NIUMINCO GROUP LIMITED

ABN 44 009 163 919

2013 ANNUAL REPORT

The late John Thomas Leahy

Niuminco Group Limited
Corporate directory
30 June 2013

DIRECTORS:	Mr Tracey Lake (Managing Director) Mr Terence Willsteed (Chairman) Prof Ian Plimer
SECRETARY:	Mr Mark Ohlsson
REGISTERED AND PRINCIPAL OFFICE:	Level 8, 139 Macquarie Street Sydney NSW 2000 Telephone: (02) 8231 7048 Facsimile: (02) 9241 5818
SHARE REGISTRAR:	Security Transfer Registrars Pty Ltd Suite 1, 770 Canning Highway Applecross WA 6153 Telephone: (08) 9315 2333
HOME EXCHANGE:	Australian Securities Exchange (Perth) Limited ASX Code: NIU
AUDITORS:	PricewaterhouseCoopers Darling Park Tower 2 201 Sussex Street Sydney NSW 2000
BANKERS:	National Australia Bank Cnr Florence & Hunter Street Hornsby NSW 2077
SOLICITORS:	M+K Lawyers Level 21, 20 Bond Street Sydney NSW 2000
WEBSITE ADDRESS:	www.niuminco.com.au

Niuminco Group Limited
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30 June 2013

These financial statements are the consolidated financial statements of the consolidated entity consisting of Niuminco Group Limited and its subsidiaries. The financial statements are presented in Australian currency.

Niuminco Group Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Niuminco Group Limited
Level 8, 139 Macquarie Street
Sydney NSW 2000

The financial statements were authorised for issue by the directors on 28th August 2013. The directors have the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All press releases, financial reports and other information are available in the Investor Relations section on our website: http://www.niuminco.com.au/

Niuminco Group Limited
Corporate governance statement
30 June 2013

CORPORATE GOVERNANCE STATEMENT

Niuminco Group Limited is committed to best practice corporate governance, and has reviewed all its practices in line with ASX Corporate Governance Council's principles of good corporate governance and best practice recommendations.

Under ASX Listing Rule 4.10.3, listed companies must disclose the extent to which they have followed the ASX Principles, and if any of the recommendations have not been followed then the Company must explain why not.

The Company is considered a 'micro-cap' listing, and accordingly some of the principles and recommendations are unable to be achieved in a cost effective or practical manner, having regard to the resources available. These issues are still considered important in our corporate governance system, and alternate but less formal policies exist to ensure integrity in these areas. The Council recognises that the same efficiencies experienced by larger entities may not be appropriate for smaller companies by adopting certain principles or recommendations.

Notwithstanding this, the board has made every effort to address each principle and effect suitable policies or strategies where possible.

Detailed below are comments made in relation to the Company's policies for each ASX Corporate Governance Council principle.

Principle 1 – Lay solid foundations for management and oversight

Niuminco Group Limited supports a clear segregation of duties between management and the Board of Directors.

The board is responsible for the general overseeing of the Company, including strategic and corporate planning, risk management, financial reporting, and setting policy framework. The board has a formal charter detailing its functions, structure and responsibilities.

The Board is responsible for setting the strategic direction of the Company, establishing goals for management and monitoring the achievement of those goals. The Managing Director is currently responsible for the day to day management of the Company.

To ensure a clear understanding of directors' corporate expectations, the Company has issued formal letters of appointment for both executive and non-executive directors, fully describing each person's role and duties.

The Company currently does not have any senior executives in addition to the board members. Therefore the Company does not undertake performance assessments of senior executives.

Principle 2 – Structure the board to add value

The procedures for election and retirement of the Directors are governed by the Company's Constitution, the Corporations Act and the Listing Rules.

The number of Directors must be not less than 3 nor more than such number as the Directors determine. There is no requirement for any shareholding qualification. A minimum of half of the number of Directors should be independent non-executive directors. Currently, there is a majority of independent non-executive directors.

Given the Company's background, the nature and size of its business and the current stage of its development, the Board believes a board of this size is both appropriate and acceptable. It is considered that the Directors possess a broad range of skills, qualifications and industry experience encompassing the current and proposed activities of the Company. The details of the Directors, their experience, qualifications and term of office are set out in the Directors' Report.

If the Group's activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the optimum number of Directors required to supervise adequately the Company's affairs determined within the limitations imposed by the Company's constitution and as circumstances demand. The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Group's scope of activities, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities.

Under the Company's constitution the tenure of Directors (other than the managing director) is subject to reappointment by Shareholders not later than the 3rd anniversary following his or her last appointment. A Managing Director may be appointed for any period and on any terms the Board thinks fit and, subject to the terms of any agreement entered into, the Board may revoke any such appointment.

The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards. As the Group's activities develop in size, nature and scope, the implementation of a formal corporate governance committee will be given further consideration.

Directors are required to take into consideration any conflicts when accepting appointment to other boards.

The board currently consists of the following directors, whose experience and expertise are detailed below:

- Mr T Lake	Managing Director	Non-independent
- Mr T Willsteed	Chairman	Independent
- Prof I Plimer	Non-Executive Director	Independent

<u>Tracey Lake – Managing Director</u>

Mr Lake B.Comm (Major – Accounting & Finance) has held the position of Chief Executive Officer in both private and public companies, and has over 35 years business experience in a number of industries.

<u>Professor Ian Plimer – Non-Executive Director</u>

Professor Ian Plimer BSc [Hons], PhD, FGS, FTSE, FAusIMM, is Emeritus Professor at The University of Melbourne where he was Professor and Head (1991-2005). He was Professor of Geology (University of Newcastle 1985-1991) and Professor of Mining Geology (University of Adelaide 2005-2012). He has been awarded the prestigious Leopold von Buch Medal for Science, the Centenary Medal, the Eureka Prize (twice) and is a Fellow of the Academy of Technological Sciences and Engineering, a Fellow of the Geological Society of London and a Fellow of the Australasian Institute of Mining and Metallurgy.

Professor Plimer's main geological interests are in ore deposits in base metal deposits (particularly in Broken Hill) and epithermal precious metals. He serves on the Boards of listed companies Silver City Minerals Ltd [ASX:SCI; 21st Feb. 2011-present]; Kefi Minerals Ltd (AIM:KEFI]; Nov. 2006-present); Lakes Oil NL [ASX:LKO], (27th January 2013 – present) and unlisted companies Hancock Prospecting companies [Roy Hill Holdings, Hope Downs, Queensland Coal] and TNT Mines Ltd. He was on the Boards of CBH Resources Ltd (1998-2010), Ormil Energy Ltd (2010-2012) and Inova ResourcesLtd (2007-2013).

<u>Terence Willsteed – Non-Executive Chairman</u>

Mr Willsteed B.E (Mining) (Hons), is a Fellow of the Australasian Institute of Mining and Metallurgy and has, since 1973, been the Principal of consulting mining engineers, Terence Willsteed & Associates. His forty year career in the mining industry has included senior management, operational and engineering positions with Zinc Corporation Ltd, Mt Isa Mines Ltd and Consolidated Goldfields Australia Ltd.

In his consulting experience, Mr Willsteed has been involved in the assessment and development of a wide range of mineral, coal and oil shale projects, and has participated in the management of developing and operating mineral projects both in Australia and internationally.

Mr Willsteed is a director of International Ferro Metals Limited, South American Ferro Metals Limited, Vantage Gold Limited, Nickel Mines Limited, Takordi Gold Limited and Goldsearch Limited.

In accordance with recommendation 2.1 of the ASX Corporate Governance Council the Company has a majority of independent directors.

The Board is satisfied it has measures to ensure sufficient independent judgement is achieved, including the following:

- Directors are able to seek independent professional advice in the furtherance of their duties as directors at the Company's expense, subject to the Chairman's prior approval
- Where Directors have a conflict of interest in relation to a matter of business, they must abstain from voting on the issue.

The Company meets the ASX Corporate Governance Council recommendations 2.2 and 2.3 namely, that the roles of chair and chief executive should not be exercised by the same person and that the Chairman should be independent.

The Board will review the composition of the Board and management of the Company as it goes forward as a listed entity.

Principle 3 – Promote ethical and responsible decision-making

The Board has established a code of conduct to promote a continual ethical and responsible decision making process for directors and key executives. The code embraces the values of integrity, accountability and equality and to enhance the performance and reputation of the Company.

Whilst the Board has not implemented a formal diversity policy due to the size of the Company it believes that the promotion of diversity in senior management and within the Company generally is good practice.

The Board has not set measurable objectives for achieving gender diversity at this time. The Company has no employees and no women members of the Board. As the Company increases in size the Board will review its practices and implement formal diversity policies as appropriate to its activities.

The Company has also developed and communicated a formal policy to officers and employees for trading in the Company's shares, to complement the existing statutory restrictions such as the Corporations Act 'insider trading' provisions.

Directors must advise the Company of any dealings in the Company's shares, and the Company is required to advise the ASX of these transactions within 5 business days.

Principle 4 – Safeguard integrity in financial reporting

The Managing Director has stated in writing to the board that the financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards.

The Company has an Audit Committee, which comprises
Mr A Davis (resigned 18th June 2013)
Mr T Lake
Mr T Willsteed
Mr M Ohlsson

The primary functions of the Audit Committee are:

(a) ensuring appropriate Group accounting policies and procedures are defined, adopted and maintained;

(b) ensuring that Group operating and management reporting procedures, and the system of internal control, are of a sufficiently high standard to provide timely, accurate and relevant information as a sound basis for management of the Group's business;

(c) reviewing the Group Financial Statements and approval;

(d) reviewing the scope of work including approval of strategic and annual audit plans and effectiveness of the external audit functions across the Group;

(e) monitoring the proper operation of issues raised;

(f) ensuring that appropriate processes are in place to ensure compliance with all legal requirements affecting the Group;

(g) ensuring that all internal and industry codes of conduct and standards of corporate behaviour are being complied with;

(h) responsible for making recommendations to the Board of Directors on the appointment, reappointment or replacement (subject, if applicable, to shareholder ratification), monitoring of effectiveness, and independence of the external auditors.

(i) actioning any other business processes or functions which may be referred to it by the Board of Directors.

The Board of Directors as a whole is responsible for nomination of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit and half year statutory review. External audit engagement partners will be rotated every 5 years.

Principle 5 – Make timely and balanced disclosure

Niuminco Group Limited is committed to ASX continuous disclosure provisions, and to ensuring that all relevant information concerning the Company is made available to investors on an equal and timely basis.

The Company has incorporated a policy on continuous disclosure into its code of conduct document, which has been promoted to all officers and employees.

Principle 6 – Respect the rights of shareholders

The Company promotes active and informed shareholding, and welcomes questions from shareholders at any time. At the Company's annual AGM, shareholders are given every opportunity to participate at question time, and may submit written questions to the board or auditors prior to the meeting.

The external auditor is required to attend the AGM and is available to answer any shareholder questions regarding the conduct of the audit, and the preparation and content of the auditor's report.

Principle 7 – Recognise and manage risk

The board is responsible for overseeing and assessing the effectiveness of the risk management policy.

The Managing Director (or equivalent) is responsible for implementing the policy and regularly reporting to the board. Risk management areas may be delegated to other executive directors who must keep the Chairman informed on issues for which they have become responsible.

The Board considers risk management on an ongoing basis.

The Managing Director has stated to the board in writing that the statement given in accordance with best practice recommendation 7.3 (the integrity of financial statements) 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.

Principle 8 – Remunerate fairly and responsibly

The board has decided at this time not to establish a separate remuneration committee due to the current size of the entity and its operations. The board will review the requirement of a committee as the scale of operations and structure increase. Therefore the board will be responsible for determining and reviewing compensation arrangements for the directors themselves, the Managing Director and the other executives.

The Company has prepared a formal charter which sets out the role and responsibilities of the board and has established a remuneration policy.
Non-executive directors are remunerated by way of fees, which is clearly distinguished from the remuneration for executive directors. The Group does not have any schemes for retirement benefits. In view of the contribution of the non-executive directors and advancing the interest in the Company, the Board considers that non-executives directors may continue to be rewarded with options. It is not considered that this will significantly affect their independence in light of their experience and reputation.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Niuminco Group Limited (referred to hereafter as the Company) and the entities it controlled at the end of, or during, the year ended 30 June 2013.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Andrew Davis - Non-Executive Chairman
Appointed a Director 9 May 2011 and Chairman 1 May 2012, resigned 18 June 2013

Mr Davis qualified as a lawyer. He has been involved in motor vehicle trading, quarrying, outdoor advertising, publishing and oil and gas exploration.

Tracey Lake – Managing Director
Appointed 1 May 2012

Mr Lake holds a Bachelor of Commerce degree (Major – Accounting & Finance) from the University of NSW. He has held the position of Chief Executive Officer in both private and public companies and has over 35 years business experience in a number of industries.

David Fuller – Non-Executive Director
Appointed 9 May 2011, resigned 18 June 2013

Mr Fuller is Chairman of the Nepean Group and Managing Director of Nepean Engineering, based in Narellan, New South Wales and founded in 1974. The turnover of Nepean Engineering has grown to over $400 million and the Nepean Group employs over 1,350 people and has operations in 7 countries.

Mr Fuller has been a significant investor in a number of Papua New Guinea companies, including Pacific Capital Ltd and Papua Petroleum Ltd. Mr Fuller has extensive experience with engineering businesses that provide machinery and plant to the mining industry

Professor Ian Plimer – Non-Executive Director
Appointed 9 May 2011

Professor Ian Plimer BSc [Hons], PhD, FGS, FTSE, FAusIMM, is Emeritus Professor at The University of Melbourne where he was Professor and Head (1991-2005). He was Professor of Geology (University of Newcastle 1985-1991) and Professor of Mining Geology (University of Adelaide 2005-2012). He has been awarded the prestigious Leopold von Buch Medal for Science, the Centenary Medal, the Eureka Prize (twice) and is a Fellow of the Academy of Technological Sciences and Engineering, a Fellow of the Geological Society of London and a Fellow of the Australasian Institute of Mining and Metallurgy.

Professor Plimer's main geological interests are in ore deposits in base metal deposits (particularly in Broken Hill) and epithermal precious metals. He serves on the Boards of listed companies (Inova ResourcesLtd [ASX:IVA, TSX: IVA; 7th Nov. 2007-present]; Silver City Minerals Ltd [ASX:SCI; 21st Feb. 2011-present]; Kefi Minerals Ltd (AIM:KEFI]; Nov. 2006-present): Lakes Oil NL [ASX:LKO], (27th January 2013 – present) and unlisted companies (Hancock Prospecting companies [Roy Hill Holdings, Hope Downs, Queensland Coal] and TNT Mines Ltd). He was on the Boards of CBH Resources Ltd (1998-2010) and Ormil Energy Ltd (2010-2011).

Terence Willsteed – Non-Executive Chairman
Appointed Non-Executive Director 9 May 2011, appointed Non-Executive Chairman 1 August 2013

Mr Willsteed who holds a Bachelor of Engineering (Mining) Honours degree, is a Fellow of the Australasian Institute of Mining and Metallurgy and has, since 1973, been the Principal of consulting mining engineers, Terence Willsteed & Associates. His forty year career in the mining industry has included senior management, operational and engineering positions with Zinc Corporation Ltd, Mt Isa Mines Ltd and Consolidated Goldfields Australia Ltd.

In his consulting practice, Mr Willsteed has been involved in the assessment and development of a wide range of mineral, coal and oil shale projects, and has participated in the management of developing and operating mineral projects both in Australia and internationally.

Mr Willsteed is a director of International Ferro Metals Limited, South American Ferro Metals Limited, Vantage Gold Limited, Nickel Mines Limited, Takordi Gold Limited and Goldsearch Limited.

Directorships of other listed companies during the past 3 years

Name	Company	Commenced	Ceased
Mr A Davis	Ormil Energy Limited	21 December 2009	22 November 2011
Mr T Willsteed	International Ferro Metals Limited	12 October 2005	-
	South American Ferro Metals Ltd	11 November 2010	-
	Vantage Gold Limited	October 2010	-
	Timpetra Resources Limited	24 August 2010	19 October 2012
	Takordi Gold Limited	July 2011	-
	Goldsearch Limited	20 July 2004	-
Prof I Plimer	Ormil Energy Limited	9 February 2010	22 November 2011
	Inova Resources Limited	7 November 2007	7 August 2013
	Kefi Minerals plc	November 2006	-
	Silver City Minerals Ltd	21 February 2011	-
	Lakes Oil NL	27 January 2013	-

Interests in the shares and options of the Company

As at the date of this report, the interests of the directors in the shares and options of Niuminco Group Limited are:

Name	Number of fully paid ordinary shares	Number of options over ordinary shares
Mr T Lake (indirect)	16,927,084	6,000,000
Mr I Plimer	615,000	2,500,000
Mr T Willsteed	2,500,000	2,500,000

COMPANY SECRETARY

At the end of the financial year, Mark Ohlsson – FCPA, held the position of Company Secretary. Mr Ohlsson was appointed Company Secretary on 9 May 2011.

PRINCIPAL ACTIVITIES

The principal activities of the companies in the consolidated entity during the course of the year were the exploration and evaluation of mineral resources and the maintenance of mining leases in Papua New Guinea. The group has three exploration and mining areas in Papua New Guinea which it holds under licence and lease, and that are subject to joint venture agreements with Mincor PNG Limited.

In addition, on 19th June 2013, the Group acquired a 19.9% interest in TNT Mines Limited which holds exploration licences for tin, tungsten, fluorspar and magnetite in Tasmania, Australia.

OPERATING RESULTS

For the financial year ending 30 June 2013, the consolidated loss of the Group after income tax amounted to $4,626,830 (2012: Loss of $7,318,025). The loss in the prior year included $2,906,814 of costs associated with the acquisition of Niuminco Limited and re-listing on the Australian Securities Exchange. The current year loss was impacted by the Group expensing all exploration costs incurred since 1st January 2013, and impairing $688,619 of capitalised exploration at year end. In addition, operating costs in PNG increased in the last quarter of 2013 after Mincor elected not to fund any further exploration at Edie Creek.

DIVIDENDS PAID OR RECOMMENDED

The Directors have not recommended a final dividend for the 2013 financial year (2012: $nil).

REVIEW OF OPERATIONS

Exploration & evaluation
At Bolobip, Mincor has identified a target of a large mineralised copper/gold porphyry system, a camp has been established and field programs plus a heli-magnetic survey were completed during the June quarter, with a view to defining targets for diamond drilling in the future.

At May River, social mapping and community affairs work is continuing.

In February 2013, Mincor and Niuminco collectively agreed to relinquish the exploration area at Kubuna. This resulted in the write off of approximately $145,312 of capitalised exploration costs.

At Edie Creek, Mincor completed a 12 holes diamond core drilling program by March 2013. At this point Mincor had spent $5,142,606 to earn a 17% interest and elected not to spend any further money on exploration at Edie Creek and to surrender their rights to earn any further joint venture interest. Niuminco assumed the role of manager under the joint venture agreement from the beginning of April, and undertook drilling on two bulk tonnage targets which was completed in May 2013. The results of this drilling program have given the Group encouragement to undertake further investigation and consideration of a reverse circulation (RC) drilling program and induced polarisation (IP) survey over prospective areas within the leases.

Corporate
During the year, the Company undertook two rights issues and placed shares to raise $3,073,621 in cash, and a further $1,417,216 of debt was converted to equity.

On 19th June 2013, the Group acquired 19.9% of the ordinary share capital of TNT Mines Ltd by issuing 21,908,250 ordinary shares in the Group to TNT Mines Ltd for a value of $153,359.

The directors also acknowledge the extensive contribution of John Thomas Leahy, former director of Niuminco Limited, and general manager of the Group's PNG operations, who died in January 2013 (a few photographs of

John at work in PNG are included on the inside front cover of this report). The directors also want to note their appreciation of the efforts and support of Andrew Davis and David Fuller, both of whom retired in June.

GOING CONCERN

During the year, the Group raised $4,186,337 through capital raisings. The amount of cash received was reduced by converting outstanding related party loans and other payables totalling $1,417,216 to equity, and further reduced by capital raising costs paid of $63,962, resulting in $2,705,159 of cash being received.

Since balance date the Company has raised $586,058 under the offer document dated 9 July 2013 which closed on 7 August 2013. This offer raised cash of $528,186 and included the conversion of $57,872 of current payables at 30 June 2013 to equity. In addition, placement of shares under the shortfall facility after the rights issue closed has raised cash of $55,712.

The Group incurred a net loss before tax of $4,626,830 during the year ended 30 June 2013 and, as of that date the consolidated entity's current liabilities exceeded its current assets by $1,068,916.

The Group has currently taken steps to reduce its expenditure to preserve cash balances and although the Group is still planning to undertake exploration activities on its various tenements, it has currently only budgeted for those amounts that the financial position of the Group allows. Consistent with the nature of the Group's activities, its ongoing investment of funds into exploration projects, will only be possible as and when sufficient funds are available to the Group. This may require continuing to hold operations on maintenance for periods of time which management cannot determine the length of.

The continuing viability of the Group and its ability to continue as a going concern and to meet its commitments as and when they fall due is dependent upon the Group being successful in:

- raising additional equity or debt
- curtailing materially the Group's ongoing operating costs to suit available resources and the timing of anticipated equity or debt raisings.

As a result of these matters, there is a material uncertainty related to events or conditions that may cast significant doubt on whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of the business and at the amounts stated in the financial report. However, the Directors believe that the Group will be successful in managing the above matters and accordingly, they have prepared the financial report on a going concern basis. At this time the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 30 June 2013. Accordingly no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

The attached annual report for the year ended 30 June 2013 contains an independent auditor's report which includes an emphasis of matter paragraph in regard to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the directors, there were no matters that significantly affected the state of affairs of the Company or Group during the financial year, other than those referred to in the review of operations.

AFTER BALANCE DATE EVENTS

On 9th July 2013, the Group announced a renounceable, pro-rata, partially committed rights issue at an issue price of $0.01 for each new ordinary share on the basis of one new share for every four shares held to raise up to $924,844 with a maximum of 92,484,414 shares to be issued. The issue closed on 7th August 2013 and, 58,605,787shares have been issued raising $586,058. In addition, a further 5,571,249 shares have been issued under the shortfall facility since the rights issue closed raising $55,712 cash.

Subsequent to year end, the Group has sold additional plant & equipment in PNG for $119,121. These funds were used to reduce the finance liability of the Group.

On 30th July, 2013 Niuminco Group Limited announced its intention to make a takeover offer for all the issued capital of TNT Mines Limited on the basis of one Niuminco share for each TNT share.

No other matter or circumstance has arisen since 30 June 2013 which significantly affected or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

In PNG the Group intends to advance its exploration activities at May River and Bolobip including ground geophysics surveys, geochemical sampling and drill testing once targets have been defined. The Group also intends to continue its maintenance of the Edie Creek mining leases and proceed with the proposed stage 2 reverse circulation drilling program of 10 holes to 200m each on the Enterprise area of Edie Creek. This work in PNG will be subject to further capital raisings.

After the positive results of the stage 1 drilling program conducted at Edie Creek in the final quarter of 2013, management considers Edie Creek remains highly prospective and while all exploration work undertaken since 1st January 2013 has been expensed or impaired, management has made an assessment and concluded that the current carrying value of $11.0 m for the Edie Creek project is fair and reasonable.

The Group intends to make a takeover offer for all the issued capital of TNT Mines Limited in September 2013. TNT Mines Ltd is a Tasmanian based exploration company which has significant mineralised tin, tungsten, fluorspar and magnetite assets in northern and western Tasmania. The TNT board unanimously recommends the transaction in the absence of a superior proposal and subject to the receipt of an independent expert's report on the fairness of the transaction.

Conditional upon gaining a minimum 51% interest in TNT Mines Ltd, and subject to additional capital raisings through a proposed Security Purchase Plan, Niuminco plans to manage a focused exploration program comprising 3D modelling on the Aberfoyle and Great Pyramid tin and tungsten projects and drilling of two diamond core holes at the Oonah tin project over the next six months.

UNISSUED SHARES UNDER OPTION

Unissued ordinary shares of Niuminco Group Limited under option at the date of this report are as follows:

Date options granted	Expiry date	Issue price of shares	Number under option
10 August 2011 (unlisted)	30 September 2013	$0.20	21,150,000
30 November 2011(unlisted)	30 September 2013	$0.30	5,000,000
1 May 2012 (unlisted)	30 April 2014	$0.10	6,000,000
Total			**32,150,000**

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any other entities.

REMUNERATION REPORT (AUDITED)

This remuneration report sets out remuneration information for Niuminco Group Limited's non-executive directors, executive directors, and key management personnel.

Principles used to determine the nature and amount of remuneration - Charter

The Directors of Niuminco Group Limited have adopted the following charter:

- To establish a set of remuneration levels and packages that is fair and designed to encourage and enhance individual performance and resultant corporate success.
- To motivate executives and senior management with a focus on long term benefits to the individuals and therefore the Group and its shareholders.
- To review performance of executive directors and senior management based on the Company's operational results, market penetration and profit and loss performance.

Remuneration policy

The remuneration policy has been designed to provide a fixed remuneration to directors commensurate with their obligations, commitment, experience and performance. The Board believes the policy to be appropriate and effective in its ability to retain a high standard of executive staff and directors as well as create incentives in the interests of the Group.

The Board's policy for determining the nature and amount of remuneration for directors is set out in this policy. Consistent with the Board charter the remuneration policy was approved by the Board after considering:

- The history of the Group's management arrangements;
- The remuneration of past executives;
- The current financial position of the Group;
- The remuneration of industry peers;
- The interests of shareholders;
- The short, medium and long-term future of the industry.

The Board, taking into account the above factors will review remuneration annually.
The Board may exercise some discretion in relation to approving incentives and bonuses. During the current year no incentives have been paid to key management personnel.

The Board determines executive directors' payments and reviews the remuneration based on best commercial practice. Independent external advice on the packages may be obtained at the discretion of the Board. As the remuneration is fixed at this time it is not linked to Group performance at this stage. No elements of remuneration are performance based.

A summary of the general principles adopted by the Board is as follows:

Executives

- The adoption of a balance between fixed and incentive salary linking rewards with Company and executive performance but only when the industry and shareholder returns are at a more consistent and higher level.
- Consideration of relativities with other similar sized businesses.
- Reflect the nature of the business and the role expected of the individual.
- Consider both the Group and the individual's legal obligations.

- Consider whether the Group and the individual meets expected and budgeted targets.
- Consider whether equity-based performance benefits are appropriate.
- Executives are paid according to market and experience.

Non-Executives

- Non-executive remuneration is to be clearly distinguished from executive salary and packages. The Non-executive remuneration limit is $150,000 cash per annum in total for all non-executive directors as approved by shareholders on 6th November 2009.

Performance-based remuneration

Currently no component of the key management personnel's remuneration is at risk. It is expected that going forward remuneration packages of executive directors will include remuneration at risk based on Group and individual performance.

Incentive Plans

A Share Plan and Employee Share Option Plan (ESOP) have been approved by shareholders. The object of both plans will be to assist in the recruitment, reward, retention and motivation of employees and officers of the Group.

Other incentive plans including partly paid shares, share purchase loans or other schemes may be utilised to provide longer-term incentives and rewards to executives and directors. Shareholder approval will be obtained in each case as required by law.

In view of the contribution of the non-executive directors and advancing the interest in the Group, the Group considers that the non-executives may continue to be rewarded with options. It is not considered that this will significantly affect their independence in light of their experience and reputation.

Risk Policy

The Board does not have a policy in place in relation to limiting exposure in relation to securities held.

Names and positions held of Group and parent entity key management personnel in office at any time during the financial year

<u>Key management personnel</u>

- Andrew Davis	Chairman – Non-Executive	appointed a Director 9 May 2011 and Chairman 1 May 2012, resigned 18 June 2013
- Tracey Lake	Managing Director	appointed 1 May 2012
- David Fuller	Director – Non Executive	appointed 9 May 2011, resigned 18 June 2013
- Terence Willsteed	Director – Non Executive	appointed 9 May 2011
- Ian Plimer	Director – Non Executive	appointed 9 May 2011

Details of remuneration for the year ended 30 June 2013 and 30 June 2012

The remuneration for each director of the consolidated entity during the year was as follows:

2013	**Short Term Benefits Salary, fees & commissions $**	**Post Employ-ment Benefits Superannuation contributions $**	**Termination benefits $**	**Share Based Payments Options $**	**Total $**
Executive					
T Lake^^	300,000	--	--	58,446^^	358,446
Non executives					
A Davis^	50,000	--	--	--	50,000
D Fuller	34,900	--	--	--	34,900
I Plimer	36,000	--	--	--	36,000
T Willsteed^^^	36,000	--	--	--	36,000
	456,900	**--**	**--**	**58,446**	**515,346**

^ $8,000 of the remuneration paid to Mr Andrew Davis was in respect of consultancy services provided to the Company.
^^ Options to Mr Tracey Lake were granted on 1st May 2012 subject to approval by shareholders. This approval was granted at the Annual General Meeting of the Company held on 26th October 2012. On 7th August 2013, T Lake took up his rights in the rights issue under the prospectus dated 9th July 2013, and converted $8,303 of fees accrued to 8,303,000 ordinary shares.
^^^ On 7th August 2013, Mr Terence Willsteed took up his rights in the rights issue under the prospectus dated 9th July 2013 and converted $4,000 of fees accrued to 4,000,000 ordinary shares.

2012	**Short Term Benefits Salary, fees & commissions $**	**Post Employ-ment Benefits Superannuation contributions $**	**Remuneration paid by the issue of ordinary shares $**	**Termination benefits $**	**Share Based Payments Options $**	**Total $**
Executives						
A Davis^	266,000	--		100,000	39,749	405,749
T Lake^^	165,000	--	80,000	--	29,223	274,223
Non executives						
D Fuller	36,000	--		--	--	36,000
I Plimer	36,000	--		--	11,673	47,673
T Willsteed	36,000	--		--	11,673	47,673
G Rezos	6,115	--		--	42,538	48,653
	545,115	**--**	**80,000**	**100,000**	**134,856**	**859,971**

^Mr Andrew Davis is entitled to a termination payment of $100,000 in respect of his resignation as Managing Director of the Company in May 2012, and this is being paid in instalments of $4,000 per month. The first of these payments was made in May 2012 and $60,000 has been paid to date. Mr Davis has agreed to convert the balance of $40,000 to 4,000,000 ordinary shares at $0.01. On 12th August 2013, 1,901,786 ordinary shares were allotted under the prospectus of 9th July 2013 to extinguish $19,018 of the $40,000 owing. The balance of $20,982 will be converted to ordinary shares, subject to approval by shareholders at the forthcoming Annual General Meeting of the Company.

^^ Mr Tracey Lake as Managing Director provides his services in this position under a consultancy agreement with Goward Pty Limited. The agreement provides for a sign on bonus of $80,000 which has been paid by the issue of 1,333,333 shares at $0.06.

There were no other executives of the Company which require disclosure.

Employment contracts of directors and senior executives

On appointment to the Board, all directors enter into an agreement with the Company in the form of a letter of appointment. The letter summarises the board policies & terms and the director's duties and responsibilities. The contracts require directors to satisfy all legal duties imposed by the Corporations Act and the general law and to assist the board in fulfilling its functions. The directors are required to notify the Company of all other directorships held by the director and if directors intend to accept any subsequent directorships they must first discuss this with the Chairman.

The appointment and term of a director is made in accordance with the Company's constitution. The agreements provide for an indefinite period of appointment subject to reappointment requirements at annual general meetings under the terms of the constitution. The employment may be terminated pursuant to the Corporations Act and the Company's Constitution, in certain prescribed circumstances (such as bankruptcy, conviction of an offence, unsound mind). The director may resign by notice in writing at any time.

Directors are not automatically entitled to any termination or retirement benefits, other than those to be provided to all employees under normal legislative requirements; however termination benefits may be agreed on an individual basis by the board.

Mr Andrew Davis as Chairman provided his services in this position under a consultancy agreement with Alan Davis Pty Limited. This agreement provided for a monthly payment of $8,000 and had an expiry date of 30 June 2014 with 6 months' notice of early termination. Mr Davis has received a termination payment in respect of his resignation as the Managing Director of the Company of $100,000, which was payable in 25 monthly instalments. To date, he has been paid 15 of these instalments for a total of $60,000 and has agreed to convert the $40,000 balance to 4,000,000 ordinary shares at $0.01. On 12th August 2013, 1,901,786 ordinary shares were allotted under the prospectus of 9th July 2013 to extinguish $19,018 of the $40,000 owing. The balance of $20,982 will be converted to ordinary shares, subject to approval by shareholders at the forthcoming Annual General Meeting of the Company.

Mr Tracey Lake as Managing Director provides his services in this position under a consultancy agreement with Goward Pty Limited. The agreement provides for a monthly payment of $25,000 and has an expiry date of 30 April 2014 with 6 months' notice of early termination. The agreement also provides for a sign on bonus of $80,000 which has been paid by the issue of 1,333,333 shares at $0.06, and 6,000,000 options exercisable at 10 cents per share on or before 30th April 2014 or the date that is 3 months after the termination date of the agreement.

Share-based compensation

On 26th October 2012, Mr Tracey Lake was issued 1,333,333 ordinary shares at $0.06 in payment of an $80,000 sign on bonus plus 6,000,000 options under his consultancy agreement with the Company. Mr Lake was also repaid $304,500 lent to the Company in September 2012 by the placement of 10,875,000 ordinary shares at $0.028 per share. The terms and conditions of the options that have been allocated to Mr Lake are as follows.

Grant Date	Vesting and exercise date	Expiry date	Exercise price
01/05/12	No vesting conditions	30/04/14	$0.10

Details of options over ordinary shares in the Company provided as remuneration to each director of Niuminco Group Limited and each of the key management personnel of the parent entity during the year are set out below. When exercisable, each option is convertible into one ordinary share of Niuminco Group Limited.

Name	Number options granted during year	Value of options at grant date	Number of options vested during the year	Number of options lapsed during year	Value at lapse date
T Lake ^	--	$0.0146	6,000,000	--	--

^ Options to Mr Tracey Lake were granted on 1st May 2012 subject to approval by shareholders. This approval was granted at the Annual General Meeting of the Company held on 26th October 2012.

This is the end of the Audited Remuneration Report

MEETINGS OF DIRECTORS

The number of directors' meetings held and number of meetings attended by each of the directors of the Company during the financial year were as follows:

	Number attended	Number eligible to attend
Andrew Davis	14	14
Tracey Lake	14	14
David Fuller	9	14
Ian Plimer	10	14
Terence Willsteed	10	14

The number of audit committee meetings held and number of meetings attended by each of the directors of the Company during the financial year were as follows:

	Number attended	Number eligible to attend
Andrew Davis	2	2
Tracey Lake	2	2
Terence Willsteed	2	2

INDEMNIFYING OFFICERS OR AUDITOR

During or since the end of the financial year the Company has paid or agreed to pay insurance premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company. The Company's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

ENVIRONMENTAL

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth of Australia or of a State or Territory.

In Papua New Guinea the Department of Environment and Conservation administers a Code of Practice for Mining, which stipulates the environmental responsibilities of mining projects in PNG. The Environment Act 2000 and the regulations made under that Act provide the administrative mechanism for environmental impact assessment and evaluation of activities regulating impacts on the receiving environment through an established environment approval and permitting system. The Environment Act 2000 requirements include environmental permits, registration of intention to carry out preparatory work and environment impact assessment. The Group will work with its joint venture partner Mincor to ensure compliance with the Papua New Guinea environmental codes.

PROCEEDINGS ON BEHALF OF COMPANY

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

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

NON-AUDIT SERVICES

The auditors of the Company have not provided any non-audit services during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under s307C of the Corporations Act 2001 for the year ended 30 June 2013 has been received and can be found on page 19.

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

Chairman
Dated this 28th August 2013

Auditor's Independence Declaration

As lead auditor for the audit of Niuminco Group Limited for the year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

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

This declaration is in respect of Niuminco Group Limited and the entities it controlled during the period.

Brett Entwistle
Partner
PricewaterhouseCoopers

28 August 2013

Niuminco Group Limited
Consolidated statement of comprehensive income
For the year ended 30 June 2013

	Note	2013 $	RESTATED 2012 $
Other income	3	23,168	399,919
		23,168	**399,919**
Expenses			
Employee benefits expense		--	(50,436)
Depreciation & amortisation expense	11	(261,861)	(434,429)
Professional services fees		(773,405)	(1,893,426)
Mining & exploration site costs		(1,789,484)	(21,435)
Travel & accommodation		(49,435)	(31,333)
Loss on disposal & impairment of fixed assets	4	(512,944)	(1,204,603)
Exploration write-off	10	(833,931)	(255,457)
Option expense - directors	15	(58,446)	(347,873)
Other expenses from ordinary activities		(282,317)	(446,248)
Cost of listing	21	--	(2,906,814)
Finance costs		(88,175)	(125,890)
Net loss before tax		**(4,626,830)**	**(7,318,025)**
Income tax (expense) / benefit	5	--	--
Net loss for the year attributable to members of Niuminco Group Limited		**(4,626,830)**	**(7,318,025)**
Other comprehensive income/(loss)			
Items that may be re-classified to profit or loss			
Changes in foreign currency translation reserve		104,519	2,001,639
Total comprehensive income attributable to members of Niuminco Group Limited		**(4,522,311)**	**(5,316,386)**
		Cents	**Cents**
Loss per share for loss attributable to the ordinary equity holders of the Niuminco Group Limited			
Basic loss per share	26	2.3	4.2
Diluted loss per share	26	2.3	4.2

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

Niuminco Group Limited
Consolidated statement of financial position
As at 30 June 2013

	Note	2013 $	RESTATED 2012 $
CURRENT ASSETS			
Cash and cash equivalents	7	559,551	694,314
Trade and other receivables	8	89,561	187,333
Prepayments	9	35,180	41,538
Other current asset	6	10,027,778	5,533,091
Total Current Assets		**10,712,070**	**6,456,276**
NON CURRENT ASSETS			
Exploration & evaluation expenditure	10	11,856,787	12,123,990
Property, plant & equipment	11	1,573,269	2,318,697
Investment in associate	23	153,359	--
Other non-current assets	8	29,168	--
Total Non-Current Assets		**13,612,583**	**14,442,687**
TOTAL ASSETS		**24,324,653**	**20,898,963**
CURRENT LIABILITIES			
Interest bearing loans & borrowings	12	335,573	264,170
Trade & other payables	13	1,417,635	2,469,120
Other current liability	6	10,027,778	5,533,091
Total Current Liabilities		**11,780,986**	**8,266,381**
NON-CURRENT LIABILITIES			
Interest bearing loans & borrowings	12	65,819	395,103
Total Non-Current Liabilities		**65,819**	**395,103**
TOTAL LIABILITIES		**11,846,805**	**8,661,484**
NET ASSETS		**12,477,848**	**12,237,479**
EQUITY			
Contributed equity	14	40,129,300	35,425,066
Share based payment reserve	15	3,055,802	2,997,356
Foreign currency translation reserve	15	3,084,943	2,980,424
Accumulated losses	15	(33,792,197)	(29,165,367)
TOTAL EQUITY		**12,477,848**	**12,237,479**

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

Niuminco Group Limited
Consolidated statement of changes in equity
For the year ended 30 June 2013

	Attributable to members of Niuminco Group Limited				
RESTATED	**Contributed equity**	**Share based payment reserve**	**Foreign currency translation reserve**	**Accumulated Losses**	**Total**
	$	$	$	$	$
Balance at 1 July 2011	**21,259,660**	**2,237,587**	**978,785**	**(21,847,342)**	**2,628,690**
Loss for the year	--	--	--	(7,318,025)	(7,318,025)
Other comprehensive income for the year	--	--	2,001,639	--	2,001,639
Total comprehensive income for the year	**--**	**--**	**2,001,639**	**(7,318,025)**	**(5,316,386)**
Transactions with owners in their capacity as owners					
Issued capital, net of transaction costs	14,165,006	--	--	--	14,165,006
Options exercised	400	--	--	--	400
Share-based payments	--	759,769	--	--	759,769
Balance at 30 June 2012	**35,425,066**	**2,997,356**	**2,980,424**	**(29,165,367)**	**12,237,479**
Loss for the year	--	--	--	(4,626,830)	(4,626,830)
Other comprehensive income for the year	--	--	104,519	--	104,519
Total comprehensive income for the year	**--**	**--**	**104,519**	**(4,626,830)**	**(4,522,311)**
Transactions with owners in their capacity as owners					
Issued capital, net of transaction costs	4,704,234	--	--	--	4,704,234
Options exercised	--	--	--	--	--
Share-based payments	--	58,446	--	--	58,446
Balance at 30 June 2013	**40,129,300**	**3,055,802**	**3,084,943**	**(33,792,197)**	**12,477,848**

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

Niuminco Group Limited
Consolidated statement of cash flows
30 June 2013

	Note	2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		--	--
Payments to suppliers & employees (inclusive of GST)		(622,755)	(3,384,984)
Payment for exploration & evaluation expenditure		(1,789,484)	--
Interest received		23,168	98,364
Interest paid		(88,175)	(116,268)
Net cash used in operating activities	25	**(2,477,246)**	**(3,402,888)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		18,835	233,099
Payment for property, plant & equipment		(60,489)	(7,819)
Payment for exploration & evaluation expenditure		(657,393)	(2,353,981)
Net cash used in investing activities		**(699,047)**	**(2,128,701)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of issue of shares		3,073,621	8,296,619
Payment of share issue costs		(63,962)	(896,367)
Cash acquired on acquisition		--	15,581
Advances from related parties		304,500	900,000
Repayments to related parties		--	(31,919)
Repayment of shareholders loans		--	(246,933)
Advances to joint venture partner		(4,494,687)	(5,533,091)
Loan from joint venture partner		4,494,687	5,533,091
Advances to staff		(32,491)	--
Repayments by staff		4,391	--
Repayment of borrowings/finance lease		(252,705)	(1,293,312)
Net cash provided by/(used in) financing activities		**3,033,354**	**6,743,669**
Net (decrease)/increase in cash & cash equivalents		**(142,939)**	**1,212,080**
Cash & cash equivalents at the beginning of the year		694,314	(531,374)
Effect of exchange rate changes		8,176	13,608
Cash & cash equivalents at the end of the year	7	**559,551**	**694,314**

For details of non-cash operating and investing activities by the Group refer to notes 14 and 23

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

Niuminco Group Limited
Notes to the consolidated financial statements
30 June 2013

CONTENTS OF THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

This annual report is for Niuminco Group Limited ("the Company") and its controlled entities (together "the Group") in respect of the full year reporting period ended 30 June 2013.

The financial statements were authorised for issue by the directors on 28th August 2013. The directors have the power to amend and reissue the financial statements.

Niuminco Group Limited is a company limited by shares incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Niuminco Group Limited is a for-profit entity for the purpose of preparing the financial statements.

i. Compliance with IFRS
The consolidated financial statements of the Niuminco Group Limited group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

ii. Historical cost convention
These financial statements have been prepared under the historical cost convention.

iii. Critical accounting estimates
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

iv. Reverse acquisition
Niuminco Group Limited is listed on the Australian Securities Exchange. Niuminco Group Limited completed the legal acquisition of Niuminco Ltd on 10th August 2011.

Niuminco Ltd was deemed to be the acquirer for accounting purposes as it has obtained control over the operations of the legal acquirer. Accordingly, the consolidated financial statements of Niuminco Group Limited have been prepared as a continuation of the financial statements of Niuminco Ltd. Niuminco Ltd (as the deemed acquirer) has accounted for the acquisition of Niuminco Group Limited from 10th August 2011.

The impact of the reverse acquisition on each of the primary statements is as follows:

Consolidated statement of comprehensive income:
- The statement for the year to 30 June 2012 comprises 12 months of Niuminco Ltd and 11 months of Niuminco Group Limited.

Consolidated statement of financial position:
- The consolidated statement of financial position at 30 June 2012 represents both Niuminco Ltd and Niuminco Group Limited as at that date.

Statement of changes in equity

- The consolidated statement of changes in equity for the year ended 30 June 2012 comprises Niuminco Ltd's equity balance at 1st July 2011, its loss for the year, and transactions with equity holders for 12 months. It also comprises Niuminco Group Limited's transactions with equity holders in the past 11 months and the equity balances of Niuminco Ltd and Niuminco Group Limited at 30 June 2012.

Statement of cash flows

- The consolidated cash flow statement for the year ended 30 June 2012 comprises the cash balance of Niuminco Ltd at 1st July 2011, the cash transactions for the 12 months (12 months for Niuminco Ltd and 11 months for Niuminco Group Limited) and the cash balance of Niuminco Ltd and Niuminco Group Limited at 30 June 2012.

v. Restatement relating to deferred tax

Following a review of the tax treatment applied to the loan between Niuminco Limited and Niuminco PNG Branch, the comparative figures at 30 June 2012 have been restated. Further details and the impact of this are provided in note 1(g).

b. Going concern

During the year, the Group raised $4,186,337 through capital raisings. The amount of cash received was reduced by converting outstanding related party loans and other payables totalling $1,417,216 to equity, and further reduced by capital raising costs paid of $63,962, resulting in $2,705,159 of cash being received.

Since balance date the Company has raised $586,058 under the offer document dated 9 July 2013 which closed on 7 August 2013. This offer raised cash of $528,186 and included the conversion of $57,872 of current payables at 30 June 2013 to equity. In addition, placement of shares under the shortfall facility after the rights issue closed has raised cash of $55,712.

The Group incurred a net loss before tax of $4,626,830 during the year ended 30 June 2013 and, as of that date the consolidated entity's current liabilities exceeded its current assets by $1,068,916.

The Group has currently taken steps to reduce its expenditure to preserve cash balances and although the Group is still planning to undertake exploration activities on its various tenements, it has currently only budgeted for those amounts that the financial position of the Group allows. Consistent with the nature of the Group's activities, its ongoing investment of funds into exploration projects, will only be possible as and when sufficient funds are available to the Group. This may require continuing to hold operations on maintenance for periods of time which management cannot determine the length of.

The continuing viability of the Group and its ability to continue as a going concern and to meet its commitments as and when they fall due is dependent upon the Group being successful in:

- raising additional equity or debt
- curtailing materially the Group's ongoing operating costs to suit available resources and the timing of anticipated equity or debt raisings.

As a result of these matters, there is a material uncertainty related to events or conditions that may cast significant doubt on whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of the business and at the amounts stated in the financial report. However, the Directors believe that the Group will be successful in managing the above matters and accordingly, they have prepared the financial report on a going concern basis. At this time the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 30 June 2013. Accordingly no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

c. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Niuminco Group Limited ('Company' or 'parent entity') at 30 June 2013 and the results of all subsidiaries for the year then ended. Niuminco Group Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Niuminco Group Limited.

A list of the Group subsidiaries is presented in note 22 to the financial statements.

d. Foreign currency translation

i. Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is Niuminco Group Limited's functional and presentation currency.

ii. Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

iii. Group companies
The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

e. Revenue recognition

i. Interest income

Interest revenue is brought to account when earned, taking into account the effective yield on the financial asset.

f. Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

g. Restatement relating to deferred tax

Following a review of the tax treatment applied to the loan between Niuminco Limited and Niuminco PNG Branch, comparative amounts at 30 June 2012 have been revised. There is no net effect on total equity or total comprehensive income.

In the 30 June 2012 comparatives, the deferred tax impact of the potential gain or loss to arise on the repayment of the loan was recognised. It has been confirmed that this repayment will not give rise to a taxable event within Papua New Guinea and therefore the recognition of the associated deferred tax is not necessary. At 30 June 2012, this change resulted in a decrease in income tax benefit of $2,235,244 with corresponding entries to other comprehensive income. The impact is summarised as follows:

	2012 Original	Adjustment	2012 Restated
Consolidated statement of comprehensive income			
Income tax benefit	2,235,244	(2,235,244)	--
Other comprehensive income – foreign currency translation reserve	(233,605)	2,235,244	2,001,639
Net impact on consolidated statement of comprehensive income		--	
Consolidated statement of financial position			
Deferred tax asset	2,235,244	(2,235,244)	--
Deferred tax liability	(2,235,244)	2,235,244	--
Accumulated losses	(26,930,123)	(2,235,244)	(29,165,367)
Foreign currency translation reserve	745,180	2,235,244	2,980,424
Net impact on Total Equity		--	

There is no impact on the 30 June 2011 balances as the error only impacted the statement of comprehensive income and statement of financial position at 30 June 2012 and as a result a third balance sheet has not been presented. As a result of this restatement, the basic and diluted loss per share for the year ended 30 June 2012 was increased by 1.2 cents.

h. Exploration and evaluation costs

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises direct costs and depreciation and does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.
Exploration expenditure for each area of interest is carried forward as an asset provided the rights to tenure of the area of interest are current and one of the following conditions is met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration expenditure is written off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned. The carrying value of exploration and evaluation assets is assessed in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* and the Group's impairment policy (note 2 i).

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

i. Impairment of assets

The Group's assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment provision 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 there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In respect of exploration and evaluation assets, some impairment indicators that the Group considers include, whether any of its right to explore has lapsed or is expected to lapse and is not expected to be renewed, the plans and budget that the Group has regarding future substantive expenditure, the results of its exploration activities and whether such results are not positive or are sufficient to demonstrate that a future successful development of an asset is unlikely.

j. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and any impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.
Depreciation on all assets is calculated using the diminishing value method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased plant and equipment, the shorter lease term as follows:

- Buildings	20 years
- Furniture, fittings & equipment	3-7 years
- Mining equipment and vehicles	3-10 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

k. Employee Benefits

i. Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits, expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All short-term employee benefit obligations are presented as payables.

ii. Share-based payment
Share-based compensation benefits are provided to employees via the Niuminco Group Limited Share Plan and Employee Share Option. Information relating to this plan is set out in note 27. No options were issued under this plan during the year to 30 June 2013.

The fair value of options granted under the Niuminco Group Limited Share Plan and Employee Share Option is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

l. Share-based payments

Equity instruments (shares and options) issued for the payments of goods and services other than employee services are recognised when the instruments are issued. The fair value of equity instruments granted is recognised in the statement of comprehensive income or directly in the statement of financial position depending on the nature of the share-based payment. The total amount to be recognised is determined by reference to the fair value of the equity instruments granted.

m. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the statement of financial position.

n. Investment and other financial assets

Classification
The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting date.

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. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 8) in the statement of financial position.

Recognition and derecognition
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method. Details on how the fair value of financial instruments is determined are disclosed in note 29.

Impairment
The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

i. Assets carried at amortised cost
For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

o. Investments in associates

Associates are all entities over which the group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

The group's share of its associates' post acquisition profits or losses is recognised in profit and loss, and its share of post acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised as reduction in the carrying amount of the investment.

When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

p. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

q. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r. Leases

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases (note 12). Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short term or long term payables.

Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

s. Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ii. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

t. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless the amount of GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis, except for the GST component of cash flow arising from investing or financing activities, which are recoverable from, or payable to the taxation authority, are presented as operating cashflows.

u. New accounting standards and interpretations

Amendments made to AASB 101 *Presentation of Financial Statements* effective 1st July 2012 now require the statement of comprehensive income to show the items of comprehensive income to be grouped into those that are not permitted to be re-classified to profit and loss in a future period and those that may have to be re-classified if certain conditions are met.

Other new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 *Financial Instruments*, AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2010) (effective for annual reporting periods beginning on or after 1 January 2013*).

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013* but is available for early adoption. When adopted, the standard is not expected to have a material impact on the Group financial statements as the Group does not hold any financial assets at fair value through profit and loss or classified as available-for-sale and does not hold any held-to-maturity investment at reporting date.

There will also be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated as at fair value through profit or loss and the Group does not have any such liabilities. The de-recognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed. The Group will adopt AASB 9 in 2014.

* In December 2011, the IASB delayed the application date of IFRS 9 to 1 January 2015. The AASB is expected to make an equivalent amendment to AASB 9 shortly.

(ii) AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities* and AASB 128 *Investments in Associates and Joint Ventures* and AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* (effective 1 January 2013)

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements*, and Interpretation 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns before control is present. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. There is also new guidance on participating and protective rights and on agent/principal relationships. While the Group does not expect the new standard to have a significant impact on its composition, it has yet to perform a detailed analysis of the new guidance in the context of its various investees that may or may not be controlled under the new rules.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

The Group’s investment in the joint venture with Mincor Resources NL is expected to be an undivided interest in an unincorporated entity as the Group would be party to a joint arrangement.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 128. The Group is still assessing the impact of these amendments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a “partial disposal” concept. The Group is still assessing the impact of these amendments.

The Group will adopt the new standards on their operative date and they will be first applied in the financial statements for the annual reporting period ending 30 June 2014.

(iii) AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* (effective 1 January 2013)

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. The Group does not use fair value measurements extensively. It is therefore unlikely that the new rules will have a significant impact on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The Group does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

(iv) AASB 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements* (effective 1 July 2013)

In July 2011 the AASB decided to remove the individual key management personnel (KMP) disclosure requirements from AASB 124 *Related Party Disclosures*, to achieve consistency with the international equivalent standard and remove a duplication of the requirements with the *Corporations Act 2001*. While this will reduce the disclosures that are currently required in the notes to the financial statements, it will not affect any of the amounts recognised in the financial statements. The amendments apply from 1 July 2013 and cannot be adopted early. The Corporations Act requirements in relation to remuneration reports will remain unchanged for now, but these requirements are currently subject to review and may also be revised in the near future.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

v. Parent entity financial information

The financial information for the parent entity, Niuminco Group Limited, disclosed in note 28 has been prepared on the same basis as the consolidated financial statements, except as set out below.

i. Investments in subsidiaries, associates and joint venture entities
Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Niuminco Group Limited. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

a. Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Share-based payment transactions
The cost of share-based payments to employees and third parties is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes options valuation model, taking into account the terms and conditions upon which the options were granted. Note 27 details the assumptions that have been used in determining the fair value of the options that have been granted.

ii. Capitalised exploration and evaluation expenditure
Certain exploration and evaluation expenditure is capitalised where it is considered likely that the expenditure will be recovered by future exploitation or sale, or where activities have not reached a stage which permits a reasonable assessment of the existence of commercially recoverable reserves. This process necessarily requires management to make certain estimates and assumptions as to future events and circumstances, including estimates and

assumptions regarding future commodity prices and level of demand for those commodities and cost of production, which will affect whether economically viable extraction operations can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under this policy it is concluded unlikely that the expenditure will be recovered by future exploitation or sale, the relevant amount capitalised is written off in the statement of comprehensive income. Further information is provided in note 10 of the financial statements.

iii. Estimated impairment of property, plant and equipment

The Group's assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting policy stated in note 1.i. 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.

iv. Business combination

A business combination is a transaction in which an acquirer obtains controls of one or more subsidiaries. The acquirer is the entity that obtains control of the other combining entities or businesses. In some situations a reverse acquisition could occur when the acquirer is the entity whose equity instruments have been acquired and the issuing entity is the acquiree. This might be the case when a private entity arranges to have itself "acquired" by a publicly listed entity and as a result of that transaction the shareholders of the private entity obtain a majority of the shareholding of the publicly listed entity.

During the previous year Niuminco Group Limited acquired Niuminco Ltd and it was determined that the acquirer in that transaction was Niuminco Ltd. In forming that conclusion management considered the following factors:
(a) the relative voting rights in the Company after the business combination
(c) the composition of the governing body of the Company
(d) the composition of the senior management of the Company
(e) the terms of exchange of equity interests

In considering the transaction, management also determined that the Company did not meet the definition of a business as defined in AASB 3 *Business Combinations*. In forming that conclusion management reviewed and assessed the level of inputs and processes that were in place in Niuminco Group Limited prior to the acquisition and that were acquired by the Group.

3. OTHER INCOME

	2013 $	2012 $
Finance income	23,168	98,364
Write back creditor	--	287,176
Other income	--	14,379
	23,168	**399,919**

4. EXPENSES

Loss on sale of fixed assets	11,310	472,212
Impairment of assets	501,634	732,391
	512,944	**1,204,603**

5. INCOME TAX (EXPENSE) / BENEFIT

Following a review of the tax treatment applied to the loan between Niuminco Limited and Niuminco PNG Branch, comparative amounts at 30 June 2012 have been revised. There is no net effect on total equity or total comprehensive income.

In the 30 June 2012 comparatives, the deferred tax impact of the potential gain or loss to arise on the repayment of the loan was recognised. It has been confirmed that this repayment will not give rise to a taxable event within Papua New Guinea and therefore the recognition of the associated deferred tax is not necessary. At 30 June 2012, this change resulted in a decrease in income tax benefit of $2,235,244 with corresponding entries to other comprehensive income.

a) Unused tax losses

	2013 $	RESTATED 2012 $
Unused tax losses relating to the Australian entities for which no deferred tax asset has been recognised	6,863,959	5,803,095
Potential tax benefit at 30%	**2,059,188**	**1,740,929**
Unused tax losses relating to the PNG entities for which no deferred tax asset has been recognised	21,219,417	17,625,140
Potential tax benefit at up to 40%	**8,057,104**	**6,872,210**

Tax returns for the PNG entities are not yet complete. The amounts are therefore subject to finalisation of the tax returns for those entities.

b) Numerical reconciliation of income tax (expense) / benefit to prima facie tax payable

		RESTATED
Loss from continuing operations	(4,626,830)	(7,318,025)
Tax at the Australian tax rate of 30% (2012 – 30%)	(1,388,049)	(2,195,408)
Difference in overseas tax rates	(100,402)	(270,290)
Taxable losses not recognized	1,470,917	1,371,654
Permanent differences	17,534	1,094,044
Income tax (expense) / benefit	--	--

6. OTHER CURRENT ASSET & OTHER CURRENT LIABILITY

	2013 $	2012 $
Other current asset	10,027,778	5,533,091
Other current liability	(10,027,778)	(5,533,091)
	--	--

On the 23rd May 2011, the Group entered into a series of joint venture and other agreements with Mincor Resources N.L. (Mincor) and ASX listed miner with nickel mining interest in the Kalgoorlie area of Western Australia.

At this time, the condition precedents to the joint venture agreements were unsatisfied and the joint ventures to be constituted under the agreements were not yet formed. For exploration works at the different areas to commence, the Group agreed with Mincor to incur expenditure prior to the formation of the joint ventures with Mincor to reimburse the Group in respect of such expenditure within 5 days of the Group issuing an invoice to Mincor once the joint ventures were formed.

At the same time, the Group entered into loan agreements with Mincor whereby Mincor agreed to advance monies to the Group to fund the exploration work above. The loan amounts are repayable on the date when the joint ventures are formed. Under the loan agreements, Mincor has the right to set off any amount due by the Group for those loans against any amount which is due for payment by Mincor to the Group in respect of the exploration work which has been completed by the Group on Mincor's behalf.

The last of the conditions precedent to the joint venture agreements were satisfied on 19th March 2013, and the joint ventures were formed as of that date. The Group has issued invoices to Mincor for the reimbursement of monies spent on exploration work but at the date of this report the loan from Mincor has not been extinguished.

7. CASH AND CASH EQUIVALENTS

	2013 $	2012 $
Cash at bank	559,551	694,314
	559,551	**694,314**

a. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Balance as above	559,551	694,314
	559,551	**694,314**

b. Risk exposure

The Group's exposure to interest rate risk is discussed in note 29. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

8. TRADE AND OTHER RECEIVABLES

CURRENT		
GST receivables	68,377	56,271
Staff advances	425	11,993
Deposits paid	16,604	39,475
Other debtors	4,155	79,594
	89,561	**187,333**
NON-CURRENT		
Staff advances	29,168	--
	29,168	**--**

Staff advances are cash advances on salaries lent to staff in Papua New Guinea which are repaid by regular deductions from the employees' fortnightly pay.

9. PREPAYMENTS

CURRENT		
Prepaid insurance	35,180	41,538
	35,180	**41,538**

10. EXPLORATION AND EVALUATION EXPENDITURE

	2013 $	2012 $
NON-CURRENT		
Costs carried forward in respect of areas of interest in the exploration and evaluation phase		
Opening balance	12,123,990	8,053,717
Expenditure incurred during the year (a)	657,393	2,822,834
Foreign currency translation	(90,665)	1,502,896
Less write-off (b)	(833,931)	(255,457)
	11,856,787	**12,123,990**

Exploration assets are carried forward in accordance with the accounting policy set out in note 1.h and are assessed for impairment in accordance with note 1.i..

(a) Expenditure during the year relates to expenditure capitalised on exploration of mining tenements at Edie Creek. Exploration at Bolobip and May River has been sole funded by the Group's joint venture partner, Mincor. The exploration and evaluation expenditure asset does not include any of the exploration monies funded by Mincor. For details of the amounts spent by Mincor on exploration at the three joint venture projects refer to note 24.

(b) The impairment charge relates to expenditure capitalised on three non-prospective exploration licences which have been allowed to lapse, the Kubuna licence that was relinquished in February 2013, and write down of the carrying value of the Edie Creek project in accordance with accounting policy 1.i. The Group also decided to expense additional expenditure incurred and as a result of this, an amount of $1,789,484 has been expensed in the income statement during the year.

In making these decisions and in determining the recoverable amount of its exploration assets, the Group has taken into account the following considerations:

- Positive results of the stage 1 drilling program conducted at Edie Creek in the final quarter of 2013, confirm that Edie Creek remains highly prospective.
- The Group still plan to continue exploration for all of its assets.
- The Group announced its intention to make a takeover offer for all the issued capital of TNT Mines Limited on the basis of one Niuminco share for each TNT share. The Directors have considered the implied value of this transaction and how this correlates with the carrying value of the Group' assets.
- The Group also acquired its initial investment in TNT on an identical implied value.
- The TNT board unanimously recommends the transaction in the absence of a superior proposal and subject to the receipt of an independent expert's report on the fairness of the transaction.

The ultimate recoupment of the book value of exploration assets relating to areas of interest in the exploration and evaluation phase is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest and the Group's ability to continue to meet its financial obligations to maintain the areas of interest.

11. PROPERTY, PLANT & EQUIPMENT

NON-CURRENT	**Buildings**	**Furniture & fittings**	**Mining equipment & vehicles**	**Total**
	$	$	$	$
At 1 July 2011				
Cost or fair value	755,920	314,061	4,037,874	5,107,855
Accumulated depreciation	(98,583)	(121,757)	(1,259,560)	(1,479,900)
Net book amount	**657,337**	**192,304**	**2,778,314**	**3,627,955**
Year ended 30 June 2012				
Opening net book amount	657,337	192,304	2,778,314	3,627,955
Exchange differences	124,331	33,625	397,098	555,054
Additions	--	7,820	--	7,820
Disposals	--	--	(705,312)	(705,312)
Written-off	--	(6,924)	(725,467)	(732,391)
Depreciation	(36,900)	(54,644)	(342,885)	(434,429)
Closing net book amount	**744,768**	**172,181**	**1,401,748**	**2,318,697**
At 30 June 2012				
Cost or fair value	901,540	375,973	3,218,266	4,495,779
Accumulated depreciation	(156,772)	(203,792)	(1,816,518)	(2,177,082)
Net book amount	**744,768**	**172,181**	**1,401,748**	**2,318,697**
Year ended 30 June 2012				
Opening net book amount	744,768	172,181	1,401,748	2,318,697
Exchange differences	3,633	693	(16,602)	(12,276)
Additions	--	31,203	29,286	60,489
Disposals	--	--	(30,146)	(30,146)
Impaired^	--	--	(501,634)	(501,634)
Depreciation	(36,116)	(43,675)	(182,070)	(261,861)
Closing net book amount	**712,285**	**160,402**	**700,582**	**1,573,269**
At 30 June 2013				
Cost or fair value	905,173	407,869	2,699,169	4,012,211
Accumulated depreciation	(192,888)	(247,467)	(1,998,587)	(2,438,942)
Net book amount	**712,285**	**160,402**	**700,582**	**1,573,269**

^ The impairment relates to plant & equipment re-stated to its realisable value.

12. INTEREST BEARING LOANS AND BORROWINGS

	2013 $	2012 $
CURRENT		
Finance lease liability (a)	335,573	264,170
	335,573	**264,170**
NON-CURRENT		
Finance lease liability (a)	65,819	395,103
	65,819	**395,103**

(a) Financial leases are for plant & equipment in PNG and the average effective interest rate during the year was 16%. The outstanding liability is secured over the assets.

13. TRADE AND OTHER PAYABLES

	2013 $	2012 $
CURRENT		
Payroll liabilities	793,162	879,660
Sundry creditors and accruals (c)	149,203	367,435
Trade creditors (a)	475,270	322,025
Directors loans (b)	--	900,000
	1,417,635	**2,469,120**

(a) $156,716 outstanding at 30 June 2012 to Nepean Engineering & Innovation Pty Ltd, an associated company of David Fuller, was settled by the issue of 5,597,000 ordinary shares on the 7th September 2012.

(b) Directors loans

- - The $750,000 outstanding to Victoria Park Investments Pty Ltd, an associated company of David Fuller, was extinguished by the issue of 26,785,715 ordinary shares on the 7th September 2012 and 29th October 2012.
- - The $150,000 outstanding to Alan Davis Pty Ltd, an associated company of Andrew Davis, was extinguished by the issue of 5,357,143 ordinary shares on the 7th September 2012 and 29th October 2012.

(c) $80,000 of directors fees outstanding to Tracey Lake at 30 June 2012 were settled in shares on 29th October 2012. Subsequent to 30 June 2013, $32,321 of sundry creditors and accruals has been settled by the issue of ordinary shares at $0.01 per share.

14. CONTRIBUTED EQUITY

a. Share capital

	30/06/13 Shares	30/06/13 $	30/06/12 Shares	30/06/12 $
Ordinary shares fully paid	369,937,654	40,129,300	187,754,508	35,425,066
Total contributed equity	**369,937,654**	**40,129,300**	**187,754,508**	**35,425,066**

b. Movements in ordinary share capital

2012

Date	Details	Shares	$
01-Jul-11	Balance at beginning of period	271,345,443	21,259,660
10-Aug-11	Elimination of existing Niuminco shares at acquisition date	(271,345,443)	--
10-Aug-11	Existing Niuminco Group Limited shares at acquisition date	12,104,330	--
10-Aug-11	Niuminco Group Limited shares issued upon acquisition	108,538,178	2,523,257
10-Aug-11	Issue of share under prospectus closed on 29 July 2011 in exchange for cash	41,481,095	8,296,219
10-Aug-11	Conversion of convertible notes to equity under prospectus closed on 29 July 2011^	18,518,905	3,703,781
10-Aug-11	Shares issued as remuneration for services^	2,500,000	500,000
30-Aug-11	Shares issued as consideration for cancellation of options in Niuminco Ltd^	2,360,000	--
31-Aug-11	Exercise of options	2,000	400
06-Dec-11	Share placement^	2,250,000	450,000
			36,733,317
	Less transaction costs arising on share issues		(1,308,251)
30-Jun-12	**Balance**	**187,754,508**	**35,425,066**

^These items were non-cash operating and investing activities

2013

Date	Details	Shares	$
01-Jul-12	Balance at beginning of period	187,754,508	35,425,066
05-Sep-12	Issue of shares under prospectus dated 13 August 2012 in exchange for cash	60,798,647	1,702,362
07-Sep-12	Conversion of debt to equity under prospectus dated 13 August 2012^	33,078,607	926,201
29-Oct-12	Shares issued as remuneration for services approved at AGM^	2,904,762	124,000
29-Oct-12	Shares issued as repayment of loan^	10,875,000	304,500
29-Oct-12	Conversion of debt to equity approved at AGM^	6,661,246	186,515
19-Nov-12	Issue of shares under agreement with Mincor in exchange for cash	3,720,000	104,160
15-Mar-13	Issue of shares under prospectus dated 28 February 2013 in exchange for cash	42,236,634	1,267,099
19-Jun-13	Issue of shares for 19.9% interest in TNT Mines Ltd^	21,908,250	153,359
			40,193,262
	Less transaction costs arising on share issues		(63,962)
30-Jun-13	**Balance**	**369,937,654**	**40,129,300**

^These items were non-cash operating and investing activities

c. Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.
On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

d. Share options issued

At reporting date there were 32,150,000 options issued outstanding (2012: 85,904,414).

Options issued to equity holders are summarised in the table below. Note 27 details the share based payment options issued and outstanding at reporting date.

Type of options	**Grant date**	**Expiry date**	**Exer-cise price**	**Balance at start of the year**	**Granted during the year**	**Exercised during the year**	**Expired during the year**	**Balance at end of the year**	**Vested and exercisable at end of the year**
30 June 2013			**$**	**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
Listed	22/12/08	31/12/12	0.60	3,506,412	--	--	(3,506,412)	--	--
Listed	10/08/11	30/09/12	0.20	29,998,000	--	--	(29,998,000)	--	--
Unlisted	10/12/08	31/12/12	0.40	1,500,002	--	--	(1,500,002)	--	--
Unlisted	10/12/08	31/12/12	0.60	1,500,000	--	--	(1,500,000)	--	--
Unlisted	10/12/08	31/12/12	1.00	2,000,000	--	--	(2,000,000)	--	--
Unlisted	01/12/09	31/12/12	0.40	250,000	--	--	(250,000)	--	--
Unlisted	09/05/11	30/09/13	0.30	5,000,000	--	--	--	5,000,000	5,000,000
Unlisted	09/05/11	30/03/14	0.30	5,000,000	--	--	(5,000,000)	--	--
Unlisted	10/08/11	30/09/12	0.20	16,000,000	--	--	(16,000,000)	--	--
Unlisted	10/08/11	30/09/13	0.20	21,150,000	--	--	--	21,150,000	21,150,000
Unlisted^	01/05/12	30/04/14	0.10	6,000,000	--	--	--	6,000,000	6,000,000
Total				**91,904,414**	**--**	**--**	**(59,754,414)**	**32,150,000**	**32,150,000**
Weighted average exercise price ($)				0.26	0.10		0.27	0.20	0.20

^ Options granted to T Lake were granted on 1st May 2012 and were approved by shareholders at the Annual General Meeting on 26th October 2012

Type of options	Grant date	Expiry date	Exer-cise price	Balance at start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
30 June 2012			$	Number	Number	Number	Number	Number	Number
Listed	22/12/08	31/12/12	0.60	3,506,412	--	--	--	3,506,412	3,506,412
Listed	10/08/11	30/09/12	0.20	--	30,000,000	(2,000)	--	29,998,000	29,998,000
Unlisted	10/12/08	31/12/12	0.40	1,500,002	--	--	--	1,500,002	1,500,002
Unlisted	10/12/08	31/12/12	0.60	1,500,000	--	--	--	1,500,000	1,500,000
Unlisted	10/12/08	31/12/12	1.00	2,000,000	--	--	--	2,000,000	2,000,000
Unlisted	01/12/09	31/12/12	0.40	250,000	--	--	--	250,000	250,000
Unlisted	09/05/11	30/09/13	0.30	--	5,000,000	--	--	5,000,000	5,000,000
Unlisted	09/05/11	30/03/14	0.30	--	5,000,000	--	--	5,000,000	5,000,000
Unlisted	10/08/11	30/09/12	0.20	--	16,000,000	--	--	16,000,000	16,000,000
Unlisted	10/08/11	30/09/13	0.20	--	21,150,000	--	--	21,150,000	21,150,000
Unlisted^	01/05/12	30/04/14	0.10	--	6,000,000	--	--	6,000,000	--
Total				8,756,414	83,150,000	(2,000)	--	91,904,414	85,904,414
Weighted average exercise price ($)				0.65	0.21	0.20	--	0.26	0.26

e. Rights Issue

On 9th July 2013 the Company invited its shareholders to subscribe to a rights issue of 93,877,254 ordinary shares at an issue price of $0.01 per share on the basis of 1 share for every 4 fully paid ordinary shares held, with such shares to be issued on, and rank for dividends after 12th August 2013. Refer to note 30 for further details.

f. Capital management

When managing capital, management's objective is to ensure the entity 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 Group. As the equity market is constantly changing management may issue new shares to provide for future exploration and development activity.

The Group incurred a net loss before tax of $4,626,830 during the year ended 30 June 2013. Since balance date the Group has raised $586,058 through a pro-rata rights issue. Refer note 1.b regarding going concern.

15. OTHER RESERVES AND ACCUMULATED LOSSES

	Note	2013 $	RESTATED 2012 $
a. Other reserves			
Share based payments	27	3,055,802	2,997,356
Foreign currency translation		3,084,943	2,001,639
		6,140,745	**4,998,995**
i. Movements:			
Share based payments			
Opening balance		2,997,356	2,237,587
Replacement of awards as part of the Niuminco Transactions		--	213,017
Revaluation of options issued to directors in prior period and approved in this financial year		--	63,095
Options issued as remuneration for services for directors current year		58,446	71,761
Options issued to convertible notes holders upon entering into the notes		--	411,896
Closing balance		**3,055,802**	**2,997,356**

The share-based payments reserve is used to recognise the grant date fair value of options issued but not exercised.

Foreign currency translation		
Opening balance	2,980,424	978,785
Currency translation differences arising during the year	104,519	2,001,639
Closing balance	**3,084,943**	**2,980,424**

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

b. Accumulated losses

Movements in accumulated losses were as follows:

	2013	2012
	$	$
Opening balance	(29,165,367)	(21,847,342)
Net loss for the year	(4,626,830)	(7,318,025)
Closing balance	**(33,792,197)**	**(29,165,367)**

c. Nature and purpose of other reserves

i. Share-based payments

The share-based payments reserve is used to recognise:

- the grant date fair value of options issued to employees but not exercised;
- the grant date fair value of shares issued to employees; and
- the grant date fair value of shares issued to third parties in exchange for goods and services.

ii. Foreign currency translation

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1.d and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

16. KEY MANAGEMENT PERSONNEL DISCLOSURES

a. Key management personnel compensation

Short-term employee benefits	456,900	625,115
Termination benefits	--	100,000
Share-based payments	58,446	134,856
	515,346	**859,971**

Mr A. Davis was entitled to $100,000 termination payment in respect of his resignation as Managing Director of the Company to be paid $4,000 in 25 month consecutive instalments. The first instalment was paid in May 2012 and he has received $60,000 at the date of this report. Mr Davis has agreed to convert the remaining $40,000 to ordinary shares at $0.01 share. On 12th August 2013, 1,901,786 ordinary shares were allotted under the prospectus of 9th July 2013 to extinguish $19,018 of the $40,000 owing. The balance of $20,982 will be converted to ordinary shares, subject to approval by shareholders at the forthcoming Annual General Meeting of the Company.

Detailed remuneration disclosures are provided in the remuneration report on pages 13 to 17.

b. Equity instruments disclosures relating to key management personnel

i. Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the remuneration report on pages 13 to 17.

ii. Option holdings

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

2013 **Name**	**Balance at start of the year**	**Granted as remuneration**	**Exercised during the year**	**Other changes**	**Balance at end of the year**	**Vested and exercisable**
	Number	**Number**	**Number**	**Number**	**Number**	**Number**
A. Davis^	5,000,000	--	--	(5,000,000)	--	--
D Fuller^^	15,638,625	--	--	(15,638,625)	--	--
I. Plimer	2,500,000	--	--	--	2,500,000	2,500,000
T Willsteed	2,500,000	--	--	--	2,500,000	2,500,000
T Lake^^^	6,000,000	--	--	--	6,000,000	6,000,000
Total	**31,638,625**	**--**	**--**	**(20,638,625)**	**11,000,000**	**11,000,000**

^ A Davis' options lapsed on 31st July 2012 being three months after his resignation as Managing Director.
^^ Options issued as part of the acquisition of Niuminco Limited by Niuminco Group Limited. The other changes reflect the fact that D Fuller is no longer a Director at the end of the financial year.
^^^ Options to T Lake were granted on 1st May 2012 subject to approval by shareholders. This approval was granted at the Annual General Meeting of the Company held on 26th October 2012

2012 **Name**	**Balance at start of the year**	**Granted as remuneration**	**Exercised during the year**	**Other changes**	**Balance at end of the year**	**Vested and exercisable**
	Number	**Number**	**Number**	**Number**	**Number**	**Number**
A. Davis	--	5,000,000	--	--	5,000,000	5,000,000
D Fuller	--	--	--	15,638,625	15,638,625	15,638,625
I. Plimer	--	2,500,000	--	--	2,500,000	2,500,000
T Willsteed	--	2,500,000	--	--	2,500,000	2,500,000
T Lake^		6,000,000			6,000,000	-
Total	**--**	**16,000,000**	**--**	**15,638,625**	**31,638,625**	**25,683,625**

^ Options to T Lake were granted on 1st May 2012 subject to approval by shareholders. This approval was granted at the Annual General Meeting of the Company held on 26th October 2012 *iii. Shareholdings*

The number of shares in the Company held during the financial year by each director of Niuminco Group Limited and other key management personnel of the Group, including their personally related parties, are set out below.

2013	**Balance at start of the year**	**Received as remuneration**	**Issued on conversion of debt to equity**	**Shares purchased or sold**	**Other Change^**	**Balance at end of the year**
D Fuller	57,586,650	--	32,382,706	29,989,785	(119,959,141)	--
T Willsteed	1,000,000	--	--	1,000,000	--	2,000,000
A Davis	2,250,000	--	5,357,143	--	(7,607,143)	--
T Lake	--	1,333,333	10,875,000	--	--	12,208,333
	60,836,650	**1,333,333**	**48,614,849**	**30,989,785**	**(127,566,284)**	**14,208,333**

^ Other changes reflect the fact that D Fuller and A Davis are no longer directors at the end of the financial year.

2012	**Balance at start of the year**	**Received as remuneration**	**Issued on conversion of debt to equity**	**Other Change^**	**Shares purchased or sold**	**Balance at end of the year**
G Rezos	2,336,667	--	--	(2,336,667)	--	--
D Fuller	--	--	--	57,586,650	--	57,586,650
T Willsteed	--	--	--	--	1,000,000	1,000,000
A Davis	--	--	2,250,000	--	--	2,250,000
	2,336,667	**--**	**2,250,000**	**55,249,983**	**1,000,000**	**60,836,650**

^ Other changes reflect the fact that G Rezos is no longer a director at the end of the financial year.

c. Loans and other payables

Balances outstanding to key management personnel and their related entities at year end are as follows:

	2013 $	**2012 $**
Patermat Pty Ltd	5,000	--
Goward Pty Ltd	8,303	80,000^
Alan Davis Pty Ltd	40,000	92,000
Nepean Engineering Pty Ltd	16,900	12,000
The Plimer Trust	15,000	12,000
	85,203	**196,000**

^ Subsequently settled in shares

17. AUDITOR'S REMUNERATION

Remuneration of the auditor of the parent entity for:

PricewaterhouseCoopers		
Audit or review of financial statements	89,000	93,500
	89,000	**93,500**

18. COMMITMENTS AND CONTINGENCIES

The minimum lease payments under finance lease arrangements are set out in the following table.

	2013	2012
	$	$
Within 1 year	382,628	350,838
Between 1 and 5 years	68,123	438,549
Total future lease payments	450,751	789,387
Less: future finance charges	(49,359)	(130,113)
Lease liability	401,392	659,274
Represented by:		
Current lease liability	335,573	264,171
Non-current lease liability	65,819	395,103
Lease liability	401,392	659,274

The Group has no commitments in relation to a minimum spend required on any exploration licence or mining lease.

19. RELATED PARTY TRANSACTIONS

a. Parent entity

The parent entity within the Group is Niuminco Group Limited.

b. Subsidiaries
Interests in subsidiaries are set out in note 22.

c. Key management personnel
Disclosures relating to key management personnel are set out in note 16.

d. Transactions with related parties
Fiona Russell, a related party of Mr T Lake, received fees totalling $41,880 for bookkeeping services during the year.

e. Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Nepean Engineering & Innovation Pty Ltd	--	156,716
Patermat Pty Ltd	5,000	--
Goward Pty Ltd	8,303	80,000
Alan Davis Pty Ltd	40,000	92,000
Nepean Engineering Pty Ltd	16,900	12,000
The Plimer Trust	15,000	12,000
Fiona Russell	3,840	4,380
	89,043	**357,096**

On 5th September 2012, the amount outstanding to Nepean Engineering & Innovation Pty Ltd, an associated company of David Fuller, was settled by the issue of 5,597,000 ordinary shares.

Under the prospectus dated 9th July 2013, directors took up their entitlements to shares in the rights issue thereby extinguishing $53,303 of current payables.

Fiona Russell was paid in cash on 1st July 2013.

f. Loans to/from related parties

	2013 $	2012 $
Loans to Niuminco Group Limited		
Beginning of the year	900,000	--
Nepean Engineering Pty Ltd^	(750,000)	750,000
Alan Davis Pty Ltd^^	(150,000)	150,000
Goward Pty Ltd^^^	--	--
End of year	**--**	**900,000**

^ Nepean Engineering Pty Limited provided a $750,000 loan facility to the Company which was drawn in full on 30 April 2012. On 7th September 2012, $664,406 of the $750,000 was repaid by the issue of 23,728,786 ordinary shares to Victoria Park Investments Pty Ltd, a related entity of Nepean Engineering Pty Ltd. The balance of $85,594 was converted to 3,056,929 ordinary shares at $0.028 per share on 29th October 2012 after approval by shareholders at the Annual General Meeting.

^^ Alan Davis Pty Limited provided a $150,000 loan facility to the Company which was drawn in full on 30 April 2012. On 7th September 2012, $49,079 of the $150,000 was repaid by the issue of 1,752,826 ordinary shares. The balance of $100,921 was converted to 3,604,317 ordinary shares at $0.028 per share on 29th October 2012 after approval by shareholders at the Annual General Meeting.

^^^ Goward Pty Ltd, a related entity of Mr T Lake, provided a loan of $304,500 in September 2012, this loan was converted to 10,875,000 ordinary shares at $0.028 per share on 29th October 2012 after approval by shareholders at the Annual General Meeting.

20. SEGMENT REPORTING

The consolidated entity does not have any operating segments with discrete financial information. During the year the Group operated only in Papua New Guinea. The Board of Directors (who is also assuming the role of the chief decision maker) reviews internal management reports that are consistent with the information provided in the statement of comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions. Excluding cash of $529,657 and non-current assets of $154,963 in Australia, there are no material transactions or balances outside of Papua New Guinea.

21. BUSINESS COMBINATION

On 10th August 2011, Niuminco Group Limited (a non-operating public shell corporation) acquired 100% of the voting shares of Niuminco Ltd (a private operating entity), a mineral exploration company with assets in Papua New Guinea.

The purchase was satisfied by the issue of 108,538,178 shares with a fair value of $0.20 each to the vendors of Niuminco Ltd.

The acquisition of Niuminco Ltd was not considered a business combination because Niuminco Group Limited (the accounting acquiree) does not meet the definition of a business under AASB 3 Business Combinations. Instead, this transaction was considered to be a capital transaction of Niuminco Group Limited (the legal acquirer) and is equivalent to the issuance of shares by Niuminco Limited for the net assets of Niuminco Group Limited, accompanied by a recapitalisation of the new combined entity.

Although this is not a business combination under AASB 3, the accounting result is similar to reverse acquisition accounting since the previous shareholders of Niuminco Ltd, through their newly acquired Niuminco Group Limited's shares, control the new combined entity. As a consequence, the reverse acquisition accounting principles were applied, but they did not result in the recognition of goodwill as Niuminco Group Limited (the accounting acquiree) is not a business. Instead the deemed fair value of the shares issued by Niuminco Ltd (the consideration for the acquisition of the public shell company) was recognised as an expense in the income statement in accordance with the requirements of AASB 2 *Share-based payments*.

As the motive of this transaction was for Niuminco Ltd to obtain the listing status of Niuminco Group Limited, this expense in effect represents a cost of listing for the continuing entity and has therefore been presented as such on the face of the statement of comprehensive income.

Purchase consideration

Deemed fair value of shares issued ($)	2,523,257
Total purchase consideration ($)	2,523,257

The assets and liability recognised as a result of the acquisition are as follows:

	Fair value
Cash and cash equivalent	15,581
Trade and other receivables	30,195
Trade and other payables	(429,333)
Net deficiency assumed as a result of the transaction	(383,557)
Cost of listing	(2,906,814)

22. SUBSIDIARIES

a. Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described in note 1(c).

Name of entity	Country of incorporation	Class of shares	Equity holding 2013	Equity holding 2012
Niuminco Ltd	Australia	Ordinary	100	100

Niuminco Ltd has three wholly owned subsidiaries:

Name of entity	Country of incorporation	Class of shares	Equity holding 2013	Equity holding 2012
Niuminco Edie Creek Limited	Papua New Guinea	Ordinary	100	100
Niuminco Laloki Limited	Papua New Guinea	Ordinary	100	100
Niuminco ND Limited	Papua New Guinea	Ordinary	100	100

23. INVESTMENT IN ASSOCIATE

(a) Movements in carrying amounts

	2013 $	2012 $
Carrying amount at the beginning of the financial year	--	--
Investment in TNT Mines Ltd	153,359	--
Closing balance	**153,359**	**--**

On 19th June 2013, the Group acquired 19.9% of the ordinary share capital of TNT Mines Ltd by issuing 21,908,250 ordinary shares in the Group to TNT Mines Ltd.

The Group considers it has significant influence over TNT Mines Ltd as at balance date it shared a common director (Professor I Plimer). On 2nd July 2013, T Lake also joined the board of TNT Mines Ltd.

The group's share of the results of the results, assets and liabilities at 30 June 2013 are as follows:

	Group's share of			
	Assets $	**Liabilities $**	**Revenues $**	**Loss $**
TNT Mines Ltd	731,298	87,200	38	7,066

On 30th July, 2013 the Group announced its intention to make a takeover offer for all the issued capital of TNT Mines Limited on the basis of one Niuminco share for each TNT share.

24. INTERESTS IN JOINT VENTURES

On the 23rd May 2011, the Group entered into a series of joint venture and other agreements with Mincor Resources N.L. (Mincor) an ASX listed miner with nickel mining interests in the Kalgoorlie area of Western Australia.

Under the agreements, Mincor agreed to sole-fund up to $15,000,000 on exploration on the areas at Edie Creek to acquire up to a 51% interest in the area and up to $5,000,000 on each of the exploration areas at May River, Bolobip and Kubuna in each case to earn up to a 72% interest.

In February 2013, Niuminco and Mincor collectively agreed to relinquish the exploration areas at Kubuna which resulted in a write off of exploration costs of $145,312. See note 10.

The last of the conditions precedent to the joint venture agreements were satisfied on 19th March 2013, and the joint ventures were formed as of that date. At this time, Mincor had spent $5,000,000 in respect of the Edie Creek project, earning a 17% interest, and elected to cease any further spending on exploration for this project. Under the terms of the joint venture agreement, Niuminco assumed the position of manager of the Edie Creek joint venture and spent money on exploration during the final quarter of 2013. The percentage interest of Mincor in the project will be diluted as Niuminco continues to spend money on joint venture expenditure.

At May River and Bolobip, Mincor are in the earning phase of the joint ventures and are currently sole funding exploration. The expenditure by project by Mincor at 30 June 2013 is shown in the table below:

Expenditure by project by Mincor to 30 June 2013

Project	Amount Spent $	% interest earned
Edie Creek	5,142,606	17%
Bolobip	3,124,192	36%
May River	3,382,111	36%
Total expenditure to 30 June 2013	**11,648,909**	

25. RECONCILIATION OF OPERATING LOSS TO CASH FLOWS USED IN OPERATING ACTIVITIES

	2013 $	RESTATED 2012 $
Loss for the year	(4,626,830)	(7,318,025)
Non-cash flows items		
Share based payment	58,446	347,885
Debt to equity conversion	--	500,000
Depreciation	261,861	434,429
Impairment of property, plant and equipment	501,634	987,848
Net loss on disposal of property, plant and equipment	11,310	472,212
Write off capitalised exploration	833,931	--
Cost of acquisition of Niuminco Ltd	--	2,906,814
Write back creditors	--	(287,176)
Net exchange differences	2,372	(15,345)
Changes in assets and liabilities		
Decrease/(increase) in trade & term receivables	95,486	(29,036)
Decrease/(Increase) in prepayments	6,475	(10,455)
Increase/(decrease) in trade payables and accruals	378,069	(1,392,039)
Net cash outflow from operating activities	**(2,477,246)**	**(3,402,888)**

26. LOSS PER SHARE

	2013 cents	RESTATED 2012 cents
a. Basic loss per share		
Total basic loss per share attributable to the ordinary equity holders of the Company	2.3	4.2
b. Diluted loss per share		
Total diluted loss per share attributable to the ordinary equity holders of the Company	2.3	4.2

c. Weighted average number of shares used as the denominator

	2013 $	2012 $
Weighted average number of shares used as the denominator in calculating basic and diluted loss per share	203,811,525	172,879,865

The dilutive loss per share is the same as the basic loss per share as the consolidated entity is in a loss position. The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in net loss per share.

27. SHARE-BASED PAYMENTS

a. Shares issued under a share based payment arrangement during the year

Shares issued during the year were as follows:

2013	Number	Fair value per Share	Total fair value
Shares issued as remuneration for services	1,333,333	$0.06	80,000
Shares issued as remuneration for services	1,571,428	$0.028	44,000
	2,904,761	$0.042	124,000

2012	Number	Fair value per Share	Total fair value
Shares issued as remuneration for services	2,500,000	$0.20	500,000

b. Employee options

Details of options over ordinary shares in the Company provided as remuneration to the directors and key management personnel (current and previous) of the Company are set out below. When exercisable, each option is convertible into one ordinary share in Niuminco Group Limited.

Type of options	Grant date	Expiry date	Exer-cise price	Balance at start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
30 June 2013			**$**	**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
Unlisted	10/11/08	31/12/12	0.40	600,000	--	--	(600,000)	--	--
Unlisted	10/11/08	31/12/12	0.60	200,000	--	--	(200,000)	--	--
Unlisted	10/11/08	31/12/12	1.00	500,000	--	--	(500,000)	--	--
Unlisted	09/05/11	30/03/14	0.30	^5,000,000	--	--	(5,000,000)	--	--
Unlisted	09/05/11	30/09/13	0.30	5,000,000	--	--	--	5,000,000	5,000,000
Unlisted	10/08/11	30/09/12	0.20	1,000,000	--	--	(1,000,000)	--	--
Unlisted	01/05/12	30/04/14	0.10	6,000,000	--	--	--	6,000,000	6,000,000
Total				**18,300,000**	**--**	**--**	**(7,300,000)**	**11,000,000**	**11,000,000**
Weighted average exercise price ($)				0.26	--	--	0.35	0.19	0.19

^ The options issued to Mr A Davis lapsed three months after he resigned as Managing Director of the Company.

Type of options	Grant date	Expiry date	Exer-cise price	Balance at start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
30 June 2012			**$**	**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
Unlisted	10/11/08	31/12/12	0.40	600,000	--	--	--	600,000	600,000
Unlisted	10/11/08	31/12/12	0.60	200,000	--	--	--	200,000	200,000
Unlisted	10/11/08	31/12/12	1.00	500,000	--	--	--	500,000	500,000
Unlisted	09/05/11	30/03/14	0.30	5,000,000	--	--	--	5,000,000	5,000,000
Unlisted	09/05/11	30/09/13	0.30	5,000,000	--	--	--	5,000,000	5,000,000
Unlisted	10/08/11	30/09/12	0.20	--	1,000,000	--	--	1,000,000	1,000,000
Unlisted	01/05/12	30/04/14	0.10	--	6,000,000	--	--	6,000,000	6,000,000
Total				**11,300,000**	**7,000,000**	**--**	**--**	**18,300,000**	**18,300,000**
Weighted average exercise price ($)				0.34	0.10	--	--	0.26	0.26

The weighted average remaining contractual life of share options outstanding at the end of the period was 0.568 years (2012: 1.54 years).

c. Other share based payments options

Details of options over ordinary shares in the Company issued for payment of goods and services are set out below. When exercisable, each option is convertible into one ordinary share of Niuminco Group Limited.

Type of options	Grant date	Expiry date	Exer-cise price	Balance at start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
30 June 2013			**$**	**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
Unlisted	01/12/09	31/12/12	0.40	250,000	--	--	(250,000)	--	--
Unlisted	10/08/11	30/09/13	0.20	6,150,000	--	--	--	6,150,000	6,150,000
Total				**6,400,000**	**--**	**--**	**(250,000)**	**6,150,000**	**6,150,000**
Weighted average exercise price ($)				0.21	--	--	0.40	0.20	0.20

Type of options	Grant date	Expiry date	Exer-cise price	Balance at start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
30 June 2012			**$**	**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
Unlisted	01/12/09	31/12/12	0.40	250,000	--	--	--	250,000	250,000
Unlisted	10/08/11	30/09/13	0.20	--	6,150,000	--	--	6,150,000	6,150,000
Total				**250,000**	**6,150,000**	**--**	**--**	**6,400,000**	**6,400,000**
Weighted average exercise price ($)				0.40	0.20	--	--	0.21	0.21

The weighted average remaining contractual life of share options outstanding at the end of the period was 0.25 years (2012: 1.09 years).

d. Fair value of options granted

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

	Managing Director's options	Directors' options
Grant date	**01/05/12**	**10/08/11**
Expiry date	**30/04/14**	**30/09/13**
Dividend yeld (%)	--	--
Expected volatility (%)	80.00	80.00
Risk free interest rate (%)	3.81	3.81
Expected life (years)	2.00	2.15
Underlying share price ($)	0.06	0.16
Option exercise price ($)	0.10	0.20
Value of option ($)	0.02	0.07

The expected price volatility is based on analysis of volatility of a group of peer companies (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The options were granted for no consideration and vested immediately.

e. Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period in share based payment expense but relating to directors' remuneration is $58,446 (2012: $134,856).

28. PARENT ENTITY INFORMATION

The following information is for the legal parent entity Niuminco Group Limited, whereas information presented in the consolidated statement of financial position relates to Niuminco Limited as the continuing entity (see note 21)

	2013 $	2012 $
Current assets	549,448	531,252
Non-current assets	13,747,427	32,640,207
Total assets	**14,296,875**	**33,171,459**
Current liabilities	183,728	1,209,601
Non-current liabilities	--	--
Total liabilities	**183,728**	**1,209,601**
Contributed equity	39,252,149	34,547,915
Share based payments	1,048,165	989,719
Retained earnings	(26,187,167)	(3,575,776)
Total equity	**14,113,147**	**31,961,858**
Loss for the year	(22,611,391)	(1,870,511)
Other comprehensive income net of tax for the year	--	--
Total comprehensive income net of tax for the year	**(22,611,391)**	**(1,870,511)**

The contributed equity of the parent differs to the contributed equity of the consolidated entity due to prior year accounting treatment arising on the reverse acquisition (note 21).

As indicated in Note 1b, the directors have prepared the financial statements on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

The loss for the year of $22,611,391 in the parent reflects the impairment of the Group's investment in Niuminco Limited.

The Group incurred a net loss of $4,626,830 during the year ended 30 June 2013. Since balance date the Group has raised $586,058 through a pro-rata rights issue which closed on 7th August 2013 and a further $55,712 under the shortfall facility (see note 30) and, the Group will have sufficient funds to continue as a going concern (see note 1.b).

29. FINANCIAL RISK MANAGEMENT

a. Financial risk management policies

The Group's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for Group operations.

i. Financial risk exposures and management

The main risk the Group is exposed to through its financial instruments is liquidity risk.

Liquidity risk
The Group manages liquidity risk by monitoring forecast cash flows and making regular provision for outgoings. The Board reviews the cash forecasts of the Group on a regular basis to ensure that sufficient funds are available to meet the obligations of the Group as and when they fall due.

Financial instrument composition and maturity analysis
The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months		**6–12 months**		**12–24 months**	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
	$	**$**	**$**	**$**	**$**	**$**
Trade creditors	475,270	322,025	--	--	--	--
Borrowings	167,787	132,085	167,786	132,085	65,819	395,103
Directors' loans	--	900,000	--	--	--	--
Accruals	471,182	421,854	471,183	781,242		44,000
Total	1,114,239	1,775,964	638,969	913,327	65,819	439,103

The weighted average effective interest rate of financial instruments held at balance date was:

Cash & cash equivalents 3.5 % (2012: 3.50%)
Borrowings 16% (2012: 16%)

Credit risk
Credit risk is managed on a Group basis. It arises from cash and cash equivalents and deposits with banks and financial institutions, including outstanding receivables and committed transactions.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2013	**2012**
	$	**$**
Cash at bank	559,551	694,314
	559,551	**694,314**

Interest rate risk
Sensitivity to changes in interest rates is normally only relevant to financial assets or financial liabilities bearing floating interest rates. However, sensitivity will also be relevant to fixed rate financial assets and financial liabilities which are remeasured to fair value.

The Group has finance lease liabilities with a fixed interest rate of 16%, and cash at the bank with interest rates varying between 0% and 3.50%.

Sensitivity
At 30 June 2013, if interest rates had increased / decreased by 1% from the year end variable rates with all other variables held constant, post tax loss and equity for the Group would have been $6,619 higher/$6,619 lower (2012: changes of 1% $6,943 higher/$6,943 lower).

The 1% (2012: 1%) sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical RBA movements over the last year.

Price risk and foreign exchange risk

The Group is not exposed to any material commodity price risk. The Group operates internationally and is exposed to foreign exchange risk from the PNG Kina. The foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency.

Sensitivity

At 30 June 2013, if foreign exchange rates had increased / decreased by 1% from the year end variable rates with all other variables held constant, post tax loss and equity for the Group would have been $35,998 higher/ $36,358 lower (2012: changes of 1% would have been $14,370 higher/ $14,661 lower).

The 1% (2012: 1%) sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical movements over the last year.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

	30-Jun-13	**30-Jun-12**
	PGK	PGK
Cash	29,894	77,593
Trade receivables	122,374	305,825
Interest bearing loans	(401,392)	(659,273)
Trade payables	(1,079,003)	(1,175,554)

b. Financial instruments

i. Fair Values

The carrying values of all of the Group's financial instruments approximate their net fair value due to their short term nature.

30. EVENTS OCCURRING AFTER BALANCE DATE

On 9th July 2013, the Group announced a renounceable, pro-rata, partially committed rights issue at an issue price of $0.01 for each new ordinary share on the basis of one new share for every four shares held with the rights issue to raise up to $924,414 with a maximum of 92,484,414 shares to be issued. The issue closed on 7th August 2013 raising $586,058. In addition, 5,000,000 shares have been issued since the rights issue closed under the shortfall facility raising $55,712.

Subsequent to year end, the Group has sold additional plant & equipment in PNG for $119,121. These funds were used to reduce the finance liability of the Group.

On 30th July 2013, the Group announced its intention to make a takeover offer for all the issued capital of TNT Mines Limited on the basis of one Niuminco share for each TNT share.

No other matter or circumstance has arisen since 30 June 2013 which significantly affected or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Niuminco Group Limited
Directors' declaration
30 June 2013

In the directors' opinion:

(a) the financial statements and notes set out on pages 19 to 59 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

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

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Managing Director required by section 295A of the *Corporations Act 2001*.

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

Chairman

Dated this 28th day of August 2013

Independent auditor's report to the members of Niuminco Group Limited

Report on the financial report

We have audited the accompanying financial report of Niuminco Group Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for the Niuminco Group Limited group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the consolidated 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 opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Auditor's opinion

In our opinion:

(a) the financial report of Niuminco Group 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 (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

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

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion, we draw attention to Note 1(b) of the financial report which indicates that the consolidated entity has experienced operating losses and negative cash flows from operations during the year ended 30 June 2013 and, as of that date, the entity's current liabilities exceeded its current assets. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and, therefore, the consolidated entity may be unable to realise its assets and settle its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the remuneration report included in pages 13 to 17 of 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.

Auditor's opinion

In our opinion, the remuneration report of Niuminco Group Limited for the year ended 30 June 2013, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Brett Entwistle
Partner

Sydney
28 August 2013

Niuminco Group Limited
Additional information
30 June 2013

DISTRIBUTION OF MEMBERS AND THEIR HOLDINGS AT 15TH AUGUST 2013

Name of 20 largest ordinary shareholders	Number of ordinary fully paid shares held	% held of issued ordinary capital
Victoria Park Investments Pty Ltd*	116,755,799	27.24
Mincor Resources NL*	42,886,667	10.01
TNT Mines Limited *	21,908,250	5.11
Nepean Engineering Superannuation Fund P/L	20,891,014	4.87
Michael Holdings Pty Ltd	20,001,296	4.67
Goward Holdings Pty Ltd	16,927,084	3.95
Harcode Pty Ltd	15,842,263	3.70
G N & J D Mantle	15,600,000	3.64
Kurraba Investments Pty Ltd	14,000,000	3.27
Wolin Investments Pty Ltd*	12,302,114	2.87
Alan Davis Pty Ltd	9,508,929	2.22
Aymon Pacific Pty Ltd	7,568,752	1.77
C D & H E McConaghy	7,053,286	1.65
Warman Investments Pty Ltd	5,714,286	1.33
Escalara Corporation Pty Ltd	5,204,000	1.21
Western Livestock Ltd	4,671,428	1.09
Melanesian Resources Ltd	3,592,828	0.84
Afro Pacific Capital Pty Ltd	3,346,940	0.78
Trevor Neale	3,160,000	0.74
Drummond AJ & SM	2,700,000	0.63

MARKETABLE PARCEL
At 15 August, 2013, 594 shareholders held less than a marketable parcel.

SUBSTANTIAL SHAREHOLDERS
Shares held by substantial shareholders listed in the Company's register at 15 August, 2013 are indicated by * above.

VOTING RIGHTS – ORDINARY SHARES
Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

STOCK EXCHANGE LISTING
Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Stock Exchange Ltd.

DISTRIBUTION OF SHAREHOLDERS

Spread of holdings

Holding			No. of Holders
1	-	1,000 shares	202
1,001	-	5,000 shares	74
5,001	-	10,000 shares	136
10,001	-	100,000 shares	220
100,001		and over	151-
Total on register			**783**

Edie Creek