



**TRIUMPH TIN LIMITED**

**(formerly Avenue Resources Limited)**

**ABN 12 143 303 388**

Annual Report

30 June 2014

<b>CONTENTS</b>	<b>PAGE NO</b>
Corporate Directory	1
Directors' Report	2
Corporate Governance Statement	15
Consolidated Statement of Comprehensive Income	19
Consolidated Statement of Financial Position	20
Consolidated Statement of Cash Flows	21
Consolidated Statement of Changes in Equity	22
Notes to the Financial Statements	23
Directors' Declaration	47
Auditor's Independence Declaration	48
Independent Auditor's Report	49
ASX Additional Information	51
Tenement Table	52

## CORPORATE DIRECTORY

### Directors

Mr Brian McMaster (Executive Chairman)

Mr Luis Azevedo (Executive Director)

Mr Matthew Wood (Executive Director)

Mr Mark Reilly (Non-Executive Director)

### Company Secretary

Mr Jonathan Hart

### Registered Office

Level 1

330 Churchill Avenue

Subiaco WA 6008 Australia

Telephone: +61 8 9200 1847

Facsimile: +61 8 9200 4469

Website: [www.triumphtin.com.au](http://www.triumphtin.com.au)

### Share Registry

Automatic Registry Services

Level 1

7 Ventnor Ave

West Perth WA 6005 Australia

Telephone: + 61 8 9324 2099

Facsimile: + 61 8 9321 2337

### Auditors

RSM Bird Cameron Partners

8 St Georges Terrace

Perth WA 6000 Australia

### Stock Exchange

The Company's securities are quoted

on the official list of the Australian Securities

Exchange Limited, the home branch being Perth.

ASX Code: TRI

# Directors' Report

---

The Directors present their report for Triumph Tin Limited ("Triumph Tin" or "the Company") and its subsidiaries for the year ended 30 June 2014 ("the Group").

## DIRECTORS

The names, qualifications and experience of the Company's Directors in office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

### **Mr Brian McMaster (appointed 1 April 2014)**

#### **Executive Chairman**

Mr. McMaster is a Chartered Accountant, and has over 20 years' experience in the area of corporate reconstruction and turnaround/performance improvement. Formerly, Mr. McMaster was a partner of the restructuring firm Korda Mentha and prior to that was a partner at Ernst & Young. His experience includes significant working periods in the United States, South America, Asia and India.

Mr McMaster was a director of The Waterberg Coal Company (appointed 17 April 2012, resigned 12 March 2014), Firestone Energy Limited (appointed 14 June 2013, resigned 18 March 2014) and Lindian Resources Limited (appointed 20 June 2011, resigned 17 September 2014). Mr McMaster is currently a director of Caravel Energy Limited (appointed 2 December 2011), Wolf Petroleum Limited (appointed 24 April 2012), Black Star Petroleum Limited (appointed 9 August 2012), Paradigm Metals Limited (appointed 14 September 2012), Castillo Copper Limited (appointed 31 August 2013), Haranga Resources Limited (appointed 1 April 2014) and Voyager Resources Limited (appointed 27 August 2014). He has not held any other listed directorships in the past three years.

### **Mr Luis Azevedo**

#### **Executive Director**

Mr Azevedo is an outstanding resource industry professional with over 35 years of international experience. Mr Azevedo qualified as a geologist at the University of Rio de Janeiro in 1985, and subsequent to working as a geologist he completed a law degree at the University of Candido Mendes in 1992 and obtained his Masters of Law from Pontifical Catholic University Rio de Janeiro in 1994.

Mr Azevedo has held senior positions with major resource companies including Western Mining Corporation, Barrick Gold and Harsco. In 2004 he founded the very successful legal firm FFA Legal based in Rio de Janeiro, which provides specialist legal and technical support to resource companies operating in Brazil.

Mr Azevedo is also a director of TSX listed companies Talon Metals (appointed 5 April 2005), Rio Verde Minerals (appointed 1 December 2010) and Brazilian Gold Corporation (appointed 22 June 2011). Mr Azevedo is a director of ASX listed Avanco Resources Limited (appointed 17 December 2012) and Voyager Resources Limited (appointed 27 August 2014). He is based in Rio de Janeiro, Brazil and is a Brazilian citizen.

### **Mr Matthew Wood (appointed 1 April 2014)**

#### **Executive Director**

Mr Wood has over 20 years' experience in the resource sector with both major and junior resource companies and has extensive experience in the technical and economic evaluation of resource projects throughout the world. Mr Wood's expertise is in project identification, negotiation, acquisition and corporate development. Mr Wood has an honours degree in geology from the University of New South Wales in Australia and a graduate certificate in mineral economics from the Western Australian School of Mines and is a member of the AusIMM. Mr Wood is a founding Director in venture capital and advisory firm Garrison Capital Pty Ltd.

## Directors' Report

---

Mr Wood was a director of Signature Metals Limited (appointed 19 February 2007, resigned 13 February 2012). Mr Wood is currently a director of Avanco Resources Limited (appointed 4 July 2007), Caravel Energy Limited (appointed 29 May 2009), Voyager Resources Limited (appointed 12 June 2009), Haranga Resources Limited (appointed 2 February 2010), Lindian Resources Limited (appointed 5 May 2011), Wolf Petroleum Limited (appointed 24 April 2012), Black Star Petroleum Limited (appointed 28 February 2013) and Castillo Copper Limited (appointed 1 April 2014). He has not held any other listed directorships over the past three years.

### **Mr. Mark Reilly (appointed 4 July 2014)**

#### **Non-Executive Director**

Mr Reilly is a Chartered Accountant with over 15 years' experience in advisory work with extensive experience in the mining, banking and finance industries. Mr Reilly worked with Coopers & Lybrand in Perth before establishing his own accounting practice in 1997. Mr Reilly also has extensive experience in the mining, banking and finance industries in an advisory capacity.

Mr Reilly is a director of Forte Energy Limited (appointed 2 August 2004) and Black Star Petroleum Limited (appointed 3 July 2014). He has not held any other listed directorships over the past three years.

### **Mr Stephen Thompson (appointed 23 August 2014, resigned 20 January 2014)**

#### **Former Managing Director**

Mr Thompson has 20 years of experience working in management consulting, fund management and investment banking within the Asia-Pacific Region. His expertise covers the areas of fund structuring, corporate advisory, asset acquisition & disposal due diligence and asset management. Mr Thompson holds a Masters of Business Administration from the Australian Graduate School of Management, a Bachelor of Engineering (Honours) in Aeronautical Engineering from the University of Glasgow, UK and a Certificate of Real Estate Investment Finance from APREA Institute.

Mr Thompson has not held any other listed directorships over the past three years.

### **Mr Anthony Polglase (resigned 26 June 2014)**

#### **Former Non-Executive Chairman**

With 30 years' multi-disciplined mining experience across ten different countries, Mr Polglase is qualified in mechanical and electrical engineering with an honours degree in Metallurgy from the Camborne School of Mines, UK and is fluent in Portuguese. Mr Polglase has acquired detailed knowledge relating to the development and operation of tin, gold, copper, lead, and zinc projects and has either been responsible for or closely involved with the commissioning of more than seven mining projects. Project management including critical evaluation, implementation and commissioning are Mr Polglase's strengths. Mr Polglase has a demonstrated ability of successfully bringing projects on line in the most challenging of environments.

Mr Polglase was a director of Overland Resources Limited (appointed 17 January 2008, resigned 29 February 2012), Castillo Copper Limited (appointed 1 April 2010, resigned 19 November 2012) and Black Star Petroleum Limited (appointed 28 February 2013, resigned 3 July 2014). Mr Polglase is currently a director of Avanco Resources Limited (appointed 4 July 2007). He has not held any other listed directorships over the past three years.

### **Mr Simon Mottram (resigned 4 July 2014)**

#### **Former Executive Director**

Mr Mottram is a geologist with over 18 years' experience in predominantly nickel sulphide, iron-oxide-copper-gold (IOCG) and precious metals. Having held senior management positions with a number of successful mining companies both in Australia and overseas, Mr Mottram has extensive knowledge in base and precious metal evaluations and has seen a number of discoveries advanced through to commercial mine development. His exploration experience aligns extremely well with Triumph's projects and is an expert in the application of modern exploration techniques.

## Directors' Report

---

Mr Mottram has a BSc degree in Applied Geology from RMIT University in Melbourne and is a Member of AusIMM.

Mr Mottram is currently a director of Avanco Resources Limited (appointed 18 January 2011). Mr Mottram has not held any other listed directorships over the past three years.

### **Mr Benjamin Dunn (resigned 20 January 2014)**

#### **Former Non-Executive Director**

Mr Dunn has an exceptional reputation in the Legal and Stock Broking vocations with 16 years of international experience covering the resource industry as an investment professional.

Mr Dunn qualified and practiced in law before going on to attain an MBA from the Melbourne Business School. Mr Dunn has since held senior positions with broking houses including BNP, Citigroup, JP Morgan and CLSA, becoming a specialist in capital raisings within the Asian region.

Mr Dunn currently resides in Singapore and was the Managing Director of unlisted IndoPacific Coal Limited.

### **Mr Joseph Burke (appointed 23 August 2013, resigned 20 January 2014)**

#### **Former Non-Executive Director**

Mr Burke has over 22 years' experience in business operations, management and project development within the Asia-Pacific region. He has an extensive background in business development with multi-national companies and was part of the team that sold Hunnu Coal Limited to Banpu in 2011 for approx. \$500M. Mr Burke has assisted with the financial and operational assessment of new projects, coordinated due diligence activities and vendor negotiations across the Garrison Capital stable of companies. He holds an MBA from the Australian Graduate School of Management.

Mr Burke was a director of Voyager Resources Limited (appointed 15 June 2012, resigned 1 July 2014). Mr Burke has not held any other listed directorships over the past three years.

### **Mr Jonathan Hart (appointed 1 July 2014)**

#### **Company Secretary**

Mr Hart's experience includes due diligence investigations, general corporate and commercial drafting, public and private mergers and acquisitions, general corporate advice in relation to capital raising, Corporations Act and ASX compliance. Mr Hart has a bachelor of laws and commerce from Murdoch University in Western Australia. Mr Hart has a bachelor of laws and commerce from Murdoch University in Western Australia.

Mr Hart is Company Secretary of Paradigm Metals Limited, Black Star Petroleum Limited, Wolf Petroleum Limited, Voyager Resources Limited and Caravel Energy Limited.

### **Mr Scott Funston**

#### **Former Company Secretary (resigned 1 July 2014)**

Mr Funston is a qualified Chartered Accountant and Company Secretary with more than 10 years' experience in the mining industry and the accounting profession. His expertise is financial management, regulatory compliance and corporate advice. Mr Funston possesses a strong knowledge of the Australian Securities Exchange requirements and currently assists or has previously assisted a number of resources companies operating throughout Australia, South America, Asia, USA and Canada with financial accounting, stock exchange compliance and regulatory activities.

# Directors' Report

---

## DIRECTORS' MEETINGS

During the financial year, in addition to regular Board discussions, the number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr Brian McMaster	-	-
Mr Luis Azevedo	2	-
Mr Matthew Wood	-	-
Mr Stephen Thompson	1	1
Mr Anthony Polglase	2	2
Mr Simon Mottram	2	2
Mr Joseph Burke	1	1
Mr Benjamin Dunn	1	1

## REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and Executives of Triumph Tin Limited in accordance with the requirements of the *Corporation Act 2001* and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group, and includes the executives in the Company receiving the highest remuneration.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

### Principles used to determine the nature and amount of remuneration

The Board is responsible for determining and reviewing compensation arrangements for the Directors. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Group does not link the nature and amount of the emoluments of such officers to the Group's financial or operational performance. The expected outcome of this remuneration structure is to retain and motivate Directors.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter. Due to the current size of the Group and number of directors, the Board has elected not to create a separate Remuneration Committee but has instead decided to undertake the function of the Committee as a full Board under the guidance of the formal charter.

The rewards for Directors have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted. The Group has no policy on executives and directors entering into contracts to hedge their exposure to options or shares granted as part of their remuneration package.

## Directors' Report

---

The table below shows the performance of the Group as measured by loss per share since incorporation in April 2010:

As at 30 June	2014	2013	2012	2011	2010
	\$	\$	\$	\$	\$
Loss per share (cents)	(2.04)	(14.28)	(9.39)	(0.99)	(0.12)

### *Executive directors remuneration*

The Executive Chairman, Mr McMaster is paid an annual consulting fee on a monthly basis. The services may be terminated by either party at any time.

The Executive Directors, Mr Azevedo and Mr Wood, are paid an annual consulting fee on a monthly basis. The services may be terminated by either party at any time.

### *Non-Executive director remuneration*

The Non-Executive Director, Mr Reilly, is paid an annual consulting fee on a monthly basis. Their services may be terminated by either party at any time.

### **Details of Remuneration**

Details of the remuneration of the key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of the Company.

Mr Brian McMaster	Executive Chairman
Mr Luis Azevedo	Executive Director
Mr Matthew Wood	Executive Director
Mr Mark Reilly	Non-Executive Director
Mr Stephen Thompson	Former Managing Director
Mr Anthony Polglase	Former Non-Executive Chairman
Mr Simon Mottram	Former Executive Director
Mr Benjamin Dunn	Former Non-Executive Director
Mr Joseph Burke	Former Non-Executive Director



## Directors' Report

	Short term			Options	Post employment		
<b>2014</b>	Base Salary	Directors Fees	Consulting Fees	Share based Payments	Superannuation	Total	Option Related
<b>Director</b>	\$	\$	\$	\$	\$	\$	%
Mr McMaster (a)	-	-	7,500	-	-	7,500	-
Mr Azevedo	-	29,988	-	-	-	29,988	-
Mr Wood (a)	-	7,500	-	-	-	7,500	-
Mr Thompson (b)	-	-	220,000	59,285	-	279,285	21%
Mr Polglase (d)	-	-	68,000	-	-	68,000	-
Mr Mottram (e)	-	-	65,000	-	-	65,000	-
Mr Dunn (c)	-	15,000	-	-	-	15,000	-
Mr Burke (b)	-	10,875	-	-	-	10,875	-
	-	63,363	360,500	59,285	-	483,148	

- (a) Mr Wood and Mr McMaster were appointed on 1 April 2014.  
(b) Mr Thompson and Mr Burke were appointed on 23 August 2013 and resigned on 20 January 2014.  
(c) Mr Dunn resigned on 20 January 2014.  
(d) Mr Polglase resigned on 26 June 2014.  
(e) Mr Mottram resigned on 4 July 2014.

	Short term			Options	Post employment		
<b>2013</b>	Base Salary	Directors Fees	Consulting Fees	Share based Payments	Superannuation	Total	Option Related
<b>Director</b>	\$	\$	\$	\$	\$	\$	%
Mr Polglase	-	-	100,000	-	-	100,000	-
Mr Azevedo	-	40,000	4,994	103,857	-	148,851	70%
Mr Mottram	-	-	100,000	-	-	100,000	-
Mr Dunn	-	30,000	-	-	-	30,000	-
	-	70,000	294,994	103,857	-	468,851	

### Service Agreements

The Group has entered into a service agreement for certain administrative services and office space for a term of two years and for the provision of corporate advisory services for a term of two years with Garrison Capital Pty Ltd. The Group is required to give three months' written notice to terminate the agreement. Mr Wood and Mr McMaster are a directors and shareholders of Garrison Capital.

### Share-Based Compensation

#### Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2014.

#### Options

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

## Directors' Report

	Grant date	Grant number	First exercise date	Expiry date / last exercise date	Value per option at grant date	Value of options	Exercise price	No. Vested
Mr Thompson	23/08/2013	6,000,000	-	31/12/2015	\$0.028	\$166,000	\$0.05	-
Mr Azevedo	17/02/2012	1,000,000	01/03/2013	31/03/2015	\$0.161	\$160,893	\$0.25	1,000,000

The share options issued to Mr Thompson were subject to the following performance hurdles in order to vest:

- 2,000,000 options vest when the Company's closing share price on the ASX reaches \$0.10 per share within the exercise period;
- 2,000,000 options vest when the Company's closing share price on the ASX reaches \$0.15 per share within the exercise period;
- 2,000,000 options vest when the Company's closing share price on the ASX reaches \$0.20 per share within the exercise period.

The options have been valued using the Black-Scholes option pricing model, which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option, refer to note 22 for further details. Options granted under the plan carry no dividend or voting rights.

The share options issued to Mr Azevedo were not subject to a performance hurdle as these options were issued as a form of retention bonus and incentive package. The options vested on 1 March 2013. On resignation, any unvested options will be forfeited. The options have been valued using the Black-Scholes option pricing model, which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option. Options granted under the plan carry no dividend or voting rights.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date. There were no forfeitures during the period. No remuneration options were exercised for the year ended 30 June 2014 or for the year ended 30 June 2013.

### Additional disclosures relating to key management personnel

#### Shareholdings

The number of shares in the Company held during the financial year by each director of Triumph Tin Limited, including their personally related parties, is set out below. There were no shares granted during the reporting period as compensation.

	Balance at the start of the year	On appointment to the Board during the year	Purchased during the year	On resignation from the Board during the year	Other changes during the year	Balance at the end of the year
Mr McMaster (a)	-	2,500,000	2,400,000	-	-	4,900,000
Mr Azevedo	100,000	-	-	-	-	100,000
Mr Wood (a)	-	7,695,000	-	-	-	7,695,000
Mr Thompson (b)	-	-	-	-	-	-
Mr Polglase (d)	5,421,445	-	200,000	(5,621,445)	-	-
Mr Mottram (e)	3,050,000	-	100,000	(3,150,000)	-	-
Mr Dunn (c)	100,000	-	300,000	(400,000)	-	-
Mr Burke (b)	-	300,000	-	(300,000)	-	-

(a) Mr Wood and Mr McMaster were appointed on 1 April 2014.

(b) Mr Thompson and Mr Burke were appointed on 23 August 2013 and resigned on 20 January 2014.

(c) Mr Dunn resigned on 20 January 2014.

(d) Mr Polglase resigned on 26 June 2014.

(e) Mr Mottram resigned on 4 July 2014.

## Directors' Report

All equity transactions with key management personnel other than arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

### Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Triumph Tin Limited and specified executive of the group, including their personally related parties, are set out below:

	Balance at the start of the year	Granted during the year as compensation	On appointment to the Board during the year	On resignation from the Board during the year	Balance at the end of the year	Vested options	
						Exercisable	Non-exercisable
Mr McMaster (a)	-	-	-	-	-	-	-
Mr Azevedo	1,000,000	-	-	-	1,000,000	1,000,000	-
Mr Wood (a)	-	-	-	-	-	-	-
Mr Thompson (b)	-	6,000,000	-	-	6,000,000	-	6,000,000
Mr Polglase (d)	-	-	-	-	-	-	-
Mr Mottram (e)	-	-	-	-	-	-	-
Mr Dunn (c)	-	-	-	-	-	-	-
Mr Burke (b)	-	-	1,000,000	(1,000,000)	-	-	-

(a) Mr Wood and Mr McMaster were appointed on 1 April 2014.

(b) Mr Thompson and Mr Burke were appointed on 23 August 2013 and resigned on 20 January 2014.

(c) Mr Dunn resigned on 20 January 2014.

(d) Mr Polglase resigned on 26 June 2014.

(e) Mr Mottram resigned on 4 July 2014.

There were no other alterations to the terms and conditions of options granted as remuneration since their grant date. There were no forfeitures during the years ended 30 June 2014.

Options granted as part of remuneration have been valued using the Black-Scholes option pricing model, which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option. Options granted under the plan carry no dividend or voting rights.

### Other transactions with key management personnel

Vega Funds Pty Ltd, a company in which Mr McMaster is a director, has \$2,500 outstanding at year end.

FFA Legal Ltda, a company in which Mr Azevedo is a director, provided the Group with legal and accounting services in Brazil of \$143,118. No amount was outstanding at year end.

Garrison Capital Pty Ltd, a company in which Mr McMaster and Mr Wood are directors and shareholders, provided the Group with a fully serviced office including administration and information technology support totalling \$120,000, corporate advisory services totalling \$80,000 and reimbursement of payments for legal, accounting and other minor expenses, at cost totalling \$47,290. \$17,288 was outstanding at year end.

Garrison Capital Pty Ltd was issued 1,000,000 shares for its role as corporate advisors to the Company for the acquisition of Lotus Mining Pty Ltd. The fair value of the shares is \$45,000.

## Directors' Report

---

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

### END OF REMUNERATION REPORT

### INTERESTS IN THE SECURITIES OF THE COMPANY

As at the date of this report, the interests of the Directors in the securities of Triumph Tin Limited are:

Director	Ordinary Shares	Options over Ordinary Shares exercisable at 25 cents each
Brian McMaster	4,900,000	-
Luis Azevedo	100,000	1,000,000
Matthew Wood	7,695,000	-
Mark Reilly	-	-

### RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members of Triumph Tin Limited for the year to 30 June 2014 was \$1,513,087 (2013: \$7,914,901) and the net assets of the Group at 30 June 2014 was \$1,263,314 (2013: \$1,732,635).

### DIVIDENDS

No dividend was paid or declared by the Group in the year and up to the date of this report.

### CORPORATE STRUCTURE

Triumph Tin Limited is a company limited by shares, which is incorporated and domiciled in Australia.

### NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

During the financial year, the principal activity was mineral exploration. The Group currently holds exploration projects in Brazil.

### REVIEW OF OPERATIONS

#### HIGHLIGHTS:

- Acquisition of the Capela Potash Project in Brazil which covers 11,212 hectares and is located approximately 13km north of Vale's Taquari Vassouras Potash mine;
- Maiden drilling programme completed for the Azul Tin Project with field work indicating mineralisation is open on plunge and that there is high probability of additional primary tin mineralisation within the area; and
- Successful completion of entitlement issue raising \$1,373,558 before costs with the option to issue the remaining shortfall of 17,504,180 shares at \$0.01 per share.

### ACQUISITION OF BRAZILIAN POTASH PROJECT

In August 2014 Triumph Tin acquired a 100% interest in the Capela Potash Project in the Sergipe Alagoas Basin on the east coast of Brazil. The Project comprises six exploration licenses over approximately 11,212 hectares and is located approximately 13km north of Vale's Taquari Vassouras Potash mine; the only potash mine currently is operating in Brazil. Brazil is one of the world's largest consumers of potash.

A considerable amount of exploration data exists within the Sergipe Cretaceous Basin, mainly from the oil industry. The potash zones contain carnallite and/or sylvinitite and can occur in several levels within the evaporitic basin but can also be missing

## Directors' Report

---

due to dissolution processes. There are no oil wells within the Capela Potash Project area however information from nearby existing wells indicates that 50m of carnallite was intersected 1km south of the property and was also intersected in an oil well 4km east of the Project. In addition, sylvinites has been intersected in two oil wells located south of the property.

In 2013, B&A Mineracao Ltda partly investigated the Capela property with a 3D seismic survey covering an area of 20.4km<sup>2</sup> on the southern portion of the Project. This seismic survey was conducted by GeoQuasar and the data was processed/interpreted by RPS Canada. The interpretation shows that the Ibura Member was mapped in the seismic surveyed area and the depth to the top of the unit decreases towards the north. Concluding the interpretation, RPS Canada recommended the location of three vertical drill holes to intersect the top of the Ibura's salt target at 235 to 325 metres depth. These targets have not been drill tested and the Company is currently planning the drilling of two holes to a depth of 350 metres each to test these targets.

### **AZUL TIN PROJECT**

Azul is located in the south of Tocantins State, close to the border with Goiás in central Brazil. It is situated 20km southwest of the town of Palmeirópolis which has good infrastructure and transportation links.

Azul is hosted predominantly within the Serra Dourada Massif granites, belonging to the Goiás Tin Province. The granite occurs at the centre of an anticline structure which forms an elongated body and extends for 65km in a north – south direction. Tin mineralisation at Azul occurs on the western side of the granite.

The Project comprises a 671ha Mining Concession in good regulatory order, with an access agreement already established with the owner of the surface rights. With no apparent environmental issues and good infrastructure, Azul presents an excellent location to build a mine.

The maiden drill programme was completed at the end of December 2013. Delays in determining final assays were attributed to the variation of some high grade samples, obliging Triumph Tin to complete additional QA-QC.

Drilling successfully tested the reliability of historical drilling/interpretations, underscoring the presence of near surface mineralisation and providing credence to the historical data.

Indications from a comprehensive field work completed in during the year are that, mineralisation is open on plunge and that there is a high probability of additional primary tin mineralisation within the license area.

On 18 September 2014 the Company announced that it had entered into an exclusive non-binding letter of intent for the sale of its 100% owned Brazilian subsidiary, the owner of the Azul Tin project, to a Canadian company called 2433533 Ontario Inc (the Purchaser). As at the date of this report the Company and the Purchaser are working together to progress the satisfaction of the conditions precedent which include the finalisation of a definitive binding agreement.

### **MYANMAR**

In August 2013 the Company completed a merger with Lotus Mining Limited, an unlisted company focussed on identifying opportunities in Myanmar. It was considered at that time that the change in political circumstances and the "opening up" of Myanmar would represent an inviting environment for investment activities. During the ensuing months, the Company worked actively with the contacts it acquired through the merger to identify suitable prospects.

Whilst Triumph Tin maintains that the geological aspects of the exploration potential of Myanmar are exciting, the Company has concluded that the business case of moving forward in Myanmar, at this time, is not as compelling as the business case available in other jurisdictions. Accordingly, Triumph Tin has elected not to continue pursuing opportunities in Myanmar.

# Directors' Report

---

## CORPORATE

### Completion of Entitlement Offer:

On 15 August 2014 the Company announced the allotment and issue of 137,355,820 shares at \$0.01 per share under the renounceable entitlement issue Prospectus dated on 8 July 2014. The Company raised a total of \$1,373,558 before costs with remaining shortfall of 17,504,180 shares. The Directors have until 29 October 2014 to issue the remaining shortfall.

### Board Changes:

The Company has had a number of Board changes with the resignation of Mr Thompson, Mr Polglase, Mr Mottram, Mr Dunn and Mr Burke as Directors and the appointment of Mr McMaster, Mr Wood and Mr Reilly as Directors.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 6 June 2014 the Company announced that, as a result of a general meeting held, shareholder approval was given for the name of the Company to be changed to Triumph Tin Limited.

There were no other significant changes in the state of affairs of the Company during the period.

## SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 15 August 2014 the Company announced the allotment and issue of 137,355,820 shares under the renounceable entitlement issue Prospectus dated on 8 July 2014. The Company raised a total of \$1,373,558 before costs. On 19 September 2014 the Company announced the allotment and issue of the remaining shortfall of 17,504,180 shares to raise \$175,042.

In August 2014 Triumph Tin acquired a 100% interest in the Capela Potash Project in the Sergipe Alagoas Basin on the east coast of Brazil. As per the acquisition agreement the Company has issued 40,000,000 fully paid ordinary shares in Triumph Tin and paid \$120,000 on execution.

On 18 September 2014 the Company announced that it had entered into an exclusive non-binding letter of intent for the sale of its 100% owned Brazilian subsidiary, the owner of the Azul Tin project, to a Canadian company called 2433533 Ontario Inc (the Purchaser). As at the date of this report the Company and the Purchaser are working together to progress the satisfaction of the conditions precedent which include the finalisation of a definitive binding agreement.

There were no other known significant events from the end of the financial year to the date of this report.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors have excluded from this report any further information on the likely developments in the operations of the Company and the expected results of those operations in future financial years, as the Directors believe that it would be speculative and prejudicial to the interests of the Company.

## ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group carries out operations that are subject to environmental regulations under legislation in Brazil. The Group has formal procedures in place to ensure regulations are adhered to. The Group is not aware of any breaches in relation to environmental matters.

## SHARES UNDER OPTIONS

As at the date of this report, there were 23,000,000 unissued ordinary shares under options (24,200,000 at the reporting date). The details of the options at the date of this report are as follows:

Number	Exercise Price \$	Expiry Date
3,000,000	0.25	15 September 2014
12,000,000	0.25	30 June 2015
2,000,000	0.25	31 March 2015
6,000,000	0.05	31 December 2015
23,000,000		

## Directors' Report

---

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

On 23 August 2013, 6,000,000 unlisted options with an exercise price of \$0.05 and an expiry of 31 December 2015 were issued to Mr Stephen Thompson.

On 30 June 2014, 1,500,000 unlisted options with an exercise price of \$0.25 expired. On 30 July 2014, 1,200,000 unlisted options with an exercise price of \$0.35 expired.

No options were exercised during or since the end of the financial year.

### **INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

The Company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporations Act 2001. The indemnification specifically excludes wilful acts of negligence. The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company, including officers of the Company's controlled entities. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

### **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.

### **INDEMNITY AND INSURANCE OF AUDITOR**

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

### **CORPORATE GOVERNANCE**

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Triumph Tin Limited support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that Triumph Tin is in compliance with those guidelines to the extent possible, which are of importance to the commercial operation of a junior listed resources company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company. The Company's Corporate Governance Statement and disclosures are contained elsewhere in the annual report.

### **AUDITOR'S INDEPENDENCE DECLARATION**

Section 307C of the *Corporations Act 2001* requires the Company's auditors to provide the Directors of Triumph Tin Limited with an Independence Declaration in relation to the audit of the full year financial report. A copy of that declaration is included within this report.

### **NON-AUDIT SERVICES**

The Company did not engage their auditors to perform any non-audit related services during the period. The Directors are satisfied that the provision of non-audit services is compatible with the general standards of independence for auditors imposed by the *Corporations Act 2001*.

## Directors' Report

---

Signed on behalf of the board in accordance with a resolution of the Directors.



**Brian McMaster**

**Chairman**

Perth

24 September 2014

### **Competent Person Statement**

*The information in this report that relates to Mineral Resources and Exploration Results is based on information compiled by Mr Matthew Wood who is a member of the Australasian Institute of Mining and Metallurgy. Mr Wood is a Director of Triumph Tin Limited. Mr Wood has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Wood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*



## CORPORATE GOVERNANCE STATEMENT

---

The Board of Directors of Triumph Tin Limited (“Triumph Tin” or “the Company”) is responsible for corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

Upon listing, the Company established a set of corporate governance policies and procedures. These were based on the Australian Securities Exchange Corporate Governance Council’s (the Council’s) “Principles of Good Corporate Governance and Best Practice Recommendations” (the Recommendations). In accordance with the Council’s recommendations, the Corporate Governance Statement must now contain certain specific information and must disclose the extent to which the company has followed the guidelines during the period. Where a recommendation has not been followed, that fact must be disclosed, together with the reasons for the departure. For further information on corporate governance policies adopted by the Company, refer to our website: [www.triumphtin.com.au](http://www.triumphtin.com.au).

### Structure of the Board

The skills, experience and expertise relevant to the position of Director held by each Director in office at the date of the annual report is included in the Directors’ Report. Directors of the Company are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

The Board has accepted the following definition of an Independent Director:

“An Independent Director is a Director who is not a member of management, is a Non-Executive Director and who:

- is not a substantial shareholder (under the meaning of Corporations Law) of the Company or an officer of, or otherwise associated, directly or indirectly, with a substantial shareholder of the Company;
- has not within the last three years been employed in an executive capacity by the Company or another Company member, or been a Director after ceasing to hold any such employment;
- is not a principal of a professional adviser to the Company or another Company member;
- is not a significant consultant, supplier or customer of the Company or another Company member, or an officer of or otherwise associated, directly or indirectly, with a significant consultant, supplier or customer;
- has no significant contractual relationship with the Company or another Company member other than as a Director of the Company;
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director’s ability to act in the best interests of the Company.”

In accordance with the definition of independence above, no Directors are considered Independent Director’s. Accordingly, the majority of the Board is not considered independent.

There are procedures in place, as agreed by the Board, to enable Directors to seek independent professional advice on issues arising in the course of their duties at the company’s expense. The term in office held by each Director in office at the date of this report is as follows:

<b>Name</b>	<b>Term in office</b>
Luis Azevedo	2 years and 7 months
Matthew Wood	6 months
Brian McMaster	6 months
Mark Reilly	3 months

## **CORPORATE GOVERNANCE STATEMENT**

---

### **Nomination Committee**

The Board has formally adopted a Nomination Committee Charter, but given the present size of the Company, has not formed a separate Committee. Instead the function will be undertaken by the full Board in accordance with the policies and procedures outlined in the Nomination Committee Charter. At such time as the Company is of sufficient size, a separate Nomination Committee will be formed.

### **Audit and Risk Management Committee**

The Board has formally adopted an Audit and Risk Management Committee Charter, but given the present size of the Company, has not formed a separate Committee. Instead the function of the Committee will be undertaken by the full Board in accordance with the policies and procedures outlined in the Audit and Risk Management Committee Charter. At such time as the Company is of sufficient size a separate Audit and Risk Management Committee will be formed.

It is the Board's responsibility to ensure that an effective internal control framework exists within the Group. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control of the Group.

### **Performance**

The Board of Triumph Tin conducts its performance review of itself on an ongoing basis throughout the year. The small size of the Company and hands-on management style requires an increased level of interaction between Directors and Executives throughout the year. Board members meet amongst themselves both formally and informally. The Board considers the current approach that it has adopted with regard to the review of its performance provides the best guidance and value to the Company.

### **Remuneration**

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality Board by remunerating Directors fairly and appropriately with reference to relevant employment market conditions. The Company does not link the nature and amount of Executive and Directors' emoluments to the Company's financial and operational performance.

For details of remuneration of Directors and Executives please refer to the Directors' Report.

The Board is responsible for determining and reviewing compensation arrangements for Executive Directors. The Board has formally adopted a Remuneration Committee Charter, however, given the present size of the Company, it has not formed a separate Committee. Instead the function will be undertaken by the full Board in accordance with the policies and procedures outlined in the Remuneration Committee Charter. At such time as the Company is of sufficient size, a separate Remuneration Committee will be formed.

There is no scheme to provide retirement benefits, other than statutory superannuation.

### **Diversity Policy**

The Company is committed to workplace diversity and to ensuring a diverse mix of skills and talent exists amongst its Directors, officers and employees, to enhance Company performance. The Board has adopted a Diversity Policy which addresses equal opportunities in the hiring, training and career advancement of Directors, officers and employees.

## CORPORATE GOVERNANCE STATEMENT

---

In accordance with this policy, the Board provides the following information pertaining to the proportion of women across the organisation at the date of this report.

	Actual	
	Number	Percentage
Women in the whole organisation	-	-
Women in senior executive positions	-	-
Women on the board	-	-

### Trading Policy

Under the Company's securities trading policy, an Executive or Director must not trade in any securities of the Company at any time when they are in possession of unpublished, price-sensitive information in relation to those securities.

Before commencing to trade, an Executive must first obtain the approval of the Managing Director to do so and a Director must first obtain approval of the Chairman. Only in exceptional circumstances will approval be forthcoming inside of the period commencing on the tenth day of the month in which the Company is required to release its Quarterly Activities Report and Quarterly Cashflow Report and ending two days following the date of that release.

### Assurance

The CEO and CFO (or equivalent) periodically provide formal statements to the Board that in all material aspects:

- the Company's consolidated financial statements present a true and fair view of the Group's financial condition and operational results; and
- the risk management and internal compliance and control systems are sound, appropriate and operating efficiently and effectively.

This assurance forms part of the process by which the Board determines the effectiveness of its risk management and internal control systems in relation to financial reporting risks.

### Shareholder Communication Policy

Pursuant to Principle 6, the Company's objective is to promote effective communication with its shareholders at all times.

Triumph Tin Limited is committed to:

- Ensuring that shareholders and the financial markets are provided with full and timely information;
- Complying with continuous disclosure obligations contained in the ASX listing rules and the *Corporations Act* in Australia; and
- Communicating effectively with its shareholders and making it easier for shareholders to communicate with the Company.

To promote effective communication with shareholders and encourage effective participation at general meetings, information is communicated to shareholders:

- Through the release of information to the market via the ASX;
- Through the distribution of the annual report and notices of annual general meeting;
- Through shareholder meetings and investor relations presentations;
- Through letters and other forms of communications directly to shareholders; and
- By posting relevant information on the Company's website: [www.triumphtin.com.au](http://www.triumphtin.com.au).

The external auditors are required to attend the annual general meeting and are available to answer any shareholder questions about the conduct of the audit and preparation of the audit report.

## CORPORATE GOVERNANCE STATEMENT

### Corporate Governance Compliance

During the financial year, Triumph Tin has complied with each of the 8 Corporate Governance Principles and the corresponding Best Practice Recommendations, other than in relation to the matters specified below:

<b>Best Practice Recommendation</b>	<b>Notification of Departure</b>	<b>Explanation of Departure</b>
2.1	The Company does not have a majority of independent directors	The Directors consider that the current structure and composition of the Board is appropriate to the size and nature of operations of the Company.
2.2	The Chairman is not an independent director	The Directors consider that the current structure and composition of the Board is appropriate to the size and nature of operations of the Company.
2.4	The Group does not have a Nomination Committee	The role of the Nomination Committee has been assumed by the full Board operating under the Nomination Committee Charter adopted by the Board.
3.3	The Company has not disclosed in its annual report its measurable objectives for achieving gender diversity and progress towards achieving them.	The Board continues to monitor diversity across the organisation and is satisfied with the current level of gender diversity within the Company as disclosed above. Due to the size of the company the Board does not consider it appropriate at this time to formally set measurable objectives for gender diversity.
4.1 and 4.2	The Group does not have an Audit and Risk Management Committee	The role of the Audit and Risk Management Committee has been assumed by the full Board operating under the Audit and Risk Management Committee Charter adopted by the Board.
8.1	The Group does not have a Remuneration Committee	The role of the Remuneration Committee has been assumed by the full Board operating under the Remuneration Committee Charter adopted by the Board.

# Triumph Tin Limited

## Consolidated Statement of Comprehensive Income for the year ended 30 June 2014

	Notes	Consolidated	
		2014	2013
		\$	\$
<b>Revenue</b>			
Interest income		37,824	94,174
Other income		-	395
<b>Revenue</b>		<b>37,824</b>	<b>94,569</b>
Public company costs		(48,519)	(42,708)
Accounting and audit fees		(85,126)	(66,684)
Consultant and directors' fees		(579,675)	(418,853)
Legal fees		(16,887)	(3,057)
Share based payments	22	(59,285)	(207,715)
Travel expenses		(100,279)	(9,868)
Impairment of exploration expenditure	10	(61,291)	(7,106,165)
Loss on acquisition of subsidiary	24	(369,022)	-
Other expenses	4	(230,827)	(154,420)
<b>Loss from continuing operations before income tax</b>		<b>(1,513,087)</b>	<b>(7,914,901)</b>
Income tax expense	5	-	-
<b>Loss from continuing operations after income tax</b>		<b>(1,513,087)</b>	<b>(7,914,901)</b>
<b>Net loss for the year</b>		<b>(1,513,087)</b>	<b>(7,914,901)</b>
<b>Other Comprehensive (loss)/income</b>			
<i>Item that may be reclassified subsequently to operating result</i>			
Foreign currency translation		(10,519)	54,527
<b>Other comprehensive (loss)/income for the year</b>		<b>(1,523,606)</b>	<b>54,527</b>
<b>Total comprehensive loss for the year</b>		<b>(1,523,606)</b>	<b>(7,860,374)</b>
<b>Loss per share attributable to owners of Triumph Tin Limited</b>			
Basic and diluted loss per share (cents per share)	19	(2.04)	(14.28)

**Consolidated Statement of Financial Position as at 30 June 2014**

	Notes	Consolidated	
		2014	2013
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	499,601	1,476,412
Trade and other receivables	7	22,492	26,952
<b>TOTAL CURRENT ASSETS</b>		<b>522,093</b>	<b>1,503,364</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	9	12,755	33,388
Deferred exploration and evaluation expenditure	10	848,924	276,393
<b>TOTAL NON-CURRENT ASSETS</b>		<b>861,679</b>	<b>309,781</b>
<b>TOTAL ASSETS</b>		<b>1,383,772</b>	<b>1,813,145</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	120,458	80,510
<b>TOTAL CURRENT LIABILITIES</b>		<b>120,458</b>	<b>80,510</b>
<b>TOTAL LIABILITIES</b>		<b>120,458</b>	<b>80,510</b>
<b>NET ASSETS</b>		<b>1,263,314</b>	<b>1,732,635</b>
<b>EQUITY</b>			
Issued capital	12	11,549,368	10,554,368
Reserves	13	2,700,999	2,652,233
Accumulated losses	14	(12,987,053)	(11,473,966)
<b>TOTAL EQUITY</b>		<b>1,263,314</b>	<b>1,732,635</b>

## Consolidated Statement of Cash Flows *for the year ended 30 June 2014*

	Notes	Consolidated	
		2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,084,836)	(693,397)
Interest received		43,906	105,255
Other receipts		-	395
NET CASH USED IN OPERATING ACTIVITIES	6	(1,040,930)	(587,747)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(630)	(41,570)
Expenditure on exploration and evaluation expenditure		(586,963)	(1,019,216)
Cash acquired on acquisition of subsidiary	24	651,712	-
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		64,119	(1,060,786)
Net decrease in cash held		(976,811)	(1,648,533)
Cash and cash equivalents at beginning of year		1,476,412	3,124,945
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	6	<b>499,601</b>	<b>1,476,412</b>

Consolidated Statement of Changes in Equity for the year ended 30 June 2014

Consolidated	Issued capital \$	Accumulated losses \$	Foreign Currency Translation Reserve \$	Share based payment reserves \$	Total \$
At 1 July 2013	10,554,368	(11,473,966)	(5,354)	2,657,587	1,732,635
Loss for the year	-	(1,513,087)	-	-	(1,513,087)
Other comprehensive loss	-	-	(10,519)	-	(10,519)
<b>Total comprehensive loss</b>	-	<b>(1,513,087)</b>	<b>(10,519)</b>	-	<b>(1,523,606)</b>
<b>Transactions with owners in their capacity as owners</b>					
Shares issued on acquisition of subsidiary	900,000	-	-	-	900,000
Shares issued in lieu of debt	50,000	-	-	-	50,000
Shares issued to corporate advisors	45,000	-	-	-	45,000
Share based payments	-	-	-	59,285	59,285
<b>At 30 June 2014</b>	<b>11,549,368</b>	<b>(12,987,053)</b>	<b>(15,873)</b>	<b>2,716,872</b>	<b>1,263,314</b>
<b>At 1 July 2012</b>					
Loss for the year	10,554,368	(3,559,065)	(59,881)	2,449,872	9,385,294
Other comprehensive income	-	(7,914,901)	-	-	(7,914,901)
<b>Total comprehensive (loss) / income</b>	-	<b>(7,914,901)</b>	<b>54,527</b>	-	<b>54,527</b>
<b>Transactions with owners in their capacity as owners</b>					
Share based payments	-	-	-	207,715	207,715
<b>At 30 June 2013</b>	<b>10,554,368</b>	<b>(11,473,966)</b>	<b>(5,354)</b>	<b>2,657,587</b>	<b>1,732,635</b>



# Triumph Tin Limited

## Notes to the financial statements at and for the year ended 30 June 2014

### 1. Corporate Information

The financial report of Triumph Tin Limited ("Triumph Tin" or "the Company") and its controlled entities ("the Group") for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the Directors on 24 September 2014.

Triumph Tin Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and the principal activities of the Group are described in the Directors' Report.

### 2. Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

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

The presentation currency is Australian dollars.

#### (b) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

#### (c) Compliance statement

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

#### (d) New accounting standards and interpretations issued but yet effective

The following applicable accounting standards and interpretations have been issued or amended but are not yet effective. These standards have not been adopted by the Group for the year ended 30 June 2014 and no change to the Group's accounting policy is required.

Reference	Title	Summary	Impact on Group's financial report	Application date for Group
AASB 9	Financial Instruments	<p>AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities.</p> <p>These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below.</p> <p>(a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.</p>	The Group has not yet determined the impact on the Group's financial statements.	1 Jan 2017

Reference	Title	Summary	Impact on Group's financial report	Application date for Group
		<p>(b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>(c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</p> <p>(d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:</p> <ul style="list-style-type: none"> <li>▶ The change attributable to changes in credit risk is presented in other comprehensive income (OCI)</li> <li>▶ The remaining change is presented in profit or loss</li> </ul> <p>If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</p> <p>Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10.</p>		

The Group has not elected to early adopt any new Standards or Interpretations.

**(e) Changes in accounting policies and disclosures**

In the year ended 30 June 2014, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

**(f) Basis of Consolidation**

The consolidated financial statements comprise the financial statements of Triumph Tin Limited and its subsidiaries as at 30 June each year ('the Company').

Subsidiaries are all those entities (including special purpose entities) over which the Company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-company transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Company and cease to be consolidated from the date on which control is transferred out of the Company.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

**(g) Foreign Currency Translation***(i) Functional and presentation currency*

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Triumph Tin Limited is Australian dollars. The functional currency of the overseas subsidiaries is Brazilian Reais.

*(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 the Statement of Comprehensive Income.

*(iii) Group entities*

The results and financial position of all the Company entities (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 statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation 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 as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to foreign currency translation reserve.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the statement of comprehensive income, as part of the gain or loss on sale where applicable.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

#### (h) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

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. Repairs and maintenance expenditure is charged to the statement of comprehensive income during the financial period in which it is incurred.

#### *Depreciation*

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Plant and equipment	33% – 50%
Furniture, Fixtures and Fittings	10%
Computer and software	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

#### *Derecognition*

Additions of plant and equipment are derecognised upon disposal or when no further future economic benefits are expected from their use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the statement of comprehensive income.

#### (i) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the statement of comprehensive income.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been

determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**(j) Exploration expenditure**

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

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

Expenditure which fails to meet the conditions outlined above is written off, furthermore, the directors regularly review the carrying value of exploration and evaluation expenditure and make write downs if the values are not expected to be recoverable.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition, as determined by the requirements of AASB 6 Exploration for and evaluation of mineral resources. Exploration assets acquired are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions referred to in AASB 6 is met.

Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the entity.

Acquired exploration assets are not written down below acquisition cost until such time as the acquisition cost is not expected to be recovered.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off.

Expenditure is not carried forward in respect of any area of interest/mineral resource unless the Group's rights of tenure to that area of interest are current.

**(k) Trade and Other Receivables**

Trade receivables, which generally have 30 – 90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

**(l) Cash and Cash Equivalents**

Cash and cash equivalent in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

**(m) Provisions**

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

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

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

**(n) Trade and other payables**

Liabilities for trade creditors and other amounts are measured at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group.

**(o) Income Tax**

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

No deferred income tax will be recognised in respect of temporary differences associated with investments in subsidiaries if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is charged or credited in the statement of comprehensive income except where it relates to items that may be charged or credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**(p) 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.

**(q) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue is capable of being reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Interest income*

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

**(r) Earnings per share***Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

*Diluted earnings per share*

Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

**(s) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of GST/sales tax, except where the amount of GST/sales tax incurred is not recoverable from the relevant Tax Authority. In these circumstances, the GST/sales tax is recognised as

part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST/sales tax.

The net amount of GST/sales tax recoverable from, or payable to, the Tax Authority is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is receivable from or payable to the ATO, are disclosed as operating cash flows.

**(t) Share based payment transactions**

The Group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares ('equity settled transactions').

There is currently an Employee Share Option Scheme (ESOS) in place, which provides benefits to Directors and individuals providing services similar to those provided by an employee.

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using an option pricing formula taking into account the terms and conditions upon which the instruments were granted, as discussed in note 22.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Triumph Tin Limited ('market conditions').

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

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.



The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted. The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share (see note 19).

**(u) Comparative figures**

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

**(v) Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**(w) Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**(x) 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.

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.

*Capitalised exploration and evaluation expenditure*

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

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices and exchange rules.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

*Share based payment transactions*

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in note 22.

*Functional currency translation reserve*

Under the Accounting Standards, each entity within the Group is required to determine its functional currency, which is the currency of the primary economic environment in which the entity operates. Management considers the Brazilian subsidiaries to be foreign operations with Brazilian Reias as the functional currency. In arriving at this determination, management has given priority to the currency that influences the labour, materials and other costs of exploration activities as they consider this to be a primary indicator of the functional currency.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

#### 3. Segment Information

For management purposes, the Group is organised into one main operating segment, which involves mining exploration for tin. All of the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment.

Revenues of approximately Nil (2013 - Nil) are derived from a single external customer.

Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole. Total revenue earned by the Group is generated in Australia and all of the Group's non-current assets reside in Brazil.

	Consolidated	
	2014	2013
	\$	\$
<b>4. Other Expenses</b>		
Insurance	9,251	10,289
Meetings expenses	11,649	1,565
Telephone and internet	7,723	1,736
Printing and stationery	10,237	780
Rent and outgoings	38,334	787
Serviced office	120,000	120,000
Depreciation	21,158	14,436
Other	12,475	4,800
<b>Total other expenses</b>	<b>230,827</b>	<b>154,420</b>

#### 5. Income Tax

##### (a) Income tax expense

Major component of tax expense for the year:

Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

##### (b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate.

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable tax rate is as follows:

Loss from continuing operations before income tax expense	(1,513,087)	(7,914,901)
Tax at the group rate of 30%	(453,926)	(2,374,470)
Expense of remuneration options	17,786	62,315
Non-deductible expenses	18,387	2,131,850
Income tax benefit not brought to account	417,753	180,305
Income tax expense	<u>-</u>	<u>-</u>

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

	Consolidated	
	2014	2013
	\$	\$
<b>(c) Unused tax losses</b>		
Unused tax losses	3,071,354	2,693,196
Potential tax benefit not recognised at 30%	<b>921,406</b>	<b>807,959</b>

The benefit of the tax losses will only be obtained if:

- (i) the Group derives future assessable income in Australia of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, and
- (ii) the Group continues to comply with the conditions for deductibility imposed by tax legislation in Australia and
- (iii) no changes in tax legislation in Australia adversely affect the Group in realising the benefit from the deductions for the losses.

## 6. Cash and Cash Equivalents

### Reconciliation of Cash and Cash Equivalents

Cash comprises:

Cash at bank	499,601	476,412
Short term deposits	-	1,000,000
	<b>499,601</b>	<b>1,476,412</b>

### Reconciliation of operating loss after tax to the cash flows from operations

Loss from ordinary activities after tax	(1,513,087)	(7,914,901)
<b>Non cash items</b>		
Share based payments (refer note 22)	59,285	207,715
Depreciation charges	21,158	14,435
Exploration expenditure written off (refer note 10)	61,291	7,106,165
Loss on acquisition of subsidiary (refer note 24)	369,022	-
<b>Change in assets and liabilities</b>		
Decrease in trade and other receivables	15,439	21,160
Decrease in trade and other payables	(54,038)	(22,321)
<b>Net cash outflow from operating activities</b>	<b>(1,040,930)</b>	<b>(587,747)</b>

### Non-cash Investing and Financing Transactions

During the year ended 30 June 2014, the company has issued shares to acquire assets. These transactions are described at note 22(c).

## 7. Trade and Other Receivables – Current

GST receivable	12,522	14,086
Accrued interest	-	8,473
Other	9,970	4,393
	<b>22,492</b>	<b>26,952</b>

Trade debtors, other debtors and goods and services tax are non-interest bearing and generally receivable on 30 day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

#### 8. Investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2(f).

Name of Entity	Country of Incorporation	Equity Holding
Triumph Tin Mining Limited	Australia	100%
Lotus Mining Pty Limited	Australia	100%
Avenue Holdings Pty Ltd	Australia	100%
Triunfo Mineracao do Brasil Ltda	Brazil	100%

**Consolidated**  
**2014**                      **2013**  
**\$**                              **\$**

#### 9. Plant and Equipment

##### Plant and Equipment

Cost	41,391	42,227
Accumulated depreciation and impairment	(34,385)	(14,084)
Net carrying amount	7,006	28,143

##### Computer Equipment and Software

Cost	1,262	1,288
Accumulated depreciation and impairment	(439)	(191)
Net carrying amount	823	1,097

##### Furniture, Fixtures and Fittings

Cost	6,081	4,700
Accumulated depreciation and impairment	(1,155)	(552)
Net carrying amount	4,926	4,148

##### Total Plant and Equipment

**12,755**                      **33,388**

# Triumph Tin Limited

## Notes to the financial statements at and for the year ended 30 June 2014

	Consolidated	
	2014	2013
	\$	\$
<b>Movements in Plant and Equipment</b>		
<b>Plant and Equipment</b>		
At beginning of the year	28,143	1,891
Effect of foreign exchange rate	-	-
Additions	-	40,069
Disposals	(836)	-
Depreciation charge for the year	(20,301)	(13,817)
	<u>7,006</u>	<u>28,143</u>
<b>Computer Equipment and Software</b>		
At beginning of the year	1,097	148
Effect of foreign exchange rate	(26)	-
Additions	-	1,132
Disposals	-	-
Depreciation charge for the year	(248)	(183)
	<u>823</u>	<u>1,097</u>
<b>Furniture, Fixtures and Fittings</b>		
At beginning of the year	4,148	4,007
Effect of foreign exchange rate	(114)	-
Additions	1,495	595
Depreciation charge for the year	(603)	(454)
	<u>4,926</u>	<u>4,148</u>
<b>Total Plant and Equipment</b>	<b><u>12,755</u></b>	<b><u>33,388</u></b>
<b>10. Deferred Exploration and Evaluation Expenditure</b>		
At beginning of the year	276,393	6,327,450
Exploration expenditure during the year	634,939	1,033,528
Impairment loss	(61,291)	(7,106,165)
Net exchange differences on translation	(1,117)	21,580
Total exploration and evaluation	<b><u>848,924</u></b>	<b><u>276,393</u></b>
The ultimate recoupment of costs carried forward for exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas.		
<b>11. Trade and Other Payables</b>		
Trade payables	56,356	56,058
Accruals	63,800	22,000
Other	302	2,452
	<b><u>120,458</u></b>	<b><u>80,510</u></b>

Trade creditors, other creditors and goods and services tax are non-interest bearing and generally payable on 60 day terms. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

# Triumph Tin Limited

## Notes to the financial statements at and for the year ended 30 June 2014

	Consolidated	
	2014	2013
	\$	\$
<b>12. Issued Capital</b>		
<b>(a) Issued capital</b>		
Ordinary shares fully paid	<b>11,549,368</b>	<b>10,554,368</b>

<b>(b) Movements in shares on issue</b>	2014		2013	
	Number of shares	\$	Number of shares	\$
At beginning of the year	55,430,000	10,554,368	55,430,000	10,554,368
Shares issued on acquisition of subsidiary <sup>1</sup>	20,000,000	900,000	-	-
Shares issued in lieu of debt <sup>2</sup>	1,000,000	50,000	-	-
Shares issued to corporate advisors <sup>3</sup>	1,000,000	45,000	-	-
At 30 June	<b>77,430,000</b>	<b>11,549,368</b>	<b>55,430,000</b>	<b>10,554,368</b>

<sup>1</sup> 20,000,000 shares were issued to the shareholders of Lotus Mining Pty as consideration to acquire the entity.

<sup>2</sup> 1,000,000 shares were issued to Lara Exploration Ltd in full and final satisfaction of an unpaid debt.

<sup>3</sup> 1,000,000 shares were issued to advisors as consideration for services performed in relation to the acquisition of Lotus Mining Pty Ltd.

### (c) Ordinary shares

The Company does not have authorised capital nor par value in respect of its issued capital. Ordinary shares have the right to receive dividends as declared and, in the event of a winding up of the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or proxy, at a meeting of the Company.

### (d) Capital risk management

The Group's capital comprises share capital, reserves less accumulated losses amounting to \$1,263,314 at 30 June 2014 (2013: \$1,732,635). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders. The Group was ungeared at year end and not subject to any externally imposed capital requirements. Refer to note 20 for further information on the Group's financial risk management policies.

### (e) Share options

As at the date of this report, there were 23,000,000 unissued ordinary shares under options (25,700,000 at the reporting date). The details of the options at the date of this report are as follows:

Number	Exercise Price \$	Expiry Date
3,000,000	0.25	15 September 2014
12,000,000	0.25	30 June 2015
2,000,000	0.25	31 March 2015
6,000,000	0.05	31 December 2015
<b>23,000,000</b>		

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

On 23 August 2013, 6,000,000 unlisted options with an exercise price of \$0.05 and an expiry of 31 December 2015 were issued to Mr Stephen Thompson.

On 30 June 2014, 1,500,000 unlisted options with an exercise price of \$0.25 expired. On 30 July 2014, 1,200,000 unlisted options with an exercise price of \$0.35 expired.

No other options were exercised during or since the end of the financial year.

# Triumph Tin Limited

## Notes to the financial statements at and for the year ended 30 June 2014

	Consolidated	
	2014	2013
	\$	\$
<b>13. Reserves</b>		
Share based payment reserve	2,716,872	2,657,587
Foreign currency translation reserve	(15,873)	(5,354)
	<b>2,700,999</b>	<b>2,652,233</b>
<b>Movements in Reserves</b>		
<i>Share based payment reserve</i>		
At beginning of the year	2,657,587	2,449,872
Share based payments	59,285	207,715
At 30 June	<b>2,716,872</b>	<b>2,657,587</b>

The share based payment reserve is used to record the value of equity benefits provided to Directors and Executives as part of their remuneration and non-employees for their services. Refer to note 22 for further details of the options issued during the financial year.

### *Foreign currency translation reserve*

At beginning of the year	(5,354)	(59,881)
Foreign currency translation	(10,519)	54,527
At 30 June	<b>(15,873)</b>	<b>(5,354)</b>

The Foreign Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 2(g). The reserve is recognised in the statement of comprehensive income when the net investment is disposed of.

## **14. Accumulated losses**

Movements in accumulated losses were as follows:

At beginning of the year	(11,473,966)	(3,559,065)
Loss for the year	(1,513,087)	(7,914,901)
<b>At 30 June</b>	<b>(12,987,053)</b>	<b>(11,473,966)</b>

## **15. Expenditure Commitments**

### **(a) Rental and service agreements**

The Group entered a service agreement for certain administrative services and office space for a term of two years starting in February 2014. The Group is required to give three months written notice to terminate the agreement.

Within one year	180,000	105,000
After one year but not longer than 5 years	105,000	-
	<b>285,000</b>	<b>105,000</b>

### **(b) Exploration commitments**

In order to maintain the current rights of tenure to mining tenements, the Group has the following exploration expenditure requirements and option payments up until the expiry or relinquishment of the agreements. These obligations are not provided for in the financial statements and are payable as follows:

Within one year	212,337	547,465
After one year but not longer than 5 years	530,842	547,465
	<b>743,179</b>	<b>1,094,930</b>



## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

The Group has a definitive agreement to acquire tin projects in Brazil. The exploration expenditure commitments above assume that the Group will meet its agreed option payments and minimum expenditure commitments.

If the Group decides to relinquish and/or does not meet the obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfers or farm-out of exploration rights to third parties will reduce or extinguish the above obligations.

Consolidated	
2014	2013
\$	\$

#### 16. Auditor's Remuneration

The auditor of Triumph Tin Limited is RSM Bird Cameron Partners.

Amounts received or due and receivable for:

- RSM Bird Cameron Partners an audit or review of the financial report of the entity and any other entity in the Consolidated group	29,000	26,000
	<u>29,000</u>	<u>26,000</u>

#### 17. Events Subsequent to Balance Date

On 15 August 2014 the Company announced the allotment and issue of 137,355,820 shares under the renounceable entitlement issue Prospectus dated on 8 July 2014. The Company raised a total of \$1,373,558 before costs. On 19 September 2014 the Company announced the allotment and issue of the remaining shortfall of 17,504,180 shares to raise \$175,042.

In August 2014 Triumph Tin acquired a 100% interest in the Capela Potash Project in the Sergipe Alagoas Basin on the east coast of Brazil. As per the acquisition agreement the Company has issued 40,000,000 fully paid ordinary shares in Triumph Tin and paid \$120,000 on execution.

On 18 September 2014 the Company announced that it had entered into an exclusive non-binding letter of intent for the sale of its 100% owned Brazilian subsidiary, the owner of the Azul Tin project, to a Canadian company called 2433533 Ontario Inc (the Purchaser). As at the date of this report the Company and the Purchaser are working together to progress the satisfaction of the conditions precedent which include the finalisation of a definitive binding agreement.

There were no other known significant events from the end of the financial year to the date of this report.

#### 18. Related Party Disclosures

The ultimate parent entity is Triumph Tin Limited.

Refer to note 8 for list of all subsidiaries within the group.

Vega Funds Pty Ltd, a company in which Mr McMaster is a director, has \$2,500 (2013: \$nil) outstanding at year end.

FFA Legal Ltda, a company in which Mr Azevedo is a director, provided the Group with legal and accounting services in Brazil of \$143,118 (2013: \$148,851). No amount (2013: \$9,999) was outstanding at year end.

Garrison Capital Pty Ltd, a company in which Mr McMaster and Mr Wood are directors and shareholders, provided the Group with a fully serviced office including administration and information technology support totalling \$120,000 (2013: \$120,000), corporate advisory services totalling \$80,000 (2013: \$60,000) and reimbursement of payments for legal, accounting and other minor expenses, at cost totalling \$47,290 (2013: \$31,373). \$17,288 (2013: \$17,650) was outstanding at year end.

Garrison Capital Pty Ltd was issued 1,000,000 shares for its role as corporate advisors to the Company for the acquisition of Lotus Mining Pty Ltd. The fair value of the shares is \$45,000.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

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

	Consolidated	
	2014	2013
	\$	\$
<b>19. Loss per Share</b>		
Loss used in calculating basic and dilutive EPS	(1,513,087)	(7,914,901)
	<b>Number of Shares</b>	
Weighted average number of ordinary shares used in calculating basic earnings / (loss) per share :	74,098,493	55,430,000
<b>Effect of dilution:</b>		
Share options	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share:	74,098,493	55,430,000

There is no impact from 24,200,000 options outstanding at 30 June 2014 (2013: 19,700,000 options) on the earnings per share calculation because they are considered anti-dilutive. These options could potentially dilute basic EPS in the future. There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

## 20. Financial Risk Management

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments.

The Group uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

### (a) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The responsibility for liquidity risk management rests with the Board of Directors.

Alternatives for sourcing the Group's future capital needs include the cash position and the issue of equity instruments. These alternatives are evaluated to determine the optimal mix of capital resources for our capital needs. We expect that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity along with future capital raising will be adequate to meet our expected capital needs.

#### *Maturity analysis for financial liabilities*

Financial liabilities of the Group comprise trade and other payables. As at 30 June 2014 and 30 June 2013 all financial liabilities are contractually matured within 60 days.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

#### (b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits.

	Consolidated	
	2014	2013
	\$	\$
Cash and cash equivalents	499,601	1,476,412

#### Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's statement of comprehensive income to a reasonably possible change in interest rates, with all other variables constant.

#### Consolidated

Judgements of reasonably possible movements	Effect on Post Tax Earnings Increase/(Decrease)		Effect on Equity including accumulated losses Increase/(Decrease)	
	2014 \$	2013 \$	2014 \$	2013 \$
Increase 100 basis points	4,996	14,764	4,996	14,764
Decrease 100 basis points	(4,996)	(14,764)	(4,996)	(14,764)

A sensitivity of 100 basis points has been used as this is considered reasonable given the current level of both short term and long term Australian Dollar interest rates. The change in basis points is derived from a review of historical movements and management's judgement of future trends. The analysis was performed on the same basis in 2013.

#### (c) Credit Risk Exposures

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's maximum credit exposure is the carrying amounts on the statement of financial position. The Group holds financial instruments with credit worthy third parties.

At 30 June 2014, the Group held cash at bank. These were held with financial institutions with a rating from Standard & Poors of AA or above (long term). The Group has no past due or impaired debtors as at 30 June 2014 (2013: nil).

#### (d) Fair value of financial instruments

The carrying amounts of financial instruments approximate their fair values.

#### (e) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

There were no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

## 21. Contingent Liabilities

There are no known contingent liabilities at as at 30 June 2014 and 30 June 2013.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

#### 22. Share Based Payment Plan

##### (a) Recognised share based payment transactions

Share based payment transactions recognised either as operation expenses in the statement of comprehensive income, exploration expenditure on the statement of financial position or capital raising expenses in equity during the year were as follows:

	Consolidated	
	2014	2013
	\$	\$
<i>Operating expenses</i>		
Employee share based payment (refer 22(b) below)	59,285	207,715
<i>Acquisition of subsidiary</i>		
Share based payment to vendors (refer 22(c) below)	900,000	-
Share based payment to corporate advisor (refer 22(c) below)	45,000	-
	945,000	-
<i>Exploration expenditure</i>		
Share based payment to vendor (refer 22(c) below)	50,000	-
<i>Capital raising expenses</i>		
Share based payments to supplier (refer 22(c) below)	-	-

##### (b) Employee share based payment scheme

The Group has established an employee share option scheme (ESOS). The objective of the ESOS is to assist in the recruitment, reward, retention and motivation of employees of Triumph Tin Limited. Under the ESOS, the Directors may invite individuals acting in a manner similar to employees to participate in the ESOS and receive options. An individual may receive the options or nominate a relative or associate to receive the options. The plan is open to executive officers, nominated consultants and employees of Triumph Tin Limited.

The fair value at grant date of options granted during the reporting period was determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share and the risk free interest rate for the term of the option.

The table below summarises options granted under the ESOS:

2014		Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year Number
Grant Date	Expiry date							
25 Jun 2010*	30 Jun 2014	\$0.25	1,500,000	-	-	(1,500,000)	-	-
17 Feb 2012	31 Mar 2015	\$0.25	2,000,000	-	-	-	2,000,000	2,000,000
23 Aug 2013	31 Dec 2015	\$0.05	-	6,000,000	-	-	6,000,000	-
			3,500,000	6,000,000	-	(1,500,000)	8,000,000	2,000,000
Weighted remaining contractual life (years)			1.4	1.5	-	-	1.3	0.8
Weighted average exercise price			\$0.25	\$0.05	-	-	\$0.10	\$0.25

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

2013									
Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year Number	
25 Jun 2010 *	30 Jun 2014	\$0.25	1,500,000	-	-	-	1,500,000	1,500,000	
17 Feb 2012	31 Mar 2015	\$0.25	2,000,000	-	-	-	2,000,000	2,000,000	
			3,500,000	-	-	-	3,500,000	3,500,000	
Weighted remaining contractual life (years)			2.4	-	-	-	1.4	1.4	
Weighted average exercise price			\$0.25	-	-	-	\$0.25	\$0.25	

\*These options were issued to former directors not under the ESOS.

The weighted average fair value of options granted during the year was \$0.028 (2013: \$0.161).

The fair values were calculated using the Black-Scholes option pricing model applying the following input:

Options	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
6,000,000	\$0.045	\$0.05	120%	0%	2.61%	\$0.028

#### (c) Other Share-based payments

##### *Acquisition of subsidiary*

During the financial year 20,000,000 shares were issued to vendors of Lotus Mining Proprietary Limited. The fair value of the shares of \$900,000 was determined by reference to the market value on the Australian Securities Exchange on the date the transaction was approved by shareholders.

During the financial year 1,000,000 shares were issued to Garrison Capital Pty Ltd for their role as advisor to the acquisition of Lotus Mining Proprietary Limited. The fair value of the shares of \$45,000 was determined by reference to the market value on the Australian Securities Exchange on the date the transaction was approved by shareholders.

##### *Exploration expenditure*

During the financial year 1,000,000 shares were issued to Lara Exploration as full and final satisfaction of the unpaid US\$250,000 due per the Grant Option to Acquire Sao Lourenco Tin Project agreement. The fair value of the shares of \$50,000 was determined by reference to the market value on the Australian Securities Exchange on the date the transaction was approved by shareholders.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

#### Capital raising expenses

The table below summaries options granted to suppliers and vendors:

2014									
Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year Number	
15 Sep 2010	30 Jul 2014**	\$0.35	1,200,000	-	-	-	1,200,000	1,200,000	
15 Sep 2010	15 Sep 2014	\$0.25	3,000,000	-	-	-	3,000,000	3,000,000	
30 Jan 2012	30 Jun 2015	\$0.25	12,000,000	-	-	-	12,000,000	12,000,000	
			16,200,000	-	-	-	16,200,000	16,200,000	
Weighted remaining contractual life (years)			1.8	-	-	-	0.8	0.8	
Weighted average exercise price			\$0.26	-	-	-	\$0.26	\$0.26	
2013									
Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year Number	
15 Sep 2010	15 Sep 2014	\$0.25	3,000,000	-	-	-	3,000,000	3,000,000	
15 Sep 2010	30 Jul 2014	\$0.35	1,200,000	-	-	-	1,200,000	1,200,000	
30 Jan 2012	30 Jun 2015	\$0.25	12,000,000	-	-	-	12,000,000	12,000,000	
			16,200,000	-	-	-	16,200,000	16,200,000	
Weighted remaining contractual life (years)			2.8	-	-	-	1.8	1.8	
Weighted average exercise price			\$0.26	-	-	-	\$0.26	\$0.26	

\*\* These options expired on 30 July 2014.

#### 23. Dividends

No dividend was paid or declared by the Group in the period since the end of the financial year and up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend for the year ended 30 June 2014.

The balance of the franking account is Nil as at 30 June 2014 (2013: Nil).

#### 24. Acquisition of Assets

##### Acquisition – Lotus Mining Proprietary Limited in the current period

During the financial year, the Company acquired 100% of the voting shares of Lotus Mining Pty Ltd.

The total cost of the acquisition was \$945,000 and comprised an issue of equity instruments. The Company issued securities as described in note 22(c) with an issue price based on the quoted price of ordinary shares at the acquisition date where all the conditions precedent are met. It is considered that the acquisition of Lotus Mining Pty Ltd is not a business combination, but rather an acquisition of assets.

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

The fair value of the identifiable assets and liabilities of Lotus Mining Proprietary Limited as at the date of acquisition are:

	<b>Recognised on acquisition</b>
	<b>\$</b>
Cash and cash equivalents	651,712
Trade and other payables	(75,734)
Fair value of identifiable net assets	<u>575,978</u>
<u>Cost of the acquisition:</u>	
Securities issued, at fair value	<u>945,000</u>
Total cost of the acquisition	<u>945,000</u>
Loss recognised on acquisition of subsidiary	<u>(369,022)</u>
Total	<u>575,978</u>

There were no acquisitions during the previous financial year.

#### 25. Key management personnel disclosure

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Short term employee benefits	423,863	364,994
Post employment benefits	-	-
Share based payments	59,285	103,857
<b>Total remuneration</b>	<u><b>483,148</b></u>	<u><b>468,851</b></u>

## Triumph Tin Limited

### Notes to the financial statements at and for the year ended 30 June 2014

---

#### 26. Parent Entity Information

The following details information related to the parent entity, Triumph Tin Limited, at 30 June 2014. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	Parent	
	2014	2013
	\$	\$
Current assets	483,950	1,433,078
Non current assets	873,495	377,614
<b>Total Assets</b>	<b>1,357,445</b>	<b>1,810,692</b>
Current liabilities	94,131	78,057
<b>Total Liabilities</b>	<b>94,131</b>	<b>78,057</b>
<b>Net Assets</b>	<b>1,263,314</b>	<b>1,732,635</b>
Issued capital	11,549,368	10,554,368
Share based payment reserve	2,716,872	2,657,587
Accumulated losses	(13,002,926)	(11,479,320)
<b>Total Equity</b>	<b>1,263,314</b>	<b>1,732,635</b>
Loss for the year	(1,523,606)	(7,860,374)
Other comprehensive income for the year	-	-
<b>Total comprehensive loss for the year</b>	<b>(1,523,606)</b>	<b>(7,860,374)</b>

#### Guarantees

Triumph Tin Limited has not entered into any guarantees in relation to the debts of its subsidiary.

#### Other Commitments and Contingencies

Triumph Tin Limited has commitments which are disclosed in note 15(a). There are no commitments to acquire property, plant and equipment. The company has no contingent liabilities.



## Directors' Declaration

---

In accordance with a resolution of the Directors of Triumph Tin Limited, I state that:

1. In the opinion of the Directors:

- (a) the financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Group as at 30 June 2014 and of its performance, for the year ended on that date; and
  - (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (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;
- (c) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(c);

2. This declaration has been made after receiving the declarations required to be made by the directors in accordance with sections of 295A of the Corporations Act 2001 for the financial year ended 30 June 2014.

On behalf of the Board



**Brian McMaster**

**Chairman**

Perth

24 September 2014

**RSM Bird Cameron Partners**  
8 St George's Terrace Perth WA 6000  
GPO Box R1253 Perth WA 6844  
T +61 8 9261 9100 F +61 8 9261 9101  
www.rsmi.com.au

### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Triumph Tin Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

*RSM Bird Cameron Partners*

RSM BIRD CAMERON PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 24 September 2014

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
TRIUMPH TIN LIMITED**

**Report on the Financial Report**

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

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2(c), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

*Auditor's Responsibility*

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

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

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

### *Independence*

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

### *Opinion*

In our opinion:

- (a) the financial report of Triumph Tin 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 2014 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2(c).

### **Report on the Remuneration Report**

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

### *Opinion*

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

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 24 September 2014

## ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows.  
The information is current at 29 August 2014.

### Substantial Share Holders

The names of shareholders who have notified the Company in accordance with Section 671B of the *Corporations Act 2001* are:

Shareholder Name	No. of Ordinary Shares	Percentage %
Brian McMaster	12,600,000	5.87
Matthew Wood	20,985,000	9.77
Jason Peterson	25,099,000	11.72

### Distribution of Share Holders

	Ordinary Shares	
	Number of Holders	Number of Shares
1 - 1000	3	113
1001 - 5000	4	16,200
5001 - 10,000	85	845,800
10,001 - 100,000	166	7,448,047
100,001 and above	171	206,475,660
TOTAL	429	214,785,820

There were 113 holders of ordinary shares holding less than a marketable parcel.

### Voting Rights

All ordinary shares carry one vote per share without restriction.

### Restricted Securities

There are no restricted securities.

### On-Market Buy Back

There is no current on-market buy back.

## Top Twenty Share Holders

Name	Number of Ordinary Shares Held	%
MR JASON PETERSON & MRS LISA PETERSON <J & L PETERSON S/F A/C>	17,415,000	8.11
JDK NOMINEES PTY LTD <KENNY CAPITAL A/C>	15,000,000	6.98
MITCHELL GRASS HOLDING SINGAPORE PTE LTD	12,000,000	5.59
MR ANTHONY POLGLASE & MS MICHELLE POLGLASE <POLGLASE FAMILY A/C>	5,245,000	2.44
PROFESSIONAL PAYMENT SERVICES PTY LTD	5,000,000	2.33
AGENS PTY LIMITED <THE MARK COLLINS FAMILY A/C>	5,000,000	2.33
VEGA FUNDS PTY LTD <THE VIVA A/C>	4,800,000	2.23
MR MATTHEW GADEN WESTERN WOOD	4,500,000	2.10
HUDSON BAY INVESTMENTS PTY LTD <HUDSON BAY INVESTMENTS A/C>	4,000,000	1.86
NATIONAL NOMINEES LIMITED	4,000,000	1.86
FRANCIS SCOTT FUNSTON & VICTORIA ALEXIS SUZANNE FUNSTON <FUNSTON INVESTMENT A/C>	3,425,000	1.59
NICOLE MOTTRAM	3,000,000	1.40
VEGA FUNDS PTY LTD <THE VEGA A/C>	3,000,000	1.40
MR JONATHAN HART <J HART FAMILY A/C>	3,000,000	1.40
TAYCOL NOMINEES PTY LTD <211 A/C>	2,650,000	1.23
MRS ANDREA MURRAY <MURRAY FAMILY FUND NO 2 A/C>	2,600,000	1.21
FACILITATE CORPORATION PTY LTD	2,600,000	1.21
MR LUKE CHARLES ANDERSON	2,545,000	1.18
MR JOHN DELLA BOSCA <JA&JG DELLA BOSCA FAMILY A/C>	2,447,165	1.14
VEGA FUNDS PTY LTD <THE VIVA A/C>	2,400,000	1.12
Total ordinary shares	104,627,165	48.71

## Tenement Table

Project	Tenure Title Holder	Area Ha	DNPM No of Area	Percentage of Holding
Azul Tin in Brazil	TTM	671	800.708/77	100%*
Capela Potash Project	TMDB	11,212	878.103/2008 878.104/2008 878.105/2008 878.106/2008 878.107/2008 878.108/2008	51%**

TTM = Triumph Tin Mining Ltd a wholly owned subsidiary of Triumph Tin Limited.

TMDB = Triunfo Mineracao do Brasil Ltda a wholly owned subsidiary of Triumph Tin Limited.

\* Option to purchase 100%.

\*\* Currently hold 51% with an option to acquire the remaining 49% by paying \$5,000,000 within 3 years of agreement execution.