	-
Other comprehensive income for period		**-**	-
TOTAL COMPREHENSIVE INCOME FOR PERIOD		**(113,393)**	(4,704)
Total comprehensive income attributable to members of Canterbury Resources Ltd		**(113,393)**	(4,704)
Basic and diluted loss per share	7	**(3.24)**	(2.35)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

CANTERBURY RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	Consolidated 2013 $	2012 $
CURRENT ASSETS			
Cash and cash equivalents	9	**542,493**	14,920
Trade and other receivables	10	**27,110**	376
Other Current Assets	11	**2,396**	-
TOTAL CURRENT ASSETS		**571,999**	15,296
NON-CURRENT ASSETS			
Property Plant and Equipment	12	**1,817**	-
Exploration Expenditure	13	**78,708**	-
TOTAL NON-CURRENT ASSETS		**80,525**	-
TOTAL ASSETS		**652,524**	15,296
CURRENT LIABILITIES			
Trade and Other Payables	14	**13,985**	-
TOTAL CURRENT LIABILITIES		**13,985**	-
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		**-**	-
TOTAL LIABILITIES		**13,985**	-
NET ASSETS		**638,539**	15,296
EQUITY			
Issued capital	15	**699,800**	20,000
Reserves	17	**56,836**	-
Accumulated losses	18	**(118,097)**	(4,704)
TOTAL EQUITY		**638,539**	15,296
		-	-

The above statement of financial position should be read in conjunction with the accompanying notes.

CANTERBURY RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

CONSOLIDATED	**Equity**	**Reserves**	**Accumulated losses**	**Total**
	$	**$**	**$**	**$**
Balance at 1 July 2011	20,000	-	-	20,000
Other comprehensive income	-	-	-	-
(Loss) for the year	-	-	(4,704)	(4,704)
Balance at 30 June 2012	20,000	-	(4,704)	15,296
	-	-	-	-
Balance at 1 July 2012	**20,000**	**-**	**(4,704)**	**15,296**
Shares issued during year	**120,000**	**-**	**-**	**120,000**
Funds received from personal placement offer	**567,000**	**-**	**-**	**567,000**
Share issue costs	**(7,200)**	**-**	**-**	**(7,200)**
Share based payments	**-**	**56,836**	**-**	**56,836**
Other comprehensive income	**-**	**-**	**-**	-
(Loss) for the year	**-**	**-**	**(113,393)**	(113,393)
Balance at 30 June 2013	**699,800**	**56,836**	**(118,097)**	**638,539**
	-	-	-	-

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CANTERBURY RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	Consolidated 2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**-**	-
Payments to suppliers and employees		**(55,596)**	(5,080)
Interest received		**3,449**	-
Net cash used in operating activities	30 (c)	**(52,147)**	(5,080)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Plant and Equipment		**(1,834)**	-
Payments for Exploration expenditure		**(19,443)**	-
Net cash provided by/(used in) investing activities		**(21,277)**	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issues		**60,000**	20,000
Funds received from personal placement offer		**547,000**	-
Repayment of loans to subsidiary		**(60,597)**	
Share issue costs		**(7,200)**	-
Net cash provided by financing activities		**539,203**	20,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		**465,779**	14,920
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		**14,920**	**-**
Cash acquired on acquisition of Capella Ventures Pty Ltd		**61,794**	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	30 (a)	**542,493**	14,920
		-	-

The above statement of cash flows should be read in conjunction with the accompanying notes.

1. SUMMARY OF ACCOUNTING POLICIES

Corporate information

Canterbury Resources Limited (the parent) is a company limited by shares incorporated in Australia.

The nature of the operations and principal activities of the Group are described in the directors' report.

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001.

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

Basis of preparation

The financial report has been prepared on the basis of historical cost .

Corporations Regulations 2M.3.01

This regulation states that, where paragraph 295 (2) (b) of the Act applies to a parent entity, only limited disclosures are required to be made in a note to the accounts in respect of the parent entity.

Disclosure impact
In accordance with the regulation, these accounts are presented with consolidated amounts only. The disclosures required in respect of the parent entity are contained in Note 4.

Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Accounts Payable

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(b) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash on hand, cash in banks and investments in money market instruments are shown as current assets in the statement of financial position. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(e) Comparative amounts

Canterbury Resources Limited was incorporated on 19 July 2011.

Accordingly in this Annual Report the comparative year figures cover the period from 19 July, 2011 (date of incorporation) to 30 June 2012.

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (continued)

(f) Depreciation

Depreciation is provided on property, plant and equipment.

Depreciation provided on computer and office equipment is calculated on a straight line basis, and on small equipment on a diminishing value basis, so as to write off the net cost or other revalued amount of each asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation.

- Plant and equipment	6-7 years

(g) Exploration for and Evaluation of Mineral Resources

For each area of interest, expenditures incurred in the exploration for and evaluation of mineral resources are expensed as incurred unless the rights to tenure of the area of interest are current and either:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

If either of the above conditions are met, expenditures are partially or fully capitalised, and recognised as an exploration and evaluation asset.

Exploration and evaluation assets are measured at cost at recognition.

Expenditures typically recognised as exploration and evaluation assets include:

(a) acquisition of rights to explore;
(b) topographical, geological, geochemical and geophysical studies;
(c) exploratory drilling;
(d) trenching;
(e) sampling; and
(f) activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternative sale of the relevant area of interest.

(h) Financial assets

The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the asset was acquired. The Group does not use derivative financial instruments in economic hedges of currency or interest rate risk. The Group has not classified any of its financial assets as held to maturity.

Trade and other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally though the sale of assets and GST receivable. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Available for sale

Non-derivative financial assets not included in the above categories are classified as available for sale. They are carried at fair value with changes in fair value recognised directly in the available for sale reserve. Where there is a significant or prolonged decline in the fair value of an available for sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously charged to equity, is recognised in the income statement. Purchases and sales of available for sale financial assets are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the available for sale reserve. On sale, the amount held in the available for sale reserve associated with that asset is removed from equity and recognised in the income statement.

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (continued)

(i) Financial Instruments issued by the company

Debt and Equity Instruments
Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual agreement.

Interest
Interest is classified as an expense consistent with the statement of financial position classification of the related debt or equity instruments.

(j) Financial liabilities

The Group classifies its financial liabilities as measured at amortised cost. The Group does not use derivative financial instruments in economic hedges of currency or interest rate risk.

These financial liabilities include the following items:

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

(k) Foreign Currency

Foreign currency transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise except that exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

(l) Functional and Presentation Currency

The functional and presentation currency of Canterbury Resources Limited and its Australian subsidiaries is the Australian dollar (A$). The functional and presentation currency of Capella Vanuatu Limited is the Vanuatu Vatu (VUV)

(m) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
(ii) for receivables and payables which are recognised inclusive of GST.

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

Cash flows are included in the statement of cash flows on a gross basis. 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.

(n) Impairment of Assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (continued)

(n) Impairment of Assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(o) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is accounted for using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

The company and all its wholly-owned Australian resident entities have not entered into a tax consolidated group under Australian taxation law.

(p) Intangible Assets

Goodwill

Goodwill represents the excess of the cost of the business combination over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill is not amortised but is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Impairment losses on goodwill cannot be reversed.

(q) Principles of Consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the Group, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 Consolidated and Separate Financial Statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the Group are eliminated in full.

Subsidiaries are accounted for at cost in the separate financial statements of Canterbury Resources Ltd less any impairment charges.

(r) Provisions

Provisions are recognised when the consolidated entity has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received and the amount of the receivable can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (continued)

(s) Receivables

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

(t) Recoverable Amount of Non-Current Assets

Non-current assets are written down to recoverable amount where the carrying value of any non-current assets exceeds recoverable amount. Recoverable amount is determined as the undiscounted amount expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the non-current assets.

(u) Revenue Recognition

Interest Income
Interest income is recognised as it is accrued using the effective interest rate method.

Other Income
Other income is recognised as it is earned.

(v) Share-based payments

Options over ordinary shares in Canterbury Resources Limited have been issued to selected employees, consultants, contractors and Directors of the Company. The cost of these equity-settled transactions is determined by reference to the fair value at the date at which they are granted. The fair value of the options is determined by using the Black & Scholes option pricing model.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (a) the extent to which the vesting period has expired and (b) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The expense recognised for equity-settled transactions is transferred to the share based payments reserve. When options are exercised the value is transferred from the share based payments reserve to equity. Where the options expire or lapse the value remains in the share based payments reserve.

(w) Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity instruments. The Group is not subject to any externally imposed capital requirements.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

AASB	Summary	Impact on group
Operative date 1 January 2013 with an application date for the group of 1 July 2013.		
AASB 10: Consolidated Financial Statements	AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees.	The Group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

New Accounting Standards for Application in Future Periods (continued)

Operative date 1 January 2013 with an application date for the group of 1 July 2013.		
AASB 11: Joint Arrangements	AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).	The amendments are not expected to significantly impact the Group.
AASB 12: Disclosure of Interests in Other Entities,	AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities.	The amendments are not expected to significantly impact the Group.
AASB 127: Separate Financial Statements (August 2012),	To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.	The amendments are not expected to significantly impact the Group.
AASB 128: Investments in Associates and Joint	To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.	The amendments are not expected to significantly impact the Group.
AASB 2012–7: 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]	To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.	The amendments are not expected to significantly impact the Group.
AASB 13: Fair Value Measurement and AASB 2012–8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009–11, 2011–7, 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]	AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements. AASB 13 requires: - inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and - enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.	The amendments are not expected to significantly impact the Group.

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

New Accounting Standards for Application in Future Periods (continued)

Operative date 1 January 2013 with an application date for the group of 1 July 2013.		
AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB101, AASB124, AASB134, AASB1049 & AASB 2011–8 and Interpretation 14]	These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Group does not have any defined benefit plans and so is not impacted by the amendment. AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of: (i) for an offer that may be withdrawn – when the employee accepts; (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.	The Group has not yet been able to reasonably estimate the impact of these changes to AASB 119.
AASB 2011–4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	This Standard makes amendments to AASB 124: Related Party Disclosures remove the individual key management personnel disclosure requirements (including paras AUS29.1 to Aus29.9.3). The3se amendments serve a number of purposes, incluyding furthering Trans-Tasman convergence, removing differences from IFRSs and avoiding any potential confusion with the equivalent *Corporations Act 2001* disclosure requirements.	This Standard is not expected to significantly impact the Group's financial statements because: - some of the diclosures removed fro AASB 124 will continue to be required under section 300A of the Corporations Act, which is applicable to the Group. - AASB 2011-4 does not affect the related partry disclosure requirements in AASB 124appplicable to all reporting entities and some of these requirements require similar disclosures to those rempoved by AASB 2011-4.
Operative date 1 July 2013 with an application date for the group of 1 July 2013.		
AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2012–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052	This Standard establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements: - Tier 1: Australian Accounting Standards; and - Tier 2: Australian Accounting Standards — Reduced Disclosure Requirements.	This Standard deems the Group to be a Tier 1 entity and hence there is no accounting impact to be considered going forward.

Operative date 1 January 2014 with an application date for the group of 1 July 2014.		
AASB 2012–3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities	This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	This Standard is not expected to significantly impact the Group's financial statements

1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

New Accounting Standards for Application in Future Periods (continued)

AASB	Summary	Impact on group
Operative date 1 January 2015 with an application date for the group of 1 July 2015.		
AASB 9: Financial Instruments (December 2010) and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The key changes made to accounting requirements include: - simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value; - simplifying the requirements for embedded derivatives; - removing the tainting rules associated with held-to-maturity assets; - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost; - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and - reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows. - requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.	The Group has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

No other new or proposed accounting standards or interpretations are expected to have a material impact on the Group.

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

(a) Credit risk

Credit risk arises from the potential failure of counterparties to meet their obligations under the respective contracts at maturity. There is negligible credit risk on financial assets of the Group since there is limited exposure to individual customers and the economic entity's exposure is limited to the amount of cash, short-term deposits and receivables which have been recognised in the balance sheet. The parent entity has exposure to credit risk in the amounts receivable from subsidiaries but this is limited as these amounts have been fully provided for.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are not materially exposed to changes in market interest rates.

The Group has no interest rate risk as its loans are at fixed rates.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to enable the company to operate as a going concern. The Board monitors liquidity on a monthly basis and management monitors liquidity on a daily basis.

(d) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is not exposed to foreign exchange risk . Currency protection measures may be deemed appropriate in specific commercial circumstances and are subject to strict limits laid down by the Board. The Group has not entered into any foreign currency hedging contracts during the year.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which forms the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(a) Impairment of non-financial assets other than goodwill

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include product and manufacturing performance, technology, economic and political environments and future product expectations. If an impairment trigger exists the recoverable amount of the asset is determined. Given the current uncertain economic environment management considered that the indicators of impairment were significant enough and as such these assets have been tested for impairment in this financial period.

(b) Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units, using a value in use discounted cash flow methodology, to which the goodwill and intangibles with indefinite useful lives are allocated.

(c) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black & Scholes or the Cox Ross Rubinstein binomial model, with the assumptions detailed in note 19. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

(d) 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 $78,708.

(e) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only where management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

4. PARENT COMPANY INFORMATION

The following information has been extracted from the books and records of the parent company and has been prepared in accordance with Accounting Standards.

	2013	2012
STATEMENT OF FINANCIAL POSITION	**$**	**$**
ASSETS		
Current assets	**591,442**	15,296
Non current assets	**61,819**	2
TOTAL ASSETS	**653,261**	15,298
LIABILITIES		
Current liabilities	**13,505**	2
Non current liabilities	**-**	-
TOTAL LIABILITIES	**13,505**	2
EQUITY		
Issued capital	**699,800**	20,000
Reserves	**56,836**	-
Accumulated losses	**(116,880)**	(4,704)
TOTAL EQUITY	**639,756**	15,296
STATEMENT OF COMPREHENSIVE INCOME		
Total loss	**(112,176)**	(4,704)
TOTAL COMPREHENSIVE INCOME (LOSS)	**(112,176)**	(4,704)

Guarantees

Canterbury Resources Ltd has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiary.

Contingent liabilities

At 30 June 2013, Canterbury Resources Ltd had no contingent liabilities.

Contractual commitments

At 30 June 2013, Canterbury Resources Ltd had not entered into any contractual commitments for the acquisition of property, plant and equipment.

5. REVENUE

	Consolidated	
	2013	**2012**
	$	**$**
Other income		
Interest received	**3,449**	-
Other income	**-**	-
	3,449	-

6. INCOME TAX

(a) Income tax expense

The prima facie income tax benefit on pre-tax accounting loss reconciles to the income tax benefit in the financial statements as follows:

Loss for year before income	**(113,393)**	(4,704)
Income tax benefit calculated at 30%	**(34,018)**	(1,411)
Temporary differences and tax losses not recognised	**34,018**	1,411
Other permanent differences		
- Non deductible expenses	**-**	-
Income tax benefit attributable to loss	**-**	-

6. INCOME TAX (CONTINUED)

(b) Income tax expense on other comprehensive income

The prima facie income tax benefit on pre-tax other comprehensive income reconciles to the income tax benefit in the financial statements as follows:

	Consolidated 2013 $	Consolidated 2012 $
Other comprehensive income for year	**-**	-
Income tax benefit calculated at 30%	**-**	-
Temporary differences and tax losses not recognised (refer Note 7(d))	**-**	-
Income tax benefit attributable to other comprehensive income	**-**	-

	Consolidated 2013 $	Consolidated 2012 $
(c) Adjusted franking account balance	**-**	-

(d) Deferred tax balances not recognised

Calculated at 30% not brought to account as assets:

Consolidated	Balance Sheet 2013 $	Balance Sheet 2012 $	Income Statement 2013 $	Income Statement 2012 $
Deferred tax assets				
Accruals	**3,000**	**-**	**3,000**	**-**
Capital raising costs	**432**	**-**	**432**	**-**
Revenue tax losses available for offset against future tax income	**14,455**	**1,244**	**13,211**	**1,244**
Deferred tax assets not recognised	**(17,887)**	**(1,244)**	**(16,643)**	**(1,244)**
	-	**-**	**-**	-

Relevance of tax consolidation to the consolidated entity

Legislation to allow groups comprising a parent entity and its Australian resident wholly-owned entities, to elect to consolidate and be treated as a single entity for income tax purposes ('the tax consolidation system') was substantively enacted on 21 October 2002. The company, its wholly-owned Australian resident entities and its sister entities within Australia are eligible to consolidate for tax purposes under this legislation and the directors of these entities consider it likely that they will elect to implement the tax consolidation system in due course.

At the date of this report, the directors have not made a final decision to implement the tax consolidation system and, if so, from what date the implementation would occur. As a result, only the financial effects of the mandatory aspects of the enabling legislation have been recognised in the financial statements and no adjustment has been made to recognise the financial effects that may result from the implementation of the tax consolidation system.

7. LOSS PER SHARE

	2013	2012
Basic loss per share (cents per share)	**(3.24)**	**(2.35)**
Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share.	**3,495,890**	200,000
Diluted loss per share (cents per share)	**(3.24)**	**(2.35)**
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted loss per share.	**3,495,890**	200,000
The loss per share is calculated using the net comprehensive income/(loss) for the year.	**(113,393)**	(4,704)

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

8. AUDITORS' REMUNERATION

	Consolidated 2013 $	Consolidated 2012 $
Remuneration of BDJ Partners for :		
Audit and review of the financial report	**12,900**	-
Total auditors remuneration	**12,900**	-

9. CASH AND CASH EQUIVALENTS

	Consolidated 2013 $	2012 $
Cash at bank and on hand	**142,493**	14,920
Cash on short term deposit	**400,000**	-
	542,493	**14,920**

The carrying amounts of the Group's cash are a reasonable approximation of their fair values.

10. CURRENT TRADE AND OTHER RECEIVABLES

	2013 $	2012 $
Other receivables	**21,634**	-
GST receivable	**5,476**	376
	27,110	376

The carrying amounts of the Group's current trade and other receivables are a reasonable approximation of their fair values.

11. OTHER CURRENT ASSETS

	2013 $	2012 $
Interest receivable	**2,396**	-
	2,396	-

The carrying amounts of the Group's other current assets are a reasonable approximation of their fair values.

12. PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2013 $	2012 $
Plant and Equipment at cost	**1,834**	-
Provision for depreciation	**(17)**	-
	1,817	-

	Plant & Equipment $	Low Cost Assets $	Total $
Gross Carrying Amount			
Balance at 30 June 2011	-	-	-
Additions	-	-	-
Disposals	-	-	-
Balance at 30 June 2012	**-**	**-**	**-**
Additions	**1,675**	**159**	**1,834**
Disposals	**-**	**-**	**-**
Balance at 30 June 2013	**1,675**	**159**	**1,834**
Accumulated Depreciation			
Balance at 30 June 2011	-	-	-
Depreciation Expense	-	-	-
Disposals	-	-	-
Balance at 30 June 2012	**-**	**-**	**-**
Depreciation Expense	**10**	**7**	**17**
Disposals	**-**	**-**	**-**
Balance at 30 June 2013	**10**	**7**	**17**

	Consolidated 2013 $	2012 $
Aggregate depreciation allocated during the year:		
- Plant and equipment	**10**	-
- Low cost assets	**7**	-
	17	-

13. EXPLORATION EXPENDITURE

	2013	2012
Exploration expenditure	**78,708**	-
Movement		
Balance at 1 July 2012	**-**	-
Additions	**19,443**	-
Acquired on acquisition of subsidiary	**59,265**	
Amounts written off	**-**	-
Balance at 30 June 2013	**78,708**	-

14. CURRENT TRADE AND OTHER PAYABLES

	Consolidated 2013 $	2012 $
Unsecured:		
Trade payables	**3,505**	-
Other payables and accruals	**10,480**	-
	13,985	-

The carrying amounts of the Group's current and other payables are a reasonable approximation of their fair values.

15. SHARE CAPITAL

	Consolidated 2013 $	2012 $
6,200,000 fully paid ordinary shares - no par value (2012: 2,000,000)	**140,000**	20,000
Personal Placement Offer - 11,340,000 fully paid ordinary shares (refer note)	**567,000**	-
Less share issue costs	**(7,200)**	-
	699,800	20,000

Note - the shares were allotted on 3 July 2013.
Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Movement in ordinary share capital of Canterbury Resources Limited	**2013 Number of shares**	**2013 $**	**2012 Number of shares**	**2012 $**
Balance at beginning of year	**200,000**	**20,000**	-	-
Canterbury Resources Limited shares issued during year				
Issued on incorporation			200,000	20,000
Issued to Directors	**3,000,000**	**60,000**	-	-
Acquisition of Capella Ventures	**3,000,000**	**60,000**	-	-
	6,200,000	**140,000**	200,000	20,000
Transaction costs relating to share issues		**(7,200)**		-
Balance at end of year	**6,200,000**	**132,800**	200,000	20,000

For the purposes of these disclosures, the Group considers its capital to comprise its ordinary share capital, and accumulated retained earnings. Neither the share based payments reserve nor the translation reserve is considered as capital. There have been no changes in what the Group considers to be capital since the previous period.

16. OPTIONS

	Expiry Date	Exercise Price	Number on issue 30 June 2012	Granted during year	Lapsed during year	Exercised during year	Number on issue 30 June 2013
Unlisted							
	30.06.2018	0.09	-	2,700,000	-	-	2,700,000
Total options on issue			-	2,700,000	-	-	2,700,000

17. RESERVES

	Consolidated 2013 $	2012 $
Share based payments reserve	**56,836**	-
Foreign currency translation reserve	**-**	-
	56,836	-

Share based payments reserve

	2013	2012
Balance at beginning of financial year	**-**	-
Value of options issued during year to :		
Directors, employees and consultants	**52,626**	-
In payment for services rendered	**4,210**	-
Balance at end of financial year	**56,836**	-

Nature and purpose of reserve
The share based payments reserve records the value of options issued to Directors, employees and consultants as part of the remuneration for their services.

18. ACCUMULATED LOSSES

	Consolidated 2013 $	2012 $
Balance at beginning of financial year	**(4,704)**	-
Net loss for year	**(113,393)**	(4,704)
Other comprehensive income/(loss) for year	**-**	-
Balance at end of financial year	**(118,097)**	(4,704)

19. SHARE BASED PAYMENTS

(a) Recognised share-based payment expenses

The expense recognised for employee services received during the year is shown in the table below:	Consolidated 2013 $	2012 $
Expense arising from equity-settled share-based payment transactions		
Options granted during year		
Directors and consultants	**52,626**	-
In payment for services rendered	**4,210**	-
Options exercised during year	**-**	-

(b) Details of share-based payments

Options granted during the year vested on the date of grant.

The fair value of the options granted during the year is estimated using the Black & Scholes or the Cox Ross Rubinstein binomial valuation methodology taking into account the terms and conditions under which the options are granted.

The contractual life of the options issued is 5 years.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2013 is 5.0 years (2012: 0 years).

The weighted average fair value of options granted during the year was $0.09 (2012: $0.00).

The range of exercise prices for options outstanding at the end of the year was $0.09 to $0.09.

The following table shows the inputs to the Black & Scholes or the Cox Ross Rubinstein binomial model in respect of options granted during the year.

	2013
Value of Underlying Stock	0.050
Exercise Price	0.090
Dividend Yield	0.00%
Volatility (per Year)	85.40%
Risk free rate	3.12%
Maturity	30/06/2018
Pricing Date	22/03/2013

The options issued are on an equity settled basis. There are no cash settlement alternatives.

Summary of options granted

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options issued during the year:

	2013 Number	2013 WAEP
Outstanding at the beginning of the year	-	0.0000
Granted during the year	2,700,000	0.0900
Forfeited during the year	-	0.0000
Exercised during the year	-	0.0000
Expired during the year	-	0.0000
Outstanding at the end of the year	2,700,000	0.0900
Exercisable at the end of the year	2,700,000	

20. PARTICULARS RELATING TO CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Ownership Interest 2013 %	Ownership Interest 2012 %
CONTROLLED ENTITY			
Canterbury Exploration Pty Ltd	Australia	100	100
Capella Ventures Pty Ltd	Australia	100	0
Capella Vanuatu Ltd	Vanuatu	100	0

21. COMMITMENTS FOR EXPENDITURE

	Consolidated 2013 $	Consolidated 2012 $
(a) Capital Expenditure Commitments		

There are no capital expenditure commitments at the end of the financial year

(b) Tenement Expenditure

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence.

	2013 $	2012 $
Annual expenditure requirement	92,540	-

22. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) The directors of Canterbury Resources Limited during the year were:

JED Anderson
GA Craighead
GN Fallon
RE Moller
S Bartrop (appointed 7 June 2013)

(b) Other key management personnel

All key management personnel of the consolidated entity are the directors of Canterbury Resources Limited.

(c) Remuneration of Directors and Executives

Details of Directors' remuneration for the year ended 30 June 2013

	Short term benefits Salary	Director's Fees	Post employment benefits Consulting Fees	Equity based benefits Superannuation	Options	Total	Performance related
	$	$	$	$	$	$	%
JED Anderson	**-**	**-**	**-**	**-**	**10,525**	**10,525**	**0.00%**
GA Craighead	**-**	**-**	**4,800**	**-**	**10,525**	**15,325**	**0.00%**
GN Fallon	**-**	**-**	**-**	**-**	**10,525**	**10,525**	**0.00%**
RE Moller	**-**	**-**	**2,925**	**-**	**10,525**	**13,450**	**0.00%**
S Bartrop	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
	-	**-**	**7,725**	**-**	**42,100**	**49,825**	

Details of Directors' remuneration for the year ended 30 June 2012

	Short term benefits Salary	Director's Fees	Retainer	Post employment benefits Superannuation	Equity based benefits Options	Total	Performance related
	$	$	$	$	$	$	%
JED Anderson	-	-	-	-	-	-	0.00%
GA Craighead	-	-	-	-	-	-	0.00%
GN Fallon	-	-	-	-	-	-	0.00%
RE Moller	-	-	-	-	-	-	0.00%
	-	-	-	-	-	-	

No loans have been made from the company to key management personnel.

(d) Transactions with associates of directors

	Consolidated 2013 $	Consolidated 2012 $
RENT AND OFFICE OVERHEADS		

Mr Craighead and Mr Bartrop, directors of the company, are directors of, and have a significant financial interest in, Breakaway Investment Group Pty Limited, a company that provided technical and office overhead services to the Company during the year. These services were provided under normal commercial terms and conditions.

	2013 $	2012 $
Rent	8,210	-

23. RELATED PARTY DISCLOSURES

(a) Directors

The directors of Canterbury Resources Limited during the year were :
JED Anderson
GA Craighead
GN Fallon
RE Moller
S Bartrop (appointed 7 June 2013)

(b) Remuneration of directors and key management personnel

Details of remuneration of directors are disclosed in Note 22 to the financial statements.

At 30 June 2013 there were no key management personnel other than directors.

(c) Equity interests in related parties

Equity interests inthe Controlled Entities

Details of the percentage of ordinary shares held in the Controlled Entities are disclosed in Note 20 to the financial statements.

24. SEGMENT INFORMATION

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The group is managed primarily on the basis of mineral exploration in Australia. Operating segments are therefore determined on the same basis.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

impairment of assets and other non-recurring items of revenue or expense;
corporate costs
income tax expense; deferred tax assets and liabilities;
current tax liabilities; other financial liabilities; and intangible assets

24. SEGMENT INFORMATION (CONTINUED)

Operating Segments

Segment performance 2013	**Head Office**	**Exploration**	**Intersegment Eliminations**	**Total**
	$	**$**	**$**	**$**
Revenue				
Interest revenue	2,396	2,590	-	4,986
Other income	4,767	-	(6,304)	(1,537)
Total revenue	7,163	2,590	(6,304)	3,449
Operating result				
Segment net loss before tax	(94,596)	(9,878)	13,408	(91,066)
Reconciliation of segment result to group net loss before tax				
Amounts not included in segment result but reviewed by board				
Corporate charges				(21,499)
Depreciation				(17)
Foreign Currency losses				(811)
Total net loss before tax				(113,393)
Segment assets and liabilities				
Segment assets	653,261	68,817	(69,554)	652,524
Unallocated assets				
Group assets				652,524
Segment liabilities	13,505	77,036	(76,556)	13,985
Unallocated liabilities				
Group liabilities				13,985

Segment performance 2012	**Head Office**	**Exploration**	**Intersegment Eliminations**	**Total**
	$	**$**	**$**	**$**
Revenue				
Interest revenue	-	-	-	-
Other income	-	-	-	-
Total revenue	-	-	-	-
Operating result				
Segment net loss before tax	(2,712)	-	-	(2,712)
Reconciliation of segment result to group net loss before tax				
Amounts not included in segment result but reviewed by board				
Corporate charges				(1,992)
Total net loss before tax				(4,704)
Segment assets and liabilities				
Segment assets	15,296	-	-	15,296
Unallocated assets				
Group assets				15,296
Segment liabilities	-	-	-	-
Unallocated liabilities				
Group liabilities				-

24. SEGMENT INFORMATION (CONTINUED)

Geographical Segments

Segment performance 2013	Australia	Vanuatu	Intersegment Eliminations	Total
	$	$	$	$
Revenue				
Interest revenue	2,396	2,590	-	4,986
Other income	4,766	-	(6,303)	(1,537)
Total revenue	7,162	2,590	(6,303)	3,449
Operating result				
Segment net loss before tax	(94,596)	(9,878)	13,408	(91,066)
Reconciliation of segment result to group net loss before tax				
Amounts not included in segment result but reviewed by board				
Corporate charges				(21,499)
Depreciation				(17)
Foreign Currency losses				(811)
Total net loss before tax				(113,393)
Segment assets and liabilities				
Segment assets	658,511	63,567	(69,554)	652,524
Unallocated assets				
Group assets				652,524
Segment liabilities	18,963	71,578	(76,556)	13,985
Unallocated liabilities				
Group liabilities				13,985

Segment performance 2012	Australia	Vanuatu	Intersegment Eliminations	Total
	$	$	$	$
Revenue				
Interest revenue	-	-	-	-
Other income	-	-	-	-
Total revenue	-	-	-	-
Operating result				
Segment net loss before tax	(2,712)	-	-	(2,712)
Reconciliation of segment result to group net loss before tax				
Amounts not included in segment result but reviewed by board				
Corporate charges				(1,992)
Total net loss before tax				(4,704)
Segment assets and liabilities				
Segment assets	15,296	-	-	15,296
Unallocated assets				
Group assets				15,296
Segment liabilities	-	-	-	-
Unallocated liabilities				
Group liabilities				-

25. CONTINGENT LIABILITIES

(a) Rehabilitation commitments

It is a condition of the granting of the exploration licence that the company rehabilitate the site before the licence expires. The directors are unable to quantify the expected cost or timing of the required rehabilitation.

26. SUBSEQUENT EVENTS

On 3 July 2013, 567,000 ordinary shares were allotted to subcribers to the personal placement offer.

There were no other events subsequent to balance date which require disclosure in these accounts.

27. FINANCIAL INSTRUMENTS DISCLOSURES

(a) Capital Management

The Group considers its capital to comprise its ordinary share capital and accumulated losses.

The Groups ordinary shares are classified as equity instruments. The Group is not subject to any externally imposed capital requirements.

In managing its capital, the Group's primary objective is to ensure its continued ability to maintain its operations and provide a platform to enable a return for its equity shareholders to be made when successful commercial operations are achieved. In order to achieve this objective, the Group seeks to maximise its fund raising to provide sufficient funding to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues, or reduction of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

(b) Financial instrument risk exposure and management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(c) Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risks arise, are as follows:

cash at bank;
trade and other receivables;
trade and other payables;

(d) General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the board is to set policies that seek to reduce risk as far as possinle without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Credit risk

Credit risk arises principally from the Group's trade receivables. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument.

Other receivables
Other receivables comprise the receivable in respect of GST receivable.

(ii) Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected to meet expected requirements for a period of at least 45 days.

The Board receives cash flow projections in a monthly basis as well as information regarding cash balances. At the balance sheet date, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The Group does not have any financing facilities in place and does not have a bank overdraft.

27. FINANCIAL INSTRUMENTS DISCLOSURES (CONTINUED)

Maturity analysis of financial assets and liability based on contractual obligations.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments in working capital (e.g., trade receivables). These assets are considered in the Group's overall liquidity risk.

Maturity Analysis - Consolidated - 2013	**Carrying Amount $**	**Contractual Cash flows < 6 mths $**	**6- 12 mths $**	**On demand * $**	**1-3 years $**	**> 3 years $**
Financial Assets						
Cash at bank and on hand	142,493	142,493	-	-	-	-
Cash on short term deposits	400,000	400,000	-	-	-	-
Other receivables	5,476	5,476	-	-	-	-
TOTAL	547,969	547,969	-	-	-	-
Financial Liabilities						
Trade and other payables	13,985	13,985	-	-	-	-
TOTAL	13,985	13,985	-	-	-	-
NET MATURITY	533,984	533,984	-	-	-	-

Maturity Analysis - Consolidated - 2012	**Carrying Amount $**	**Contractual Cash flows < 6 mths $**	**6- 12 mths $**	**On demand * $**	**1-3 years $**	**> 3 years $**
Financial Assets						
Cash at bank and on hand	14,920	14,920	-	-	-	-
Other receivables	376	376	-	-	-	-
TOTAL	15,296	15,296	-	-	-	-
Financial Liabilities						
TOTAL	-	-	-	-	-	-
NET MATURITY	15,296	15,296	-	-	-	-

(iii) Interest rate risk

The company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below :

Consolidated - 2013	NOTE	WEIGHTED AVERAGE INTEREST RATES	FLOATING INTEREST RATES	FIXED MATURING IN 1 YEAR TO 5 YEARS	NON-INTEREST BEARING	TOTAL
Financial Assets						
Cash	9	0.00%	-	-	142,493	142,493
Term deposits	9	4.00%	400,000	-	-	400,000
Receivables	10	0.00%	-	-	27,110	27,110
Total Assets			**400,000**	**-**	**169,603**	**569,603**
Financial Liabilities						
Payables	14	0.00%	-	-	13,985	13,985
Total Liabilities			**-**	**-**	**13,985**	**13,985**
Net financial assets (liabilities)			**400,000**	**-**	**155,618**	**555,618**
Consolidated - 2012						
Financial Assets						
Cash	9	0.00%	-	-	14,920	14,920
Total Assets			**-**	**-**	**14,920**	**14,920**
Financial Liabilities						
Total Liabilities			**-**	**-**	**-**	**-**
Net financial assets (liabilities)			**-**	**-**	**14,920**	**14,920**

27. FINANCIAL INSTRUMENTS DISCLOSURES (CONTINUED)

(iii) Interest rate risk (continued)

Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposure in existence at the balance sheet date. The analysis assumes all other variables remain constant.

		Consolidated	
	Carrying amount	+0.5% interest rate	-0.5% interest rate
Consolidated - 2013		Profit & Loss	Profit & Loss
Cash at bank	142,493	713	(713)
Cash on short term deposit	400,000	2,000	(2,000)
	542,493	2,713	(2,713)
Tax charge of 30%		(814)	814
Post tax profit increase / (decrease)		1,899	(1,899)

Sensitivity Analysis

		Consolidated	
	Carrying amount	+0.5% interest rate	-0.5% interest rate
Consolidated - 2012		Profit & Loss	Profit & Loss
Cash at bank	14,920	75	(75)
	14,920	75	(75)
Tax charge of 30%		(22)	22
Post tax profit increase / (decrease)		53	(53)

(iv) Currency risk

The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

The Group's exposure to foreign currency risk, which arises out of its investments in Vanuatu, is as follows:	**Consolidated**	
	2013 VUV	**2012 VUV**
Cash at bank	4,101,073	-
Exploration expenditure capitalised	1,303,677	-
Loans to controlled entities	(6,351,168)	-
Net Exposure	(946,418)	-

Sensitivity Analysis - 2013

The following sensitivity analysis is based on the foreign currency risk exposures in existence at the balance sheet date.
The below analysis assumes all other variables remain constant.

Consolidated	Carrying amount VUV	+10% VUV/AUD Profit & Loss AUD$	-10% VUV/AUD Profit & Loss AUD$
Cash at bank	4,101,073	4,622	(4,622)
Exploration expenditure capitalised	1,303,677	1,469	(1,469)
Loans to controlled entities	(6,351,168)	(7,158)	7,158
	(946,418)	(1,067)	1,067
Tax charge of 30%		320	(320)
Post tax profit increase / (decrease)		(747)	747

The Group's most significant supplier, located in Australia, accounts for 71.4% of trade payables at 30 June 2013.

(e) Accounting policies

Accounting policies in relation to financial assets and liabilities and share capital are contained in Note 1.

28. ADDITIONAL COMPANY INFORMATION

Principal Registered Office and Principal Place of Business

Suite 505,
35 Lime Street
SYDNEY NSW 2000

29. ACQUISITION OF CONTROLLED ENTITIES

Capella Ventures Pty Ltd

On 24 February 2012, the parent entity acquired 100% of the issued capital of Capella Ventures Pty Ltd, together with its wholly owned subsidiary Capella Vanuatu Ltd, by the issue of 3,000,000 ordinary shares at $0.02 each.

Revenue of Capella Ventures Pty Ltd included in the consolidated revenue of the Group since the acquisition date on 24 February 2012 amounted to a loss of $1,053. The loss of Capella Ventures Pty Ltd included in consolidated loss of the Group since the acquisition date amounted to $6,796.

Had the results of Capella Ventures Pty Ltd been consolidated from 1 July 2012, revenue of the consolidated group would have been $9,752 and consolidated loss would have been $112,178 for the year ended 30 June 2013.

	Acquiree's carrying amount	Fair Value
	$	$
Purchase Consideration:		
Issue of 3,000,000 ordinary shares		60,000
		60,000
Less: Cash	61,794	61,794
Trade and other payables	-61,059	-61,059
Exploration expenditure	0	59,265
	735	**60,000**
Goodwill		**0**
The purchase consideration was allocated as follows in the parent company:		
Cost of investment		60,000
		60,000

30. NOTES TO STATEMENTS OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled in the related items in the statement of financial position as follows:

	Consolidated	
	2013	2012
	$	$
Cash at bank and on hand and on deposit	542,493	14,920
	542,493	14,920

(b) Non cash transactions

Acquisition of Capella ventures Pty Ltd	60,000	-
Expenses paid by issue of options	4,210	-

(c) Reconciliation of total comprehensive income (loss) after income tax to net cash flows from operating activities

	Consolidated	
	2013	2012
	$	$
Total comprehensive income (loss) after income tax	**(113,393)**	(4,704)
Non cash items included in profit and loss		
Depreciation	**17**	-
Option expense	**56,836**	-
Changes in assets and liabilities		
(Increase) Decrease in receivables	**(7,196)**	(376)
(Increase) Decrease in other current assets	**(2,396)**	-
Increase (Decrease) in trade creditors	**3,505**	-
Increase (Decrease) in other creditors and accruals	**10,480**	-
Net cash used in operating activities	**(52,147)**	(5,080)
	-	**-**