BOSS RESOURCES LIMITED

Annual Report 2013

ABN 38 116 834 336

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Corporate Directory

Directors

Mr Evan Cranston	Non-Executive Director
Mr Thomas Gladwin-Grove	Non-Executive Director
Mr Peter Williams	Technical Director

Company Secretary

Ms Oonagh Malone

Principal Place of Business and Registered Office

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Solicitors to the Company

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Suite 1, 6 Richardson Street
West Perth WA 6005

Auditors

RSM Bird Cameron Partners
8 St Georges Terrace
Perth WA 6000

Share Registry

Security Transfer Registrars
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Applecross WA 6153

Review of Operations

New Exploration Strategy: Europe

Boss is embarking on a new exploration strategy applying low cost, modern direct detection geophysical technologies to underexplored historical mineralised belts in Europe, focussing on high value ore types. Similar technologies have been instrumental in recent world class, company-making discoveries such as Sirius Resources NL's Nova deposit and Sandfire Resources NL's Degrussa deposit in Australia. In Europe, such an approach was used to discover the Sakatti Cu-Ni Deposit by Anglo America in Lapland and to expand the resources in the historic Neves Corvo district of Portugal by Lundin Mining. In the first instance, Boss has focussed on Fennoscandia in terms of ground acquisition, but will be shortly conducting reviews of other opportunities in mining-friendly countries in broader Europe.

Fennoscandia has been identified as a prime initial region for Boss to focus on due to factors that include a mining history of over 1,000 years, excellent political stability and mining environment, and advanced infrastructure to allow rapid project development.

The Fennoscandian Shield is extremely prospective for other high value metal mineralisation with the majority of recent historical success being driven by government organisations who have conducted a considerable level of exploration over the last century. In Finland in the 1960's and 1970's, most base metal exploration was being undertaken by government or parastatal organisations and was reasonably well funded resulting in the discovery of many new mineral prospects. However, such exploration commonly lacked the rigorous economic evaluation methodologies that focus appropriate development investment in private sector organisations and by the early 1980's, such exploration was being deprived of government funding. Boss is of the opinion that serious opportunities exist to exploit this lack of follow up exploration and will initially target areas of known mineralisation.

Projects in Fennoscandia

Boss has entered into agreements to acquire 100% of 2 exciting nickel and copper exploration projects in mineral rich Scandinavia – the Liakka Project in Finland and the Skogtrask Project in Sweden (Figure 1), which are currently held by the Newgenco Group.

Figure 1. Boss JV project locations.

Using a set of criteria developed for its global project generation activities, Newgenco has identified the Liakka Project in Finland and the Skogtrask Project in Sweden as prospective nickel and copper opportunities. Focus is placed on the identification of sulphide-bearing intrusions that through their morphology, composition and tectonic setting, may have represented dynamic magma conduits. Specifically, the Liakka and Skogtrask Projects:

- have the potential to represent dynamic magma conduits (chonoliths) as judged by their internal geological and geochemical morphology and orientation with respect to the host stratigraphy;
- are part of a potential large magmatic province;
- are sulphide saturated with evidence for sulphide accumulation;

* contain first-stage sulphide saturation, ensuring that none of the metals of interest have previously been lost from the magma;
* have scale potential; and
* are located near major deep structures, including lithospheric 'edges' that could have focused deep-sourced magma.

Liakka Project, Finland

The Liakka Project is located 12 kilometres north of the regional centre of Tornio and close to the Swedish border on the Tornio River. The Project was defined as part of a 3-year regional exploration program undertaken by Newgenco during 2008-2011. Outcrop is poor due to the presence of thin glacial cover, similar to most of northern Finland.

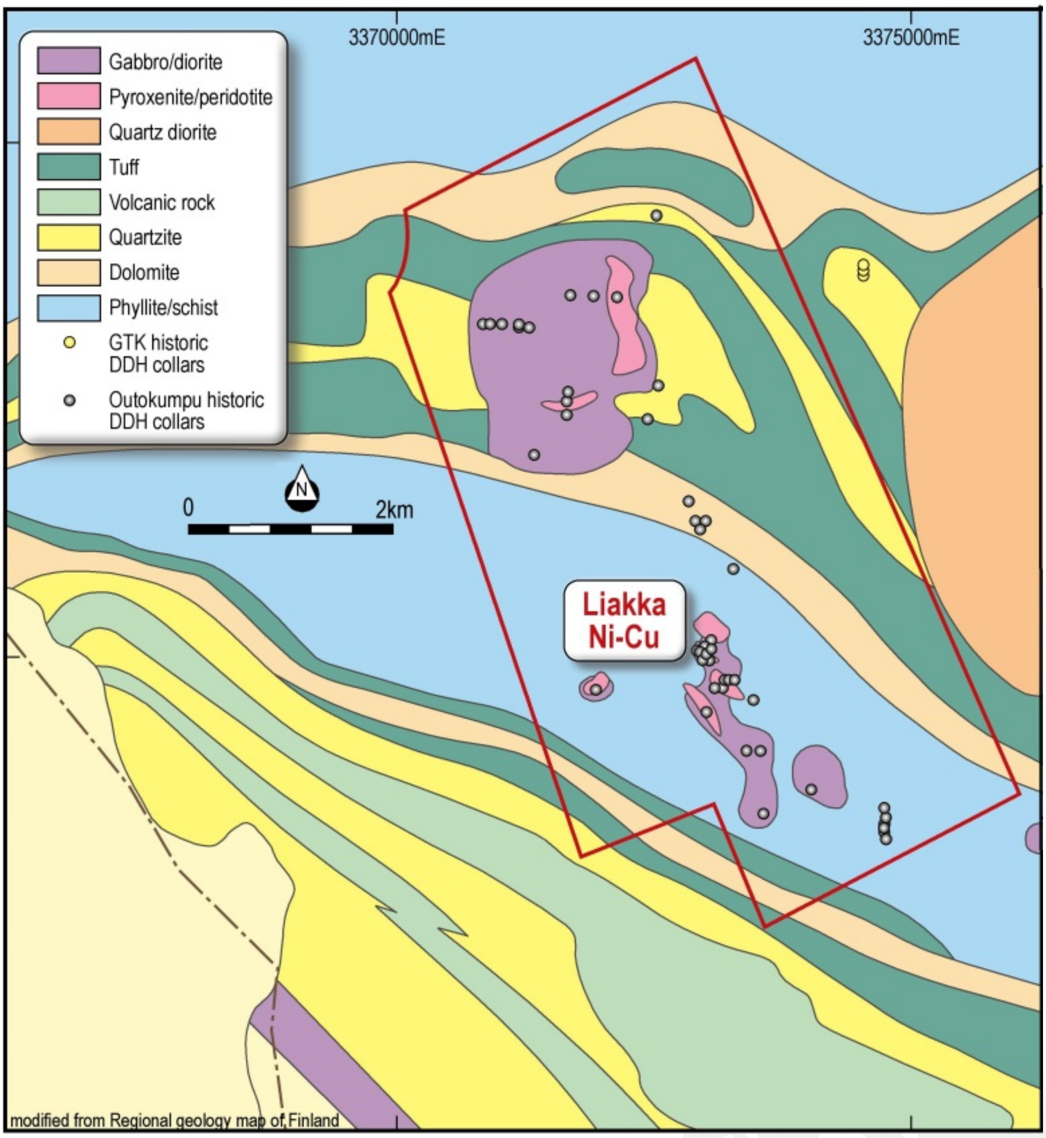

Figure 2. The Liakka Nickel Copper Project in Finland.

Daglish Ltd Oy (a company controlled by Newgenco) holds an application for a 29km^2 exploration permit covering discordant ultramafic to mafic intrusions that have been identified from airborne magnetic surveys. The Liakka deposit is hosted by a 1.8-1.9 Ga Svecofennian-aged mafic-ultramafic intrusion. This age is known to be highly prospective for nickel-copper-PGE mineralisation worldwide.

Geophysical exploration and 22 diamond drill holes (for a total of 3,455m) by Outokumpu between 1982 and 1986 confirmed the presence of nickel-copper sulphide hosted within ultramafic rocks in those intrusions. The presence of PGE has been confirmed by recent reanalysis of the historic core.

No further work has been conducted since this drilling. Substantial intercepts include:

- Hole DDHYLI-1
  - 6.0m at 0.8% Cu & 0.5% Ni
  - 12.9m at 0.7% Cu & 0.2% Ni
- Hole DDHYLI-16
  - 11m at 0.4% Cu & 0.3% Ni;
  - 18.5m at 0.4% Cu & 0.3%Ni
  - 4.5m at 0.7% Cu & 0.4% Ni

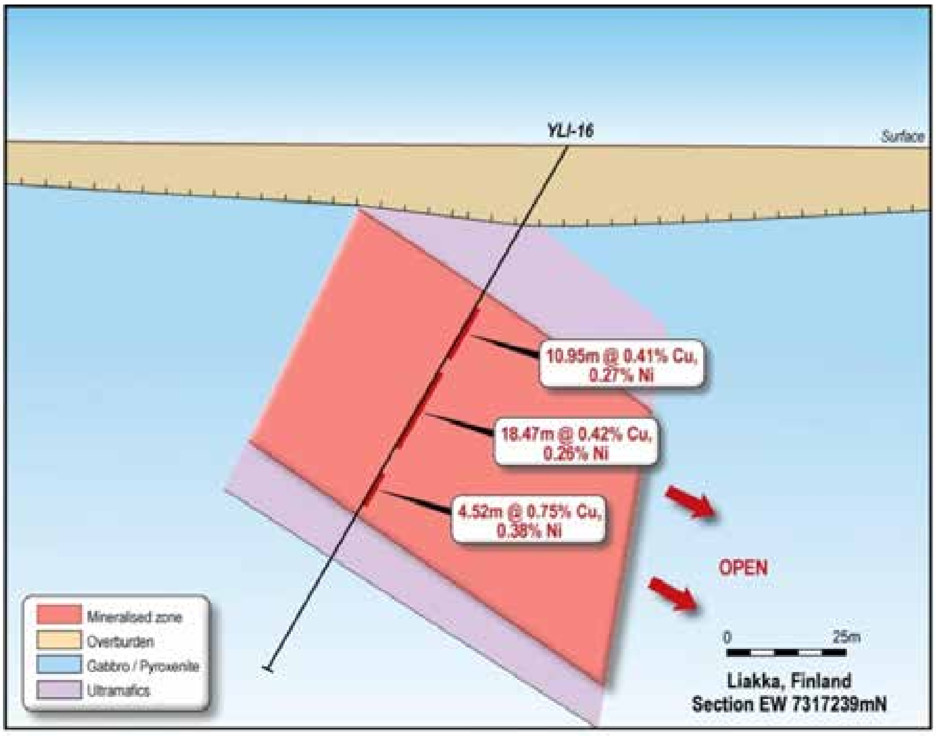

Figure 3. Liakka Project cross section highlighting broad zones of disseminated mineralisation.

Liakka has not undergone modern exploration with high-powered electromagnetic (EM) technologies, which are considered highly relevant to the fast track discovery of commercial significant mineralisation. Historical drilling has been limited and mostly shallow, leaving significant untested strike and down-dip extensions. The potential

exists for massive to semi-massive contact and disseminated sulphides within the main intrusion and underexplored adjacent magnetic highs and gabbro intrusions.

The Project is located close to bitumen road and rail access, power and port infrastructure, within a region that is reliant on forestry, mining and metal processing for its economy.

Figure 4. Typical landscape at Liakka Project, Finland

Boss has obtained all ground clearances from local land owners and commenced ground geophysical programs comprising of ground magnetics followed by high powered, deep penetrating ground TEM. The surveys will be targeting conductors with the potential for massive sulphide mineralisation in and around the historical shallow drilling conducted in the early 1980s.

If the results of the TEM programs indicate the presence of quality EM conductors, Boss will immediately move to commence drill programs.

Figure 5. Field crew connecting up the first large Transmitter Loop, Liakka, Finland

Skogtrask Project, Sweden

The Skogtrask Project is located 9 kilometres south of the regional centre of Kalix in northeast Sweden. The Project was defined as part of a 3-year regional exploration program undertaken by Newgenco during 2008-2011. Outcrop is poor due to the presence of thin glacial cover, similar to most of northern Sweden.

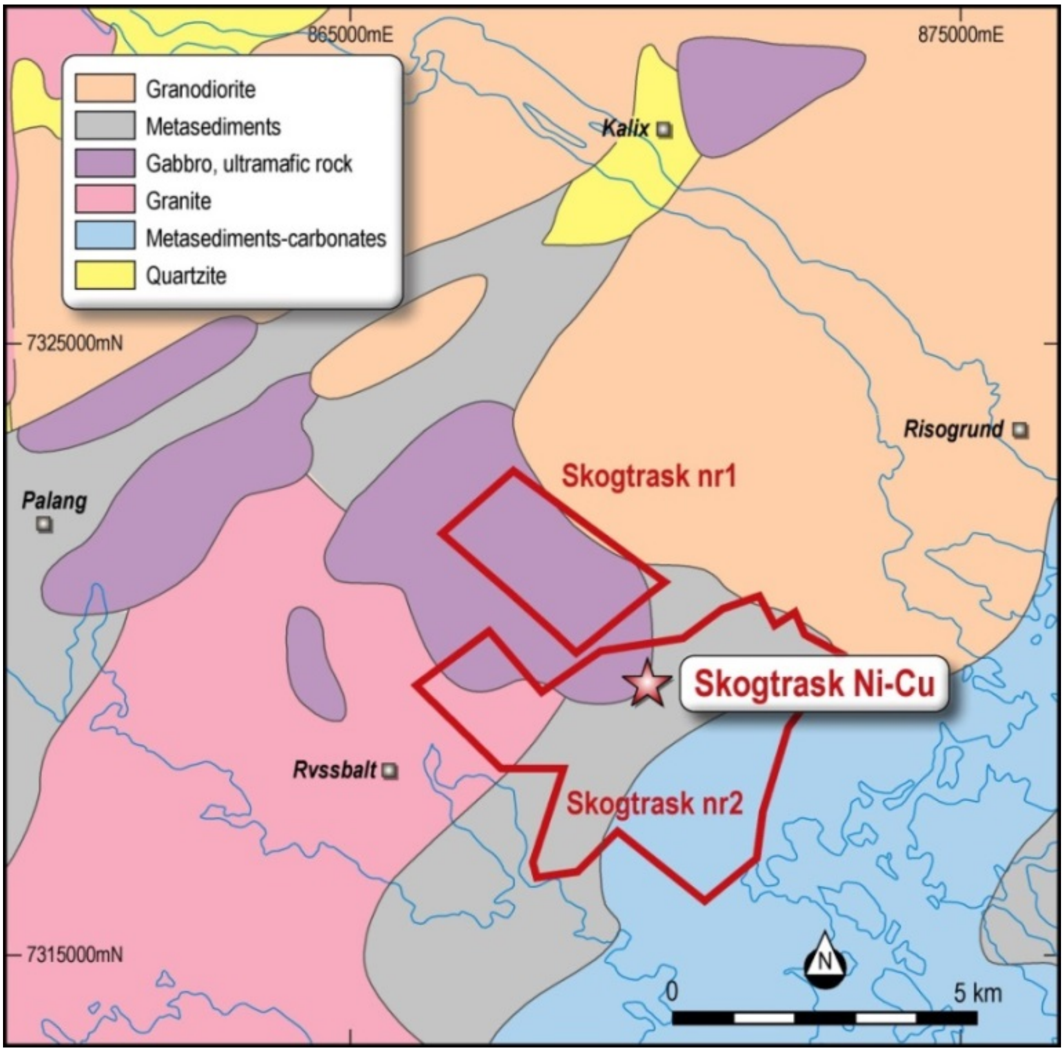

Figure 6. The Skogtrask Nickel Copper Project in Sweden.

Subiaco AB (a company controlled by Newgenco) has been granted a 22km^2 exploration claim covering a mafic to ultramafic intrusion that has been located from airborne magnetic surveys and government mapping. This intrusion lies adjacent to a major deep structure of a type that worldwide has been demonstrated to control the location of major nickel-copper camps. The Skogtrask deposit is hosted by a 1.8-1.9 Ga Svecofennian-aged mafic to ultramafic intrusion, which in turn is hosted in

sulphidic sediments. This age is known to be highly prospective for nickel-copper-PGE mineralization worldwide.

Shallow looking geophysical exploration and 11 shallow diamond drill holes by the Geological Survey of Sweden (SGU) in the period 1969-73 identified the presence of heavily disseminated to net-textured nickel-copper sulphide mineralisation at the base of the intrusion and in contact with metasediments in the footwall. No further work was conducted after the drilling. Surface sampling in 2011 identified copper and PGE-rich samples some 600 metres to the south west of the area drilled. Disseminated nickel-copper sulphides have been confirmed within other intrusions in the area.

Skogtrask has not undergone modern exploration and no modern high-powered EM technologies have been employed on the property. Historical drilling has been limited and shallow, leaving very significant untested strike and down-dip extensions. The potential is for massive to semi-massive contact and disseminated sulphides within the main intrusion and untested magnetic highs that are interpreted to represent additional intrusive targets.

The Project is located close to road and rail access, power and port infrastructure, within a region that is reliant on forestry and mining for its economy.

Boss is currently in the process of finalising ground clearances required to conduct ground geophysical programs comprising of ground magnetics followed by high powered ground TEM. These programs are expected to commence towards the end of 2013.

Figure 7. Typical landscape at Skogtrask Project, Sweden

Burkina Faso Gold Assets

Boss has a highly prospective group of gold projects in Burkina Faso, West Africa. Due to the current decline in market sentiment towards gold and gold exploration in West Africa, the Company made the strategic decision to diversify its exploration risk into other jurisdictions and commodities.

Golden Hill Project

During the year, the Company conducted regional soil sampling, rock chip sampling, trenching and mapping exercises over the Golden Hill Project.

The wide spaced (1km x 1km) soil sampling programs were designed to confirm historic gold-in-soil anomalism and complement the database with 51-element sample analysis across the entire project. Two distinct open ended geochemical anomalies have been identified coincident with the historic Intiedougou and Ma gold anomalies. The Intiedougou anomaly contains anomalous Au-Pb-Te over more than 3km of strike and the Ma anomaly displays anomalous Au-As-Cu-Sb-Hg-Zn over a 4km strike. A third distinctive >3km long Au-Pb-Mo-Sb-Te anomaly has also been identified at the margin of the Tarkwaian sediment package in the central west of the permit. A significant coincident Au-Ag-Mo-Te anomaly was identified between and along strike of the Nabere and Nabale artisanal workings within the Mougue Permit.

Rock chip samples returned high grade Au values including 2.4g/t Au, 1.9g/t Au and 1.6g/t Au from quartz veined carbonate-sericite altered basalt at the Nabere prospect, on the Mougue Permit. Other results included 48.8g/t Au from oxidised vein quartz within an active working at C Zone, 2.6g/t Au from strongly sheared, bleached basalt from workings at Ma, 3.4g/t Au from a quartz vein within altered basalt from an active working at Ma, 1.2g/t Au from sericite altered granite at Peksou and 26.8g/t Au from a sheared, slightly weathered basalt located 4 kilometre west of the A Zone.

3 trenches totalling 172 metres were excavated by hand across the Ma Shear Zone at the Ma East Prospect within the Golden Hill Project. The trenching program was designed to determine the orientation and grade of gold mineralisation at surface within the 4 kilometre long Ma gold anomaly. The trenches were excavated down to an average depth of 1.5 metres. Weathered bedrock (saprolite) was encountered in all trenches beneath 0.5-1 metres of residual soil cover. Significant gold mineralisation was encountered within all 3 trenches. METR001 and METR002 returned 36m @ 1.3g/t Au EOT, and 21m @ 1.0g/t Au respectively. The mineralised intercepts correspond to stockwork quartz veining within altered basalt and felsic dykes. METR003 returned 11m @ 1.4g/t Au which corresponded to sheeted quartz veins

within altered basalt. Four selective rock chip samples from within METR002 returned 6.4g/t, 5.1g/t, 4.7g/t and 2.0g/t Au. One selective sample from METR003 returned 2.87g/t Au.

The trench intercepts, combined with previous drill results, confirm continuous gold mineralisation over a 4 kilometre strike length of the Ma Shear Zone. The trench results indicate multiple lodes up to 50 metres wide. All intercepts are derived from individual 1 to 2 metre samples collected using a trench wall channel sampling system. Boss implements a rigorous quality control program with trenching. Samples were assayed using standard fire assay techniques.

Detailed prospect mapping at Ma East, Ma, A Zone, B Zone, C Zone, Peksou and Nahirindio South were completed during the year.

Re-logging of five Orezone diamond drill holes (TKD001, TKD002, TKD003, TKD004 and TKD005) was also completed. This included re-arranging of core boxes, replacing trays and re-assigning depth core blocks. No previous data for recovery, RQD or structural data was available, so a rudimentary recovery, RQD and fracture count was established. Orientation marks were not visible so only alpha angles for structural measurements were possible.

Gourma Project

During the course of the year, the Company conducted aircore drilling, regional soil sampling and auger drilling, trenching and mapping on the Gourma Project.

A 422 hole 15,038m aircore drilling program was completed within the Fada N'Gourma Greenstone Belt in eastern Burkina Faso. The program was designed to test for primary gold mineralisation beneath three strike extensive multi-element supported gold in soil anomalies within the Diabatou and Foutouri permits. Holes were drilled to blade refusal with total coverage achieved on each traverse where possible.

Aircore drilling at the Diabatou prospect indicated several zones of gold mineralisation and shearing sub-parallel to the regional structural and lithological trend (NE-SW) over a strike length of more than 800m. Better intercepts are associated with zones of deeper weathering which includes saprolitic clays beyond 87m down hole depth (all drill rods available on drill rig) with the best intercepts being 12m @ 2.75 g/t Au and 9m @ 2.34 g/t Au.

Aircore drilling at the Gariaga Prospect returned results indicating several zones of gold mineralisation and shearing sub-parallel to the regional structural and lithological

trend (NE-SW) over a strike length of more than 2 kilometres. Better intercepts are associated with intense limonite and deep weathering being 3m @ 11.34 g/t Au, 14m @ 2.1 g/t Au and 7m @ 1.97 g/t Au.

Aircore drilling at the Bohongou Prospect identified broad zones of low grade gold mineralisation with 8 holes ending in mineralisation. Gold intercepts are associated with quartz veined, strongly limonitic, quartz feldspar porphyry intrusives within highly weathered, sheared ultramafic units. Broad low grade mineralisation up to 90m wide was also encountered at the greenstone / granite contact in holes BOAC132 to BOAC137. Both styles of mineralisation have the potential for significant gold grade enrichment at structural intersections or jogs within this 10km long stretch of the Gourma Shear Zone. Best intercepts included 10m @ 1.20 g/t Au and 2m @ 2.37 g/t Au.

Aircore drilling at the Foutouri Prospect returned results including 11m @ 0.85 g/t Au including 8m @ 1.00 g/t Au, 1m @ 4.36 g/t Au and 6m @ 0.93 g/t Au.

Results for regional soil sampling (400m x 400m) and regional auger drilling (200m x 800m) completed over the entire Gourma Project identified numerous multi-element supported gold anomalies from within the Diabatou, Foutouri, Tyara and Boutouanou permits.

A combined 19 strike kilometres of gold anomalism has been identified from within the Diabatou permit alone, including a 10km x 1km >15ppb Au (+Cu-Te-W) at the Bohongou prospect, a 4km x 200m >15ppb Au (+As-Cu-W) at Komanmpouma and a variable width, 5km long >15ppb Au and +30ppm As (+Cu-Sb) anomaly linking the Diabatou-Gariaga artisanal sites. A >400m x 14km >15ppb Au and >10ppm As anomaly (+Te-W) links the Bongori – Souonkobou – Foutouri artisanal areas within the Foutouri permit, and a combined 5 strike kilometres of >15ppb Au anomalism has been delineated at the Boutouanou and Tanmbouana – Sefatendano prospects. Other areas of gold and pathfinder element anomalism include the 4 km long Lotto-Tampora zone (Au-Cu-Sb-W), the Fouanmbori prospect (Au-Cu-Ag-Zn-W) at the southern end of the Diabatou permit, and the Tanbouandi prospect (Au-Cu-Pb-Zn-Bi-Mo) at the southern end of the Tyara permit.

Results from 839 infill samples collected from the Bohongou and Komanmpouma prospects returned 14 values >200ppb Au including a maximum values of 974ppb Au and one sample >1g/t Au (above the upper detection limit of the analysis method). Maximum values of 200ppm Cu, 0.64ppm Te and 5.3ppm W were also received.

Results for infill soil samples collected along interpreted structures in the vicinity of active artisanal workings at the Bongori and Foutouri prospects have defined 2 sub-parallel coherent >20ppb soil anomalies each with >2 kilometre strike and both open to the SW and NE.

362 (100m x 100m spaced) infill soil samples were collected along interpreted structures in the vicinity of active artisanal workings at the Boutouanou prospect area.

A total of 12 rock chip samples were collected during the course of exploration over the Gourma Project. Results for these and 36 samples collected during the previous year returned maximum values of 0.2g/t Au and 0.17g/t Au from separate quartz veined shear zones at Foutouri and to the north of Souonkobou.

One 19m long trench was excavated by hand at the Diabatou Prospect during the year. Due to difficult digging conditions the planned length of 200m was not achieved. Nine 2m composite channel samples were collected from within saprolitic quartz diorite, across several NE to NNW trending goethitic shears and quartz veins. Six selective rock chip samples of variably orientated quartz veins was also completed. The channel sample results returned a maximum of 0.05g/t Au. Assays for the rock chips are awaited.

During the year field checking of soil anomalies, mapping and geological interpretation was completed at all the main prospects including the Bongori-Foutouri, Lotto-Tampora, Gariaga NE and Fouanmbori. A total of 48 rock chip samples were collected in the course of field checking and mapping with best results including 28.5g/t Au and 4.6g/t Au from smoky vein quartz at Bongori, 2.5g/t Au, 2.3g/t Au and 1.7g/t Au from saprolitic quartz veined basalt at Tampora, and 1.2g/t Au from quartz veined pyritic quartz diorite at Diabatou.

Latrobe Oil Shale Project, Tasmania

No significant work was conducted on this project during the year.

The information in this report that relates to exploration results is based on information compiled or reviewed by Mr Peter Williams, Technical Director of Boss Resources Ltd, who is a member of the Australian Institute of Geoscientists. Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williams consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

Directors' Report

Your Directors present their report on the Group for the year ended 30 June 2013.

Directors

The names of the Directors in office at any time during or since the end of the year are:

Mr Evan Cranston	Non-Executive Director
Mr Thomas Gladwin-Grove	Non-Executive Director
Mr Robert Grover	Non-Executive Chairman (resigned 30 November 2012)
Ms Oonagh Malone	Non-Executive Director (appointed on 24 July 2013 and resigned on 20 August 2013)
Mr Leigh Ryan	Managing Director (resigned 24 July 2013)
Mr Peter Williams	Technical Director (appointed 20 August 2013)

Principal Activities

The principal activities of the Group during the financial year were the exploration of its West African gold projects and the exploration and development of its oil shale asset in Tasmania. The Company continues to pursue the maximisation of its investments and the seeking of complementary projects to the ultimate benefit of its shareholders as evidenced by its recent change in strategy with the acquisition of the Liakka and Skogtrask Nickel-Copper Projects in Finland and Sweden respectively.

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

Review of Operations

West African Gold Projects

Exploration on the Company's Burkina Faso gold projects during the year concentrated on the Gourma Gold Project and the Golden Hill Gold Project.

Golden Hill exploration activities during the year consisted of regional multi-element soil sampling with results outlining numerous coincident gold and multi-element anomalism in addition to previous gold anomalies and relogging of diamond drill core. Gold mineralisation at Ma East was extended following trenching programs and results have confirmed the interpreted 4 kilometres of continuous gold mineralisation along the Ma Shear Zone.

Exploration at the Gourma Project included the completion of a 15,038m aircore drill program consisting of 422 holes, numerous rock chip sampling programs, infill soil sampling, trenching, mapping and geological interpretation. Six parallel zones of gold mineralisation at Foutouri remain open along strike

Directors' Report continued

and will require trenching and additional drill testing and trenching is required over two coherent gold anomalies at Bongori and Foutouri.

Tasmanian Oil Shale Project

During the year, 3D modelling work was completed by Boss Resources on the existing drill data base. The Company received several approaches during the quarter about a possible divestment. To date, no definitive agreement has been reached and there is no assurance that one will be agreed. The Company will update shareholders regarding developments.

Operating Results

The loss of the group for the year ended 30 June 2013 after providing for income tax amounted to $13,449,688 (2012: loss of $13,836,528).

Financial Position

The net assets of the group are $8,033,815 as at 30 June 2013 (2012: $18,988,696).

Significant Changes in State of Affairs

- On 27 July 2012, the Company issued 4,166,667 ordinary shares at an issue price of $0.06 each to institutional and sophisticated investors raising $250,000 before costs as part of a capital raising announced on 17 May 2012.

- On 30 July 2012, the Company issued 4,000,000 unlisted employee options exercisable at $0.08 each on or before 10 November 2014 and vesting in 2 equal tranches based on key performance indicators.

- On 2 August 2012, the Company issued 24,390,855 ordinary shares at an issue price of $0.06 each to institutional and sophisticated investors raising $1,463,451 before costs as part of capital raising announced on 17 May 2012.

- On 10 August 2012, the Company issued 9,500,000 unlisted options with an exercise price of $0.11, 9,500,000 unlisted options with an exercise price of $0.13 and 9,500,000 unlisted options with an exercise price of $0.15 each with an expiry date of 10 August 2015 to Directors following shareholder approval at a meeting held on 30 July 2012.

- On 19 October 2012, the Company issued 10,000,003 ordinary shares at an issue price of $0.06 each to institutional and sophisticated investors raising $600,000 before costs as part of a capital raising announced on 17 May 2012.

- On 25 October 2012, the Company issued 2,000,000 unlisted employee options exercisable at $0.11 and 200,000 unlisted employee options exercisable at $0.06 cents with 50% of each category vesting on 17 October 2013 and the remainder on 17 October 2014 and all with an expiry date of 17 October 2015.

INFORMATION ON CURRENT DIRECTORS

Mr Evan Cranston (BComm, LLB) Non-Executive Director

Appointed 2 May 2012

Mr Cranston is a corporate lawyer specialising in corporate and mining law. Evan holds a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia and was admitted as a barrister and solicitor of the Supreme Court of Western Australia.

Mr Cranston has broad experience in the areas of capital raisings, initial public offerings, tenement acquisition agreements, mineral rights agreements, joint ventures, mergers and acquisitions, corporate governance, the ASX listing rules and the Corporations Act.

Mr Cranston is currently an executive director of ASX listed Attila Resources and non-executive director of ASX listed companies, Carbine Resources Limited and Cradle Resources Limited. Mr Cranston was an executive director of Ampella Mining Limited to 2 April 2012.

Mr Cranston holds a relevant interest of nil shares and 15,000,000 unlisted options in the Company.

Mr Thomas Gladwin-Grove Non-Executive Director

Appointed 8 October 2009

Mr Grove has experience as a private equity adviser and has been involved in raising finance for a number of companies. He has been a director of I-Trade, a web based worldwide commodity trading platform, since 2006.

Other than Boss Resources Limited, over the past three years Mr Grove has not held any directorships with ASX listed companies.

Mr Grove holds a relevant interest in 2,682,000 shares and 3,000,000 unlisted options in the Company.

Mr Peter Williams Technical Director

Appointed 20 August 2013

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that lead to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Mr Williams also has extensive experience in West Africa where he was the vendor of Gryphon Minerals' Banfora Gold Project, was involved in the project generation of Papillion's Mali projects and was a founding director of Ampella Mining Ltd. Peter was a co-founder of the International Resource Sector Intelligence company, Intierra and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

Other than Boss Resources Limited, Mr Williams has not held any current directorships with ASX listed companies. Mr Williams was a non-executive director of Ampella Mining Limited to 25 November 2010.

Directors' Report continued

Mr Williams holds a relevant interest in 19,338,117 shares in the Company. Mr Williams is a director of Newgenco Pty Ltd, a company which Boss Resources has entered into two joint venture agreements and a technical services agreement.

Ms Oonagh Malone Company Secretary

Appointed 30 November 2012

Ms Malone is a principal of a corporate advisory firm which provides company secretarial and administrative services. She has over 5 years' experience in administrative support roles for listed exploration companies and is a member of the Chartered Secretaries of Australia.

Ms Malone held no relevant interest of shares in the Company during the year.

Meetings of Directors

During the financial year, five meetings of Directors (including committees of Directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Mr Evan Cranston	5	5
Mr Thomas Gladwin-Grove	5	5
Mr Robert Grover	2	2
Mr Leigh Ryan	5	5

Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

After Balance Date Events

- On 24 July 2013, Leigh Ryan resigned from his position as Managing Director for Boss Resources Ltd. To ensure compliance with Australian legal requirements, Oonagh Malone was appointed as interim Non-Executive Director.

- On 20 August 2013, the Company announced that it had entered into two joint venture agreements with Newgenco Pty Ltd over the Liakka and Skogtrask Copper-Nickel Projects located in Finland and Sweden respectively. Under each agreement, the Company committed to a minimum exploration spend of $80,000 in the first year and to free carry the vendors to completion of bankable feasibility studies for each project to secure an 80% interest. The Company also agreed to reimbursement of $20,000 in expenses and to issue 7.5 million shares at a deemed price of $0.008 per share to the vendors.

Directors' Report continued

- On 20 August 2013, Peter Williams was appointed to the position of Technical Director of the Company and Oonagh Malone resigned from the position of Non-Executive Director.

- On 29 August 2013, the Company issued 7.5 million shares to the vendors of the Liakka and Skogtrask Copper-Nickel Projects at a deemed issue price of $0.008 each pursuant to two joint venture agreements.

- On 16 September 2013, the Company lodged a prospectus with ASIC to raise approximately $1 million before costs by way of a 1 for 4 non-renounceable rights issue at $0.01 per share up to 99,468,295 shares.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the group in future financial years that require disclosure.

Future Developments, Prospects and Business Strategies

Further developments and business strategies are dependent upon the success of exploration work in Burkina Faso, Tasmania, Finland and Sweden, the outcome of the Fushun Mining Group negotiations and the Group's ability to maximise the value of its investment in Greenvale Mining NL and/or in identifying and acquiring suitable complementary resource projects.

Environmental Issues

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations at all times.

Options

At the date of this report there were 78,600,001 unlisted options on issue as follows:

- 19,991,667 options expiring 19 October 2013 exercisable at 12 cents each;
- 21,808,334 options expiring 9 December 2013 exercisable at 12 cents each;
- 4,000,000 options expiring 10 November 2014 exercisable at 8 cents each;
- 2,000,000 options expiring 10 November 2014 exercisable at 15 cents each;
- 100,000 options expiring 28 November 2014 exercisable at 15 cents each;
- 9,500,000 options expiring 10 August 2015 exercisable at 11 cents each;
- 9,500,000 options expiring 10 August 2015 exercisable at 13 cents each;
- 9,500,000 options expiring 10 August 2015 exercisable at 15 cents each;
- 2,000,000 options expiring 17 October 2015 exercisable at 11 cents each; and
- 200,000 options expiring 17 October exercisable at 6 cents each.

During the year, no options were exercised. On 31 July 2012, 55,000,000 unlisted options expired without being exercised.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of these proceedings.

The Group was not a party to any such proceedings during the year.

Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The Company has agreed to pay a premium for Directors and Officers Insurance.

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 20 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2013, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

REMUNERATION REPORT - AUDITED

Remuneration policy

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally.

Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Performance-based remuneration

The Board recognises that Boss Resources Limited operates in a global environment. To prosper in this environment it we must attract, motivate and retain key executive staff.

The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Company operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Company; and
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders.

Market Comparisons

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Company's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the committee to reward key employees when they deliver consistently high performance.

Board Remuneration

The Board determines actual payments to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Directors' Fees

Executive

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

Directors' Report continued

The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Company has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

The Board's policy for determining the nature and amount of remuneration for Board members and executives of the Company is as follows:

> The remuneration policy, setting the terms and conditions for executive directors and executives, was developed and approved by the Board. All executives receive a fee, part of which may be taken as superannuation, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Company's performance, executives' performance and comparable information from industry sectors and other listed companies in similar industries. The Board may in its discretion establish a performance based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.
>
> Salaried executive directors and specified executives are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.
>
> All remuneration paid to directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The maximum aggregate remuneration approved for Non-Executive Directors is currently $300,000.

It is recognised that non-executive director remuneration is ideally structured to exclude equity based remuneration. However, whilst the Company remains small and the full Board, including the Non-Executive Directors, are included in the operations of the Company more intimately than may be the case with larger companies, the Non-Executive Directors are entitled to participate in equity based remuneration schemes.

All Directors are entitled to have their indemnity insurance paid by the Company.

BOSS RESOURCES LIMITED

Directors' Report continued

Bonus or Profit Participation Plan

Performance incentives may be offered to executive directors and senior management of the Company through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

Details of remuneration for year ended 30 June 2013

	Salary, Fees and Commissions	Super-annuation Contribution	Cash Bonus	Non-cash Benefits	Share-based payments	Total	Performance related
	$	$	$	$	$	$	%
Key Management Person							
Mr Robert Grover	20,000	-	-	-	72,730	92,730	78%
Mr Thomas Gladwin-Grove	30,000	-	-	-	72,730	102,730	71%
Mr Leigh Ryan	260,000	23,400	-	-	181,825	465,225	39%
Mr Evan Cranston	155,334	-	-	-	363,650	518,984	70%
	465,334	23,400	-	-	690,935	1,179,669	59%

Details of remuneration for year ended 30 June 2012

	Salary, Fees and Commissions	Super-annuation Contribution	Cash Bonus	Non-cash Benefits	Share-based payments	Total	Performance related
	$	$	$	$	$	$	%
Key Management Person							
Mr Robert Grover	63,328	-	-	-	-	63,328	-
Mr Joseph Obeid	20,000	-	-	-	-	20,000	-
Mr Thomas Gladwin-Grove	40,000	-	-	-	-	40,000	-
Mr Leigh Ryan	260,000	23,400	-	-	-	283,400	-
Mr Evan Cranston	36,333	-	-	-	-	36,333	-
	419,661	23,400	-	-	-	443,061	-

Directors' Report continued

Options issued as part of remuneration for the year ended 30 June 2013

Compensation Options

There were a total of 28,500,000 (2012:nil) compensation options issued to Directors during the year. No Director options were exercised or lapsed during the year.

Number of options	Grant date	Vesting date	Expiry date	Exercise price	Value per option at grant date	Amount paid / payable by recipient
				$	$	$
9,500,000	30-Jul-12	30-Jul-12	10-Aug-15	0.11	0.02631	0.00
9,500,000	30-Jul-12	30-Jul-12	10-Aug-15	0.13	0.02413	0.00
9,500,000	30-Jul-12	30-Jul-12	10-Aug-15	0.15	0.02229	0.00

Share Based Payment Compensations

Details of options over ordinary shares in the Company provided as remuneration to Directors are set out below. When exercised, each option is convertible into one ordinary share of Boss Resources Limited.

2013	Numbers of options granted during the year	Value of options at grant date* $	Numbers of options vested during the year	% vested during the year
Directors				
Robert Grover	3,000,000	72,730	3,000,000	100%
Thomas Gladwin-Grove	3,000,000	72,730	3,000,000	100%
Leigh Ryan	7,500,000	181,825	7,500,000	100%
Evan Cranston	15,000,000	363,650	15,000,000	100%
Total	**28,500,000**	**690,935**	**28,500,000**	**100.00%**

* The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Refer to note 21 of financial statements.

Shares Issued on Exercise of Compensation Options

No options have been exercised during or since the year end.

[END OF AUDITED REMUNERATION REPORT]

BOSS RESOURCES LIMITED

Directors' Report continued

Signed in accordance with a resolution of the Board of Directors.

Evan Cranston
Director

DATED at PERTH this 26th day of September 2013

RSM Bird Cameron Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Resources Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 26 September 2013

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2013

	Note	2013 $	2012 $
Revenue	2	96,346	60,532
Impairment of exploration and evaluation	9	(10,505,500)	(10,000,000)
Employees and consultants		(1,692,124)	(1,004,358)
Accounting and legal		(69,684)	(73,371)
Travel and accommodation		(72,973)	(72,616)
Financing charges		(4,132)	(22,640)
Regulatory fees		(15,943)	(31,777)
Occupancy and communications		(146,154)	(102,787)
Exploration and evaluation expenditure	9	(735,077)	(2,289,121)
Other expenses		(304,447)	(300,390)
Loss before income tax expense		(13,449,688)	(13,836,528)
Income tax expense	3	-	-
Loss after income tax expense		(13,449,688)	(13,836,528)
Other Comprehensive income:			
Items that may be reclassified subsequently to operating result:			
Net (loss) on fair value of available-for-sale financial assets		(50,218)	(165,912)
Exchange differences on translating foreign controlled entities		(502,766)	91,972
Total other comprehensive (loss) for the year, net of tax		(552,984)	(73,940)
Total comprehensive (loss) for the year		(14,002,672)	(13,910,468)
Earnings per share			
Basic and diluted (loss) per share (cents per share)	14	(3.50)	(4.64)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2013

	Note	2013 $	2012 $
CURRENT ASSETS			
Cash and cash equivalents	4	1,681,524	2,946,353
Trade and other receivables	5	27,401	14,440
Other assets	6	1,492	28,010
Total Current Assets		1,710,417	2,988,803
NON-CURRENT ASSETS			
Plant and equipment	7	270,936	252,180
Other financial assets	8	163,913	186,978
Exploration and evaluation expenditure	9	6,009,356	16,499,488
Total Non-Current Assets		6,444,205	16,938,646
TOTAL ASSETS		8,154,622	19,927,449
CURRENT LIABILITIES			
Trade and other payables	10	115,695	919,754
Provisions	11	5,112	18,999
TOTAL CURRENT LIABILITIES		120,807	938,753
TOTAL LIABILITIES		120,807	938,753
NET ASSETS		8,033,815	18,988,696
EQUITY			
Issued capital	12	41,792,589	39,525,493
Reserves	12	6,339,186	6,111,475
Accumulated losses		(40,097,960)	(26,648,272)
TOTAL EQUITY		8,033,815	18,988,696

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2013

	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Financial Assets Reserve	Total
	$	$	$	$	$	$
Balance at 1 July 2011	34,646,110	(12,811,744)	1,043	5,945,500	188,658	27,969,567
Loss for the year	-	(13,836,528)	-	-	-	(13,836,528)
Other comprehensive gain/ (loss) for the year	-	-	91,972	-	(165,912)	(73,940)
Total comprehensive (loss) for the year	-	(13,836,528)	91,972	-	(165,912)	(13,910,468)
Shares issued during the year	5,043,949	-	-	-	-	5,043,949
Capital raising costs	(164,566)	-	-	-	-	(164,566)
Share based payments	-	-	-	50,214	-	50,214
Balance at 30 June 2012	39,525,493	(26,648,272)	93,015	5,995,714	22,746	18,988,696
Balance at 1 July 2012	39,525,493	(26,648,272)	93,015	5,995,714	22,746	18,988,696
Loss for the year	-	(13,449,688)	-	-	-	(13,449,688)
Other comprehensive loss for the year	-	-	(502,766)	-	(50,218)	(552,984)
Total comprehensive (loss) for the year	-	(13,449,688)	(502,766)	-	(50,218)	(14,002,672)
Shares issued during the year	2,313,451	-	-	-	-	2,313,451
Capital raising costs	(46,355)	-	-	-	-	(46,355)
Share based payments	-	-	-	780,695	-	780,695
Balance at 30 June 2013	41,792,589	(40,097,960)	(409,751)	6,776,409	(27,472)	8,033,815

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2013

	Note	2013 $	2012 $
		Inflows/(Outflows)	
Cash Flows from Operating Activities			
Payments to suppliers and employees		(731,044)	(520,863)
Expenditure on mining interests		(2,480,837)	(2,639,256)
Finance costs		(4,132)	(5,833)
Interest received		73,386	60,532
Other receipts		22,960	-
Net cash (used in) operating activities	13	(3,119,667)	(3,105,420)
Cash Flows from Investing Activities			
Purchase of plant and equipment		(146,890)	(296,257)
Capitalised exploration expenditure		(15,368)	(141,036)
Net cash (used in) investing activities		(162,258)	(437,293)
Cash Flows from Financing Activities			
Proceeds from issue of share capital (net)		2,017,096	4,879,383
Share application monies received pending share allotment		-	250,000
Net cash provided by financing activities		2,017,096	5,129,383
Net (decrease)/ increase in cash held		(1,264,829)	1,586,670
Cash at the beginning of the financial year		2,946,353	1,289,535
Exchange differences on cash and cash equivalents		-	70,148
Cash at the end of the financial year	4	1,681,524	2,946,353

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2013

These consolidated financial statements and notes represent those of Boss Resources Limited and Controlled Entities (the “group” or “consolidated entity”). Boss Resources Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Boss Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 26 September 2013 by the directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has 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*. The group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

In the year ended 30 June 2013, the Company has reviewed all of the new and revised Australian Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. It has been determined by the company that there is no impact, material or otherwise, of the new Standards and Interpretations on its business and therefore, no changes are required to its accounting policies.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

New accounting standards issued but not yet effective

At the date of this financial report the following accounting standards, which may impact the consolidated entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2015
AASB 10	*Consolidated Financial Statements*	Replaces the requirements of AASB 127 and Interpretation 112 pertaining to the principles to be applied in the preparation and presentation of consolidated financial statements.	1 January 2013
AASB 11	*Joint Arrangements*	Replaces the requirements of AASB 131 pertaining to the principles to be applied for financial reporting by entities that have in interest in arrangements that are jointly controlled.	1 January 2013
AASB 12	*Disclosure of Interests in Other Entities*	Replaces the disclosure requirements of AASB 127 and AASB 131 pertaining to interests in other entities.	1 January 2013
AASB 127	*Separate Financial Statements*	Prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1 January 2013
AASB 128	*Investments in Associates and Joint Ventures*	Prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	1 January 2013
AASB 13	*Fair Value Measurement*	Provides a clear definition of fair value, a framework for measuring fair value and requires enhanced disclosures about fair value measurement.	1 January 2013
AASB 119	*Employee Benefits*	Prescribes the accounting and disclosure for employee benefits. This Standard prescribes the recognition criteria when in exchange for employee benefits.	1 January 2013

The entity has decided against early adoption of these standards and interpretations. Furthermore, these changes in standards and interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 1: Summary of Significant Accounting Policies (continued)

Accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Principles of consolidation

A controlled entity is any entity over which Boss Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 15.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the group during the year, their operating resulted have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

b) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

c) Foreign Currency Translation

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

d) Income Tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

e) Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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 consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all plant and is depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	12.5-66.67%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement profit or loss and other comprehensive income.

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

f) Exploration and Development Expenditure

For each area of interest, expenditure incurred in the exploration for, and evaluation of, mineral resources are either expensed as incurred or capitalised and recognised as an exploration and evaluation asset.

Exploration, evaluation and development expenditure capitalised are only carried forward to the extent that they are expected to be recouped through the 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. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the 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. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

g) Leases

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are changes as expenses in the periods in which they are incurred.

h) Trade and other Payable

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

i) Trade and other receivables

Trade account receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for doubtful accounts.

j) Revenue

Interest revenue is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax (GST).

k) Goods and Services Tax

Revenues, 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 taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

l) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

m) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets where they are not expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

m) Financial Instruments continued

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(iv) Share-Based Payment Transactions

The company provides benefits to key management personnel of the group in the form of share-based payments, whereby the key management personnel render services in exchange for shares or rights over shares (equity settled transactions). The company does not provide cash settled share based payments.

The cost of equity settled transactions with key management personnel are measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cost of equity settled transactions are recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

(v) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred except borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale. In this case the borrowing costs are capitalised as part of the cost of such a qualifying asset.

The amount of borrowing costs relating to funds borrowed generally and used for the acquisition of qualifying assets has been determined by applying a capitalisation rate to the expenditures on those assets. The capitalisation rate comprises the weighted average of borrowing costs incurred during the period.

(vi) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

m) Financial Instruments continued

(vii) Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

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

(viii) Employee Benefits

Provision is made for the Group'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 payable later than one year 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 wages increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(ix) Critical Accounting Estimates and Assumptions

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

Capitalised Exploration and Evaluation Expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the company decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share based payment transactions

The group measures the cost of equity-settled transactions with reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined from market value of the company's shares at grant date using an option valuation methodology.

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 2: REVENUE

	2013 $	2012 $
Interest revenue	76,302	60,532
Other income	20,044	-
	96,346	60,532

NOTE 3: INCOME TAX EXPENSE

a. Income tax expense

	2013	2012
Current tax	-	-
Deferred tax	-	-
Under/(over) provision in respect of prior years	-	-
	-	**-**

b. Numerical reconciliation of income tax benefit to prima facie tax payable

	2013	2012
Loss from continuing operations before income tax expense	(13,449,688)	(13,836,527)
Tax at the Australian tax rate of 30% (2012: 30%) and Burkina Faso rate of 25%	(3,966,029)	(4,150,959)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share based payments	234,209	-
Impairment of assets	3,151,650	3,000,000
Other undeductible expenses	(70,099)	32,913
Income tax benefit not recognised	650,269	1,118,046
Income tax expense	**-**	**-**

c. Unrecognised deferred tax assets – tax losses

	2013	2012
Unused tax losses for which no deferred tax asset has been recognised	11,963,631	9,023,527
Potential tax benefit at the Australian tax rate of 30% (2012: 30%) and Burkina Faso rate of 25% (2012: 25%)	**3,366,533**	**2,707,058**

The group has Australian related tax losses for which no deferred tax asset is recognised of $7,512,515 and Burkina Faso related tax losses of $4,451,116 for which no deferred tax asset has been recognised.

d. Unrecognised temporary differences

	2013	2012
Unrecognised deferred tax asset at 30 June relates to the following:		
Accumulated impairment of assets	8,543,852	5,377,137
Capital raising costs recognised directly in equity	46,633	87,059
Other unrecognised temporary differences	8,283	24,400
	8,598,7698	**5,488,596**

The temporary differences have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable. The benefit of these deferred tax assets will only be obtained if:

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 3: INCOME TAX EXPENSE (continued)

(1) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;

(2) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and

(3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

No franking credits are available.

	2013 $	2012 $
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	165,768	2,944,175
Term deposit	1,515,756	2,178
	1,681,524	2,946,353
NOTE 5: TRADE AND OTHER RECEIVABLES		
Trade receivables	27,401	14,440
	27,401	14,440
NOTE 6: OTHER ASSETS		
Prepaid expenses	1,492	28,010

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

	2013 $	2012 $
NOTE 7: PLANT AND EQUIPMENT		
Cost	488,105	339,891
Accumulated depreciation	(217,169)	(87,711)
	270,936	252,180
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	252,180	27,464
Additions	146,890	296,257
Disposals	-	-
Depreciation expense	(128,134)	(71,541)
Carrying amount at end of the year	270,936	252,180

NOTE 8: OTHER FINANCIAL ASSETS

Security bonds	74,366	47,000
Available for sale financial assets	89,547	139,978
	163,913	186,978
Listed investments, at fair value		
- Share in listed corporation	89,547	139,978

Available for sales financial assets comprise investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment.

Security bonds are terms deposits held as security and deposits held by service providers. The term deposits are held by Australian banks with at least 'A' credit rankings. The security deposits are held by utility suppliers in Burkina Faso.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

Balance at the beginning of the year	16,499,488	26,358,452
Exploration expenditure incurred	750,445	2,430,157
Impairment of exploration and evaluation	(10,505,500)	(10,000,000)
Exploration expenditure expensed	(735,077)	(2,289,121)
Balance at the end of the year	6,009,356	16,499,488

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

NOTE 10: TRADE AND OTHER PAYABLES

Trade payables	88,017	841,713
Accrued expenditure	22,500	62,333
GST payable	5,178	15,708
	115,695	919,754

All payables are on industry standard payment terms.

	2013 $	2012 $
NOTE 11: PROVISIONS		
Employee entitlements	5,112	18,999

NOTE 12: ISSUED CAPITAL

	Number	$
Issued Capital - fully paid ordinary shares	390,373,182	41,792,589

a) Ordinary Shares

2013

Ordinary Shares	**Number**	**$**
Balance at 1 July 2012	351,815,657	39,525,493
Share issue - 27 July 2012 at $0.06 per share	4,166,667	250,000
Share issue - 2 August 2012 at $0.06 per share	24,390,855	1,463,451
Share issue - 19 October at $0.06 per share	10,000,003	600,000
Share issue costs	-	(46,355)
Balance at 30 June 2013	390,373,182	41,792,589

2012

Balance at 1 July 2011	267,749,861	34,646,110
Share issue - 19 October 2011	19,991,667	1,199,500
Share issue - 9 December 2011	21,808,334	1,308,500
Share issue costs	-	(30,983)
Share issue - 22 May 2012	19,765,813	1,185,949
Share issue - 25 May 2012	22,499,982	1,349,999
Share issue costs	-	(133,582)
Balance at 30 June 2012	351,815,657	39,525,493

NOTE 12: ISSUED CAPITAL continued

b) Unlisted Options

	Number	$
2013		
Balance at 1 July 2012	98,900,001	5,995,713
Expiry of options on 31 July 2012	(55,000,000)	-
Director options granted 30 July 2012	28,500,000	690,935
Employee options granted 30 July 2012 (amortised over the vesting periods)	4,000,000	42,002
Employee options granted 25 October 2012 (amortised over the vesting period)	2,200,000	2,142
Amount expensed over vesting periods for options granted in prior year	-	45,616
Balance at 30 June 2013	78,600,001	6,776,408
2012		
Balance at 1 July 2011	55,000,000	5,945,500
19 October 2011		
Free attaching Options pursuant to Share issue	19,991,667	-
9 December 2011		
Free attaching Options pursuant to Share issue	21,808,334	-
Issued 11 November 2011 (amortised over the vesting period)	2,000,000	48,459
Issued 5 December 2011 (amortised over the vesting period)	100,000	1,754
Balance at 30 June 2012	98,900,001	5,995,713

The options reserve represents the charge for outstanding Options which have met all conditions precedent to vest, but which have not been exercised.

c) Financial Assets reserve

The fair value reserve represents the revaluation of available for sale financial assets.

d) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of its foreign controlled subsidiaries.

e) Capital Risk Management

When managing capital, management's objective is to ensure the company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the company.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The company does not have a defined share buy-back plan.

No dividends were paid or declared in the years ending 2012 and 2013.

There is no current intention to incur debt funding on behalf of the company as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies.

The group is not subject to any externally imposed capital requirements.

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 13: CASHFLOW INFORMATION

a) Reconciliation of net cash used in operating activities with profit after income tax

For the purpose of the statement of cash flows, cash includes cash on hand and at bank and deposits. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

	2013 $	2012 $
Cash at Bank and on hand	1,681,524	2,946,353

Reconciliation of loss after related income tax to net cash used in operating activities:

	2013	2012
Operating loss	(13,449,688)	(13,836,528)
Adjustments for:		
Depreciation	128,134	71,542
Impairment of exploration and evaluation	10,505,500	10,000,000
Impairment of investment in financial assets	-	11,106
Exchange differences	(502,766)	21,824
Share based payments	780,695	50,213
Net changes in working capital:		
Other financial assets	(27,153)	-
Provisions	(13,887)	-
Payables	(554,059)	(4,640)
Receivables	(12,961)	-
Other assets	26,518	581,063
Net cash used in operating activities	(3,119,667)	(3,105,420)

b) Non-cash Financing and Investing Activities

The Group did not enter into any non-cash financing or investing activities during the year.

NOTE 14: LOSS PER SHARE

	2013 $	2012 $

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

	2013	2012
Loss for the year	(13,449,688)	(13,836,528)
	No.	**No.**
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share	384,818,665	298,074,091

NOTE 15: DETAILS OF CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned % 2013	2012
Parent Entity:			
Boss Resources Limited	Australia		
Subsidiary of Boss Resources Limited:			
Boss Energy (Latrobe Holdings) Pty Ltd	Australia	100	100
Minga Pty Ltd	Australia	100	100
Askia Gold Pty Ltd	Australia	100	100
Boss Minerals Pty Ltd	Australia	100	100
Subsidiary of Askia Gold Pty Ltd:			
Boss Gold SARL (formerly Askia Gold SARL)	Burkina Faso	100	100
Subsidiary of Boss Minerals Pty Ltd:			
Boss Minerals SARL*	Burkina Faso	100	-

*Boss Minerals SARL was incorporated in July 2012 in Burkina Faso.
There have been no other movements in percentage ownership or cost of controlled entities during the year.

NOTE 16: KEY MANAGEMENT PERSONNEL

(a) Directors and other key management personnel

The directors of Boss Resources Limited during the financial year were:

Mr Robert Grover – Non-Executive Chairman (resigned 30 November 2012)
Mr Leigh Ryan – Managing Director (resigned 24 July 2013)
Mr Evan Cranston – Non-Executive Director
Mr Thomas Gladwin-Grove – Non-Executive Director

There were no other key management personnel during the year ended 30 June 2013.

(b) Compensation of key management personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the consolidated entity's key management personnel for the year ended 30 June 2013.

	2013 $	2012 $
Short term employment benefit	465,334	419,661
Other benefits	23,400	23,400
Share based payments	690,935	-
	1,179,669	443,061

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 16: KEY MANAGEMENT PERSONNEL continued

(c) Equity instrument disclosures relating to key management personnel

(i) Share holdings

The number of shares in the company held during the financial year by each director of Boss Resources Limited and other key management personnel of the company, including their personally related parties, is set out below.

Key Management Person	Balance at start of year	Received as Compensation	Options Exercised	Net Change Other	Balance at end of year
2013	**Number**	**Number**	**Number**	**Number**	**Number**
Mr R Grover	7,571,501	-	-	-	7,571,501
Mr T Gladwin-Grove	2,500,000	-	-	-	2,500,000
Mr L Ryan	3,000,000	-	-	500,000	3,500,000
Mr E Cranston	-	-	-	-	-
	13,071,501	-	-	500,000	13,571,501

Key Management Person	Balance at start of year	Received as Compensation	Options Exercised	Net Change Other	Balance at end of year
2012	**Number**	**Number**	**Number**	**Number**	**Number**
Mr R Grover	7,571,301	-	-	200	7,571,501
Mr J Obeid#	5,367,000	-	-	(5,367,000)	-
Mr T Gladwin-Grove	2,500,000	-	-	-	2,500,000
Mr L Ryan	3,000,000	-	-	-	3,000,000
Mr E Cranston	-	-	-	-	-
	18,438,301	-	-	(5,366,800)	13,071,501

Mr Obeid resigned on the 4th October 2011

(ii) Option holdings

The number of options over ordinary shares in the company held during the financial year by each director of Boss Resources Limited and other key management personnel of the company, including their personally related parties, is set out below.

NOTE 16: KEY MANAGEMENT PERSONNEL continued

Key Management Person	Balance at start of year	Granted as Compensation	Options Exercised	Net Change Other	Balance at end of year	Total Vested 30 Jun 2013	Total Exercisable 30 Jun 2013	Total Unexercisable 30 Jun 2013
2013	Number	Number	Number	Number	Number	Number	Number	Number
Mr R Grover	-	3,000,000	-	-	3,000,000	3,000,000	3,000,000	-
Mr T Gladwin-Grove	-	3,000,000	-	-	3,000,000	3,000,000	3,000,000	-
Mr L Ryan	2,000,000	7,500,000	-	(2,000,000)	7,500,000	7,500,000	7,500,000	-
Mr E Cranston	-	15,000,000	-	-	15,000,000	15,000,000	15,000,000	-
	2,000,000	28,500,000	-	(2,000,000)	28,500,000	28,500,000	28,500,000	-

Key Management Person	Balance at start of year	Granted as Compensation	Options Exercised	Net Change Other	Balance at end of year	Total Vested 30 Jun 2012	Total Exercisable 30 Jun 2012	Total Unexercisable 30 Jun 2012
2012	Number	Number	Number	Number	Number	Number	Number	Number
Mr R Grover	-	-	-	-	-	-	-	-
Mr J Obeid#	-	-	-	-	-	-	-	-
Mr T Gladwin-Grove	-	-	-	-	-	-	-	-
Mr L Ryan	2,000,000	-	-	-	2,000,000	-	2,000,000	-
Mr E Cranston	-	-	-	-	-	-	-	-
	2,000,000	-	-	-	2,000,000	-	2,000,000	-

Mr Obeid resigned on the 4th October 2011

(d) Other transactions with key management personnel

Refer to Note 24 of this financial report.

NOTE 17: CONTINGENT LIABILITIES

Since the last reporting date, there has been no change of any contingent liabilities or contingent assets.

NOTE 18: COMMITMENTS

The group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the group. These commitments have not been provided for in the financial statements. Due to the nature of the group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended. The minimum expenditure commitments on the tenements are:

	2013 $	2012 $
Exploration expenditure		
Less than 12 months	1,129,989	1,004,634
12 months to 5 years	663,315	1,021,592
	1,793,304	2,026,226
Administration Services		
Less than 12 months	62,500	25,200
12 months to 5 years	-	-
	62,500	25,200
Lease commitment		
Less than 12 months	18,000	18,000
12 months to 5 years	-	-
	18,000	18,000
Executive services commitment		
Less than 12 months	18,326	179,850
12 months to 5 years	-	-
	18,326	179,850

NOTE 19: SEGMENT REPORTING

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

The group's operations in 2013 are managed in Australia and involved exploration of its mineral properties in Tasmania and Burkina Faso.

Revenue of $20,044 (2012: Nil) were derived from on-charging staff to other entities. Assets are located in Australia (Oil Shale) and Burkina Faso (Gold). Segment assets are allocated to countries based on where the assets are located.

GOLD

The company is currently conducting exploration upon tenements considered prospective for gold. No income has been derived from the recovery of gold during the year (2012: Nil).

OIL SHALE

The company is currently conducting exploration upon tenements considered prospective for oil. No income has been derived from the recovery of oil during the year (2012: Nil).

NOTE 19: SEGMENT REPORTING continued

SEGMENT INFORMATION

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2013 is as follows:

2013	Gold $	Oil $	Corporate $	Total $
Revenue				
Other revenues from external customers	-	-	20,044	20,044
Total segment revenue	-	-	20,044	20,044
Result				
Segment result	(11,883,041)	(910)	(1,565,737)	(13,449,688)
Interest revenue	-	-	76,302	76,302
Depreciation	(121,964)	-	(6,170)	(128,134)
Assets and Liabilities				
Segment assets				
Exploration expenditure	5,000,000	1,009,356	-	6,009,356
Plant and equipment	259,690	-	11,246	270,936
Cash and cash equivalents	3,966	-	1,677,558	1,681,524
Prepayments	-	-	1,492	1,492
Trade and other receivables	5,077	-	22,324	27,401
Financial assets	27,366	-	136,547	163,913
Total assets as per Statement of Financial Position	5,296,099	1,009,356	1,849,167	8,154,622
Segment liabilities				
Trade and other payables	19,582	-	96,113	115,695
Provisions	-	-	5,112	5,112
Total liabilities as per Statement of Financial Position	19,582	-	101,225	120,807

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 19: SEGMENT REPORTING continued

2012	Gold $	Oil $	Corporate $	Total $
Revenue				
Other revenues from external customers	-	-	-	-
Total segment revenue	-	-	-	-
Result				
Segment result	(12,565,354)	(227)	(1,270,947)	(13,836,528)
Interest revenue	-	-	60,532	60,532
Depreciation	(61,494)	-	(10,048)	(71,542)
Assets and Liabilities				
Segment assets				
Exploration expenditure	15,505,500	993,988	-	16,499,488
Plant and equipment	234,278	-	17,902	252,180
Cash and cash equivalents	58,830	-	2,934,523	2,993,353
Prepayments	19,586	-	8,424	28,010
Trade and other receivables	10,440	-	4,000	14,440
Financial assets	-	-	139,978	139,978
Total assets as per Statement of Financial Position	15,828,634	993,988	3,104,827	19,927,449
Segment liabilities				
Trade and other payables	482,850	-	436,904	919,754
Provisions	-	-	18,999	18,999
Total liabilities as per Statement of Financial Position	482,850	-	455,903	938,753

NOTE 20: AUDITORS' REMUNERATION

	2013 $	2012 $
The auditor of Boss Resources Limited is RSM Bird Cameron Partners.		
Amounts, received or due and receivable by RSM Bird Cameron Partners for:		
- Auditing or review services	35,500	37,000
- Taxation services	-	5,050
	35,500	42,050

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 21: SHARE-BASED PAYMENTS

(a) Value of share based payments in the financial statements

	2013	2012
	$	$
Share based payments expensed	780,695	50,213
	780,695	50,213

Set out below are the summaries of options granted as share based payments:

2013

Grant Date	Expiry Date	Exercise Price	Balance 01/07/12	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/13	Number vested and exercisable
30/07/12	10/08/15	0.11	-	9,500,000	-	-	9,500,000	9,500,000
30/07/12	10/08/15	0.13	-	9,500,000	-	-	9,500,000	9,500,000
30/07/12	10/08/15	0.15	-	9,500,000	-	-	9,500,000	9,500,000
30/07/12	10/11/14	0.08	-	2,000,000	-	-	2,000,000	-
30/07/12	10/11/14	0.08	-	2,000,000	-	-	2,000,000	-
25/10/12	17/10/15	0.11	-	2,000,000	-	(2,000,000)	-	-
25/10/12	17/10/15	0.06	-	100,000	-	-	100,000	-
25/10/12	17/10/15	0.06	-	100,000	-	-	100,000	-
19/04/11	31/07/12	0.15	55,000,000	-	-	(55,000,000)	-	-
11/11/11	10/11/14	0.15	2,000,000	-	-	-	2,000,000	1,000,000
5/12/11	28/11/14	0.15	100,000	-	-	-	100,000	50,000
			57,100,000	34,700,000	-	(57,000,000)	34,800,000	29,550,000
Weighted average exercise price			$0.15	$0.12	-	$0.14	$0.12	$0.14

2012

Grant Date	Expiry Date	Exercise Price	Balance 01/07/11	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/12	Number vested and exercisable
19/04/11	31/07/12	0.15	55,000,000	-	-	-	55,000,000	55,000,000
11/11/11	10/11/14	0.15	-	2,000,000	-	-	2,000,000	-
5/12/11	28/11/14	0.15	-	100,000	-	-	100,000	-
		0.15	55,000,000	2,100,000	-	-	57,100,000	55,00,000
Weighted average exercise price			$0.15	$0.15	-	-	$0.15	$0.15

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

The assessed fair values of the options was determined using a binomial option pricing model or Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	5/12/11	11/11/11	19/4/11	30/07/12	30/07/12	30/0712
Expiry date	28/11/14	10/11/14	31/07/12	10/08/15	10/08/15	10/08/15
Dividend yield (%)	-	-	-	-	-	-
Expected volatility (%)	111%	111%	111%	90.00%	90.00%	90.00%
Risk-free interest rate (%)	4.5%	4.5%	4.45%	2.57%	2.57%	2.57%
Expected life of options (years)	3	3	1.25	3.03	3.03	3.03
Underlying share price ($)	$0.073	$0.086	$0.195	0.06	0.06	0.06
Option exercise price ($)	$0.15	$0.15	$0.15	$0.11	$0.13	$0.15
Number of options outstanding at 30 June 2013	100,000	2,000,000	-	9,500,000	9,500,000	9,500,000
Value of option ($)	$0.0403	$0.0507	$0.1081	$0.02631	$0.02413	$0.02229

Grant date	30/07/12	30/07/12	25/10/12	25/10/12	25/10/12
Expiry date	10/11/14	10/11/14	17/10/15	17/10/15	17/10/15
Dividend yield (%)	-	-			
Expected volatility (%)	90.00%	90.00%	90%	90.00%	90.00%
Risk-free interest rate (%)	2.63%	2.63%	2.63%	2.63%	2.63%
Expected life of options (years)	2.28	2.28	0.000	2.98	2.98
Underlying share price ($)	$0.06	$0.06	$0.06	$0.06	$0.06
Option exercise price ($)	$0.08	$0.08	$0.11	$0.06	$0.06
Number of options outstanding at 30 June 2013	2,000,000	2,000,000	-	100,000	100,000
Value of option ($)	$0.02611	$0.02611	$0.0234	$0.03084	$0.03084

(b) Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options that were outstanding as at 30 June 2013 was 2.0 years (2012: 2.5 years).

(c) Weighted average fair value

The weighted average fair value of share-based payment options granted during the year was $0.0246 each (2012: $0.0663).

NOTE 22: FINANCIAL INSTRUMENTS

Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, available for sale financial assets, trade and other receivables and trade and other payables.

The group manages its exposure to key financial risks, including interest rate, liquidity and credit risk in accordance with the group's financial risk management policy. The objective of the policy is to support the delivery of the group's financial targets whilst protecting future financial security.

The group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1 to the financial statements.

Risk exposures and responses

i. *Interest Rate Risk*

The group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2013	Floating Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total	Weighted Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	$	$	$	$	$	
Financial Assets						
Cash	1,680,327	-	-	1,197	1,681,524	3.94%
Trade and other receivables	-	-	-	27,401	27,401	NA
Other financial assets	-	47,000	-	116,913	163,913	1.30%
Total Financial Assets	**1,680,327**	**47,000**	**-**	**145,511**	**1,872,838**	
Financial Liabilities						
Trade and other payables	313	-	-	115,382	115,695	0.04%
Total Financial Liabilities	**313**	**-**	**-**	**115,382**	**115,695**	

Notes to the Financial Statements continued
For the Year Ended 30 June 2013

NOTE 22: FINANCIAL INSTRUMENTS continued

2012	Floating Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total	Weighted Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	$	$	$	$	$	
Financial Assets						
Cash	2,944,175	2,178	-	-	2,946,353	3.5%
Trade and other receivables	-	-	-	14,440	14,440	N/A
Other financial assets	-	47,000	-	139,978	186,978	1.13%
Total Financial Assets	**2,944,175**	**49,178**	**-**	**154,418**	**3,147,771**	
Financial Liabilities						
Trade and other payables	22,313	-	-	897,441	919,754	0.04%
Total Financial Liabilities	**22,313**	**-**	**-**	**897,441**	**919,754**	

ii. *Sensitivity Analysis*
At 30 June 2013, if interest rates had changed by -/+75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the group would have been $12,953 lower/higher (2012 - $22,450 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

iii. *Liquidity Risk*
The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate access to funds are maintained.

iv. *Credit Risk*
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments.

Financial Instruments Measured at Fair Value
The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Notes to the Financial Statements continued

For the Year Ended 30 June 2013

NOTE 22: FINANCIAL INSTRUMENTS continued

2013	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets:				
Available-for-sale financial assets:				
Listed investments	89,547	-	-	89,547
2012				
Financial assets:				
Available-for-sale financial assets:				
Listed investments	139,978	-	-	139,978

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the group at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the group is the last trade price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

NOTE 23: PARENT ENTITY DISCLOSURES

	2013 $	2012 $
Financial Position		
Assets		
Current assets	1,701,374	2,193,868
Non-current assets	5,163,039	17,250,731
Total assets	6,864,413	19,444,599
Liabilities		
Current liabilities	(101,224)	455,903
Total liabilities	(101,224)	455,903
Equity		
Issued capital	41,792,589	39,525,492
Reserves	6,748,937	6,018,460
Accumulated losses	(41,778,337)	(26,555,256)
Total equity	6,763,189	18,988,696
Financial Performance		
Loss for the year	(15,223,081)	(12,951,416)
Other comprehensive loss	(50,217)	(165,912)
Total comprehensive loss for the year	(15,273,298)	(13,117,328)

NOTE 23: PARENT ENTITY DISCLOSURES continued

Guarantees

Boss Resources Limited has not entered into any guarantees in the current or previous financial year, in relation to the debts of its subsidiaries.

Other Commitments and Contingencies

Boss Resources Limited has no commitments to acquire property, plant and equipment and has no contingent liabilities other than those already disclosed in the notes to the financial statements.

NOTE 24: RELATED PARTY TRANSACTIONS

Konkera Corporate, a company associated with Evan Cranston received $75,700 (2012: $70,135) during the year for the provision of administration, bookkeeping and accounting services. Company secretarial fees of $14,000 (2012: nil) for Oonagh Malone were also payable to Konkera Corporate. At 30 June 2013, the group has a creditor balance to Konkera Corporate of $14,208 (2012: nil).

A trust associated with Evan Cranston was paid $36,000 (2012: $37,500) for the office lease.

These transactions have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 25: EVENTS SUBSEQUENT TO BALANCE DATE

On 24 July 2013, Leigh Ryan resigned from his position as Managing Director for Boss Resources Limited. To ensure compliance with Australian legal requirements, Oonagh Malone was appointed as interim Non-Executive Director.

On 20 August 2013, the Company announced that it had entered into two joint venture agreements with Newgenco Pty Ltd over the Liakka and Skogtrask Copper-Nickel Projects located in Finland and Sweden respectively. Under each agreement, the Company committed to a minimum exploration spend of $80,000 in the first year and to free carry the vendors to completion of bankable feasibility studies for each project to secure an 80% interest. The Company also agreed to reimbursement of $20,000 in expenses and to issue 7.5 million shares at a deemed price of $0.008 per share to the vendors.

On 20 August 2013, Peter Williams was appointed to the position of Technical Director of the Company and Oonagh Malone resigned from the position of Non-Executive Director.

On 29 August 2013, the Company issued 7.5 million shares to the vendors of the Liakka and Skogtrask Copper-Nickel Projects at a deemed issue price of $0.008 each pursuant to two joint venture agreements.

On 16 September 2013, the Company lodged a prospectus with ASIC to raise approximately $1 million before costs by way of a 1 for 4 non-renounceable rights issue at $0.01 per share up to 99,468,295 shares.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the group in future financial years that require disclosure.

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes, are in accordance with the *Corporations Act 2001* and:

- **a.** comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards; and

- **b.** give a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date;

2. the Group Financial Controller and Company Secretary have each 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 company 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.

Evan Cranston
Director

DATED at PERTH this 26th day of September 2013

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BOSS RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Boss Resources Limited, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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. These Auditing 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 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 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 opinions.

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 Boss 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 Boss Resources Limited is in accordance with the *Corporations Act 2001*, including:

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

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

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

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Boss Resources Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

Perth, WA
Dated: 26 September 2013

TUTU PHONG
Partner

Corporate Governance Statement

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2013.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's report.

The independent Director of the Company is Mr Thomas Gladwin-Grove.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

The Board sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

Recommendation		Boss Resources Limited Current Practice
1.1	Companies should establish the functions reserved for the board and those delegated to senior executives and disclose those functions.	Satisfied. Board Charter is available at www.bossresources.com.au in the Corporate Governance Statement.

1.2	Companies should disclose the process for evaluating the performance of senior executives.	Satisfied. Board Performance Evaluation Policy is available at www.bossresources.com.au in the Corporate Governance Statement. Whilst the performance of management is appraised on an ongoing basis. During the year no formal appraisal of management was conducted.
2.1	A majority of the Board should be independent directors.	Not Satisfied. Only Mr Grove is classed as independent under ASX guidelines. The Board considers that given the size and nature of the Company the current Board is appropriate.
2.2	The chair should be an independent director.	Not Satisfied. At this stage the Company does not have a chair. Given the size and nature of the Company, the Board considers this to be appropriate,
2.3	The roles of chair and Chief Executive Officer should not be exercised by the same individual.	Satisfied.
2.4	The Board should establish a nomination committee.	Not satisfied. The Board consider that given the current size of the Board, this function is efficiently achieved with full Board participation. Accordingly, the Board has not established a nomination committee.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Satisfied. Board Performance Evaluation Policy is available at www.bossresources.com.au in the Corporate Governance Statement.
2.6	Companies should provide the information indicated in the guide to reporting on Principle 2	Satisfied Whilst the performance of the Board is appraised on an ongoing basis, during the year no formal appraisal was conducted.

3.1	Companies should disclose a code of conduct and disclose the code or a summary of the code as to: The practices necessary to maintain confidence in the company's integrity The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Satisfied. The Code of conduct is available at www.bossresources.com.au in the Corporate Governance Statement.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Not satisfied. The Company is in the process of establishing a diversity policy. The Board has a policy for the selection and appointment of Directors and it is available at www.bossresources.com.au.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Not satisfied. The Company is in the process of establishing a diversity policy.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	The Company three women employees one of whom is in a senior executive position. The Company has no women directors.
4.1	The Board should establish an audit committee.	Not satisfied. The Board consider that given the current size of the Board, this function is efficiently achieved with full Board participation. Accordingly, the Board has not established an audit committee.
4.2	The audit committee should be structured so that it: Consists only of non-executive directors Consists of a majority of independent directors Is chaired by an independent chair, who is not chair of the board Has at least three members	Not satisfied. The Company has adopted a policy which includes Executive Directors fulfilling duties of the audit committee.

4.3	The audit committee should have a formal charter.	Satisfied. Audit Committee charter is available at www.bossresources.com.au in the Corporate Governance statement.
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	Satisfied. Continuous disclosure policy is available at www.bossresources.com.au in the Corporate Governance statement.
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of their policy.	Satisfied. Shareholders communication strategy is available at www.bossresources.com.au in the Corporate Governance statement.
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Satisfied. Risk management program is available at www.bossresources.com.au in the Corporate Governance statement.
7.2	The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Satisfied. The Board routinely consider risk management matters.
7.3	The Board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Satisfied. The Board has received a section 295A declaration pursuant to the 2013 financial period.

8.1	The Board should establish a remuneration committee.	Not Satisfied. The Board consider that given the current size of the Board, this function is efficiently achieved with full Board participation. Accordingly, the Board has not established a remuneration committee.
8.2	The remuneration committee should be structured so that it: consists of a majority of independent directors Is chaired by an independent chair Has at least three members	Not Satisfied. The Board consider that given the current size of the Board, this function is efficiently achieved with full Board participation. Accordingly, the Board has not established a remuneration committee. The structure of Directors' remuneration is disclosed in the remuneration report of the annual report.

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

Additional Information

CLASS OF SHARES AND VOTING RIGHTS

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

DISTRIBUTION OF SHAREHOLDERS (as at 29 October 2013)

Spread of Holdings	Number of Holders
1-1,000	31
1,001-5,000	38
5,001 - 10,000	138
10,001 -100,000	272
Over 100,001	288
TOTAL	**767**

There are 355 holders of unmarketable parcels comprising a total of 4,719,690 ordinary shares.

There are currently no shares subject to escrow. There is no current on-market buy back taking place.

Company Secretary

Oonagh Malone

Registered Office

Suite 23, 513 Hay Street
Subiaco WA 6008

Share Registry

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

TWENTY LARGEST SHAREHOLDERS (Merged and as at 29 October 2013)

	Name	Number of Shares	%
1	Kingslane Pty Ltd	59,187,500	13.00
2	Mining Investments Limited	33,125,000	7.27
3	James David Taylor	29,666,669	6.51
4	Purple Bougainvillea Pty Ltd	24,172,647	5.31
5	Morou Francois Ouedraogo	21,000,000	4.61
6	Precambrian Pty Ltd	18,000,000	3.95
7	Ablett Pty Ltd	16,000,000	3.51
8	Michael & Jane Grove	8,512,500	1.87
9	Pacific Finance & Sec Pty Ltd	7,000,000	1.54
10	Kobia Holdings Pty Ltd	6,929,167	1.52
11	Ossart Holdings Pty Ltd	6,812,500	1.50
12	Blu Bone Pty Ltd	6,215,404	1.36
13	Cydac Pty Ltd	6,041,667	1.33
14	Majestica Pty Ltd	5,625,000	1.24
15	Joseph Obeid	5,425,000	1.19
16	Trade Thrust Pty Ltd	5,000,000	1.10
17	Leet Investments Pty	4,704,215	1.03
18	Skillset Inv Pty Ltd	4,562,500	1.00
19	Petar Jurkovic & A Parker	4,466,666	0.98
20	Epic Feast Pty Ltd	4,166,667	0.91
	TOTAL	**279,613,102**	**60.73**

UNQUOTED SECURITIES (as at 29 October 2013)

Class	Number of Options
Options exercisable at $0.12 on or before 9 December 2013	21,808,334
Options exercisable at $0.08 on or before 10 November 2014*	4,000,000
Options exercisable at $0.15 on or before 10 November 2014*	2,000,000
Options exercisable at $0.15 on or before 28 November 2014*	100,000
Options exercisable at $0.11 on or before 10 August 2015	9,500,000
Options exercisable at $0.13 on or before 10 August 2015	9,500,000
Options exercisable at $0.15 on or before 10 August 2015	9,500,000
Options exercisable at $0.11 on or before 17 October 2015*	2,000,000
Options exercisable at $0.06 on or before 17 October 2015*	200,000

* Employee incentive scheme

UNQUOTED SECURITIES >20% HOLDERS (as at 29 October 2013)

Class	Holder	Number of Options
Options exercisable at $0.12 on or before 9 December 2013	Mr James David Taylor	8,333,334
Options exercisable at $0.12 on or before 9 December 2013	Ablett Pty Ltd	6,466,667
Options exercisable at $0.11 on or before 10 August 2015	Konkera Pty Ltd	5,000,000
Options exercisable at $0.11 on or before 10 August 2015	Mr Leigh Ryan & Mrs Sandra Ryan	2,500,000
Options exercisable at $0.13 on or before 10 August 2015	Konkera Pty Ltd	5,000,000
Options exercisable at $0.13 on or before 10 August 2015	Mr Leigh Ryan & Mrs Sandra Ryan	2,500,000
Options exercisable at $0.15 on or before 10 August 2015	Konkera Pty Ltd	5,000,000
Options exercisable at $0.15 on or before 10 August 2015	Mr Leigh Ryan & Mrs Sandra Ryan	2,500,000

SCHEDULE OF MINING TENEMENTS

Name	Country	Licence Number	Interest
Latrobe	Australia	EL20/2004	100%
Boutouanou	Burkina Faso	2011/11/410	100%
Diabatou	Burkina Faso	2011/11/409	100%
Tyara	Burkina Faso	2011/11-159	100%
Foutouri	Burkina Faso	2011/11-160	100%
Baniri	Burkina Faso	2009/09-060	100%
Intiedougou	Burkina Faso	2009/09-061	100%
Mougue	Burkina Faso	2009/09-062	100%
Bassare	Burkina Faso	2011/11/270	100%
Kassougou	Burkina Faso	2011/11/269	100%
Liakka	Finland	Liakka nr.1	Right to earn 80%
Skogtrask	Sweden	Skogtrask nr.2	Right to earn 80%

Registered Office
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