

ANTIPODES GOLD LIMITED

(incorporated in Canada)

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2014

(Stated in Canadian Dollars)

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CANADIAN DECLARATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Antipodes Gold Limited and all the information in this annual report are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the financial statements.

Antipodes Gold maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. ("Committee").

The Committee is appointed by the Board, and the majority of its members are independent non-executive directors. The Committee meets at least four times a year with management, and as required with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the quarterly and the annual reports, the financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors. KPMG, the external auditors, were engaged to audit the consolidated financial statements in accordance with Canadian Generally Accepted Auditing Standards and International Standards on Auditing (New Zealand) on behalf of the shareholders. KPMG has full and free access to the Audit Committee.

Thomas Rabone
Chief Executive Officer

Peter Liddle
Chief Financial Officer

April 29, 2015

NEW ZEALAND DECLARATION

DIRECTORS' DECLARATION

In the opinion of the directors Antipodes Gold Limited, the consolidated financial statements and notes, on pages 7 to 36:

- materially comply with both International Financial Reporting Standards ("IFRS") and generally accepted accounting practice in New Zealand and give a true and fair view of the financial position of the company and the group as at December 31, 2014 and the results of their operations and cash flows for the year ended on that date, and
- Have been prepared using appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the company and the group and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

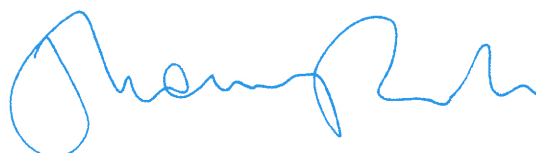
The directors consider that they have taken adequate steps to safeguard the assets of the company and group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The directors are pleased to present the financial statements for Antipodes Gold Limited for the year ended December 31, 2014.

For and on behalf of the Board of Directors



SM Henderson
Director
Date: 29 April 2015



T Rabone
Director
Date: 29 April 2015



Independent auditor's report (based on International Financial Reporting Standards)

To the shareholders of Antipodes Gold Limited

We were engaged to audit the accompanying consolidated financial statements of Antipodes Gold Limited ("the company") and the group, comprising the company and its subsidiaries, on pages 7 to 36, which comprise the statements of financial position as at 31 December 2014 and 31 December 2013, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these company and group financial statements based on conducting the audit in accordance with Canadian generally accepted accounting standards. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

The disclosure in Note 3 of the financial statements describes the use of the going concern assumption in the presentation of the financial statements.

The group incurred a net loss of \$250,000 during the year ended 31 December 2014 and has negative working capital of \$1,287,000 at balance date.

As disclosed in more detail in Note 3 and 22, the financial statements have been prepared on a going concern basis, the validity of which is contingent on generating sufficient cash to fund overheads, which in turn, is dependent upon all of the following occurring:

- Shareholders' approval to sell Glass Earth (New Zealand) Limited shares to Aorere Resources Limited or Newmont Mining Corporation exercising its pre-emption rights to the gold exploration assets of the Hauraki and Waihi West joint operations;
- Completion of a reverse takeover of Chatham Rock Phosphate Limited;
- Acquisition of marine consents for certain Chatham Rock Phosphate Limited's mining operations;
- Obtaining further equity injections in the restructured group from existing or new shareholders.

Wherever possible, the company has provided us with all information we requested, however there are multiple uncertainties associated with these events and inherent limitations in obtaining audit evidence about the outcome of future events. We have therefore been unable to obtain sufficient appropriate audit evidence upon which to form an opinion as to whether application of the going concern assumption remains appropriate and whether adjustments to the carrying values of assets and liabilities are required.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the company and group financial statements on pages 7 to 36.



To the shareholders of Antipodes Gold Limited

Report on the company and group financial statements

We were engaged to audit the accompanying financial statements of Antipodes Gold Limited ("the company") and the group, comprising the company and its subsidiaries, on pages 7 to 36. The financial statements comprise the statements of financial position as at 31 December 2014, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, for both the company and the group.

Directors' responsibility for the company and group financial statements

The directors are responsible for the preparation of company and group financial statements in accordance with generally accepted accounting practice in New Zealand that give a true and fair view of the matters to which they relate and for such internal control as the directors determine is necessary to enable the preparation of company and group financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these company and group financial statements based on conducting the audit in accordance with International Standards on Auditing (New Zealand). Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the company and group. Subject to certain restrictions, partners and employees of our firm may deal with the company and group on normal terms within the ordinary course of trading activities of the business of the company and group. These matters have not impaired our independence as auditor of the company and group.

Basis for disclaimer of opinion

An audit would ordinarily involve performing procedures to obtain audit evidence about the amounts and disclosures in the company and group financial statements. The procedures selected would ordinarily depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company and group's preparation of the financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company and group's internal control.

The disclosure in note 3 of the financial statements describes the use of the going concern assumption in the presentation of the financial statements.

The group incurred a net loss of \$250,000 during the year ended 31 December 2014 and has negative working capital of \$1,287,000 at balance date.



As disclosed in more detail in note 3 and 22, the financial statements have been prepared on a going concern basis, the validity of which is contingent on generating sufficient cash to fund overheads, which in turn, is dependent upon all of the following occurring:

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Report on other legal and regulatory requirements

In accordance with the requirements of sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993, we report that:

- as noted above, we have not received all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by Antipodes Gold Limited as far as appears from our examination of those records.

29 April 2015
Wellington

ANTIPODES GOLD LIMITED (A Development Stage Company)

Statement of Financial Position (in thousands of Canadian Dollars)

	Parent & Subsidiaries	Parent & Subsidiaries	Parent	Parent
	Group	Group	Company	Company
As at December 31	2014	2013	2014	2013
ASSETS	\$	\$	\$	\$
Current assets				
Cash and cash equivalents (Note 6)	4	83	-	-
Trade and other receivables (Note 7)	10	137	-	-
Prepayments	1	4	-	-
Total current assets	15	224	-	-
Non-current assets				
Exploration and Mineral properties (Note 8)	1,436	2,034	-	-
Property and equipment (Note 9)	1	14	-	-
Investment in and Advances to subsidiaries (Note 15f)	-	-	320	453
Total non-current assets	1,437	2,038	320	453
Total assets	1,452	2,272	320	453
LIABILITIES				
Current liabilities				
Trade and other payables (Note 10)	1,247	1,561	170	53
Accrued liabilities	55	311	-	-
Total current liabilities	1,302	1,872	170	53
Total liabilities	1,302	1,872	170	53
EQUITY				
Common Shares (Note 11(a))	29,186	29,186	33,810	33,810
Share Purchase Warrants (Note 11(b))	74	2,195	74	2,195
Contributed Surplus (Note 11(d))	9,872	7,751	9,872	7,751
Deficit Accumulated through Development Stage	(38,982)	(38,732)	(43,606)	(43,356)
Total equity	150	400	150	400
Total liabilities and equity	1,452	2,272	320	453

APPROVED ON BEHALF OF THE BOARD

"signed" Adrian Fleming
Adrian Fleming, Director

"signed" Thomas Rabone
Thomas Rabone, Director

(The accompanying notes are an integral part of these financial statements.)



ANTIPODES GOLD LIMITED
(A Development Stage Company)

Statement of Changes in Equity - Group
(in thousands of Canadian Dollars except for share issuance costs)

	Common Shares	Common Shares	Contributed Surplus	Share Purchase Warrants	Deficit accumulated during the development stage	Shareholders' equity total
	#	\$	\$	\$	\$	\$
Balance - January 1, 2013	103,781,093	28,976	6,502	3,367	(23,847)	14,998
Issuance of shares on private placement, net of issuance costs of \$15,000	1,884,500	287	-	-	-	287
- Valuation of warrants issued on private placement	-	(77)	-	77	-	-
- Expiration of warrants	-	-	1,249	(1,249)	-	-
Total comprehensive loss for the period	-	-	-	-	(14,885)	(14,885)
Balance - December 31, 2013	105,665,593	29,186	7,751	2,195	(38,732)	400
Share Consolidation - 1:10	10,566,559					
Expiration of warrants	-	-	2,121	(2,121)	-	-
Total comprehensive loss for the period	-	-	-	-	(250)	(250)
Balance - December 31, 2014	10,566,559	29,186	9,872	74	(38,982)	150

(The accompanying notes are an integral part of these financial statements.)



ANTIPODES GOLD LIMITED
(A Development Stage Company)

Statement of Changes in Equity - Company
(in thousands of Canadian Dollars except for share issuance costs)

	Common Shares	Common Shares	Contributed Surplus	Share Purchase Warrants	Deficit accumulated during the development stage	Shareholders' equity total
	#	\$	\$	\$	\$	\$
Balance - January 1, 2013	103,781,093	33,600	6,502	3,367	(28,471)	14,998
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Balance - December 31, 2014	10,566,559	33,810	9,872	74	(43,606)	150

(The accompanying notes are an integral part of these financial statements.)



ANTIPODES GOLD LIMITED
(A Development Stage Company)

Statement of Comprehensive Income
(in thousands of Canadian Dollars, except per share amounts)

	Parent & Subsidiaries	Parent & Subsidiaries	Parent	Parent
	Group	Group	Company	Company
For the year ended 31 December	2014	2013	2014	2013
	\$	\$	\$	\$
Continuing operations				
Revenue	-	-	-	-
Cost of sales	-	-	-	-
Gross Profit	-	-	-	-
Administrative and Personnel expenses (Note 12 and 13)	(214)	(874)	(87)	(259)
Impairment of mineral properties (Note 8)	(659)	(7,315)	-	(42)
Impairment of property and equipment (Note 9)	-	(79)	-	-
Impairment provision on advances to subsidiaries (Note 15(e))	-	-	(30)	(6,937)
Impairment of investment in subsidiaries (Note 15)	-	-	(133)	(7,647)
Results from operating activities	(873)	(8,268)	(250)	(14,885)
Finance income/(expense) (Note 14)	(56)	87	-	-
Loss before Income Taxes (continuing operations)	(929)	(8,181)	(250)	(14,885)
Income tax recovery/(expense)	233	6	-	-
Net Loss for the year from continuing operations	(696)	(8,175)	(250)	(14,885)
Profit/(Loss) from discontinued operations (Note 21)	446	(6,710)	-	-
Net Loss for the year	(250)	(14,885)	(250)	(14,885)
Total Comprehensive loss for the year	(250)	(14,885)	(250)	(14,885)
	cents	cents		
Basic loss per share (Note 11e)	(2.37)	(144.04)	-	-
Diluted loss per share (Note 11e)	(2.37)	(144.04)	-	-

(The accompanying notes are an integral part of these financial statements).

ANTIPODES GOLD LIMITED
(A Development Stage Company)

Statement of Cash Flows
(in thousands of Canadian Dollars)

	Parent & Subsidiaries	Parent & Subsidiaries	Parent	Parent
	Group	Group	Company	Company
For the year ended 31 December	2014	2013	2014	2013
	\$	\$	\$	\$
Cash flows from (used in) :				
Operating Activities				
Interest received	-	10	-	-
Cash receipts from customers	-	3,153	-	-
Payments to suppliers and employees	(194)	(4,845)	(71)	(252)
Net cash used in Operating Activities (Note 20)	(194)	(1,682)	(71)	(252)
Financing Activities				
Issuance of common shares, for cash	-	32	-	32
Share issue costs *	-	(32)	-	(32)
Loans from Directors, Management & other (Note 15)	101	-	101	-
Net cash provided from Financing Activities	101	-	101	-
Investing Activities				
Expenditures on mineral properties	(2)	(915)	-	-
Acquisition of property, equipment and intangibles	-	(207)	-	-
Acquisition of placer activities	-	(1,293)	-	(1,293)
Proceeds from sale of mineral permits	-	377	-	-
Proceeds from sale of placer assets (Note 21)	-	1,182	-	-
Proceeds from sale of equipment	16	-	-	-
Legal subsidiary advances	-	-	(30)	774
Net cash used in Investing Activities	14	(856)	(30)	(519)
Net increase/(decrease) in cash and cash equivalents	(79)	(2,538)	-	(771)
Cash and cash equivalents - beginning of year	83	2,621	-	771
Cash and cash equivalents - end of year	4	83	-	-

* Share issue costs in 2013 also includes most of the commissions for funds raised in December 2012

(The accompanying notes are an integral part of these financial statements)

1. Reporting entity

Antipodes Gold Limited changed its name from Glass Earth Gold Limited, on March 24, 2014.

Antipodes Gold Limited (the "Company"), is incorporated under the *Business Corporations Act* (British Columbia) and listed on the Toronto Stock Exchange's Venture Exchange ("TSX-V"). The Company is also registered under the New Zealand Companies Act 1993 and listed on the New Zealand Stock Exchange's Alternative Market ("NZAX"). The Company is an issuer in terms of the New Zealand Financial Reporting Act 1993. The Company is a tier 1 entity in accordance with XRB Standard A1 Accounting Standards Framework.

The Company's registered offices are:

- Suite 1750, 1185 West Georgia Street
Vancouver, B.C., Canada V6E 4E6
- Suite 109, 300 Richmond Road, Auckland 1021, New Zealand

Accordingly, the Company has reporting obligations in both the Canadian and New Zealand jurisdictions.

Financial statements for the Company and consolidated group financial statements are presented. The consolidated group financial statements of Antipodes Gold Limited as at and for the year ended December 31, 2014 comprise the Company and its subsidiaries (together referred to as the "Group").

The Company, through its wholly owned legal subsidiary Glass Earth (New Zealand) Limited ("GENZL"), is engaged in the acquisition and exploration of mineral properties in New Zealand.

2. Basis of Preparation

(a) Statement of Compliance

These financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

They have also been prepared in accordance with the Financial Reporting Act 1993 which requires compliance with generally accepted accounting practice in New Zealand. They comply with New Zealand equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

The financial statements were approved by the Board of Directors on April 28, 2015.

- (b) **Basis of measurement**
The financial statements have been prepared on the historical cost basis except for the following which are measured at fair value:
 - Share based payment transactions
 - Valuation of warrants
- (c) **Segment reporting**
The Company operates in a single segment: gold exploration
- (d) **Functional and presentation currency**
These financial statements are presented in Canadian dollars (\$), which is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.
- (e) **Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. The Group regularly reviews these estimates and assumptions that affect the financial statements and actual results could differ from those estimates.

Significant areas where management estimates and judgments are applied are:

- the recoverability of exploration expenditures on mineral properties;
- the valuation of tax accounts;
- share based payments; and
- going concern

In the opinion of management, all adjustments considered necessary for fair presentation of the results for the periods presented are reflected in the financial statements.

3. **Going Concern Assumption**

These financial statements have been prepared using the assumption of going concern. There is a significant element of uncertainty as to the Group's ability to remain a going concern, which is contingent on it being able to generate sufficient cash to fund overheads by successfully implementing the restructuring plans outlined in note 22:

- Sale of Gold Exploration Interests to Aorere Resources Limited
- Reverse Takeover of Chatham Rock Phosphate Limited



The directors believe the restructuring plans will be concluded successfully.

The Company's ongoing minimalist General & Administration costs and its transaction costs to plan, prepare and carry out these transactions will be funded by Aorere Resources Limited and/or parties associated with it.

For the year ended December 31, 2014, the Group had a net loss of \$250,000 (2013: 14,885,000), working capital* deficit of \$1,287,000 (2013: \$1,648,000) with an accumulated deficit at December 31, 2014 of \$38,982,000 (2013: \$38,732,000).

If the Company and Group are unable to implement the proposed restructuring transactions referred to above and set out in Note 22, adjustments may have to be made to reflect the fact that assets may need to be realized at amounts other than those at which they are currently recorded in the statement of financial position (in particular mining properties), and the Company and Group may have to provide for further liabilities that may arise. In addition, the Company and Group may have to reclassify non-current assets as current assets.

4. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

a) Basis of Consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity.

* Working capital constitutes cash and cash equivalents, trade and other receivables, prepayments, trade and other payables and accrued liabilities

Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The Group recognises the fair value of all identifiable assets, liabilities and contingent liabilities of the acquired business.

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in jointly controlled operations

Joint operations are those arrangements over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Transactions eliminated on consolidation

Intra-group balances are eliminated in preparing the consolidated financial statements.

b) Mineral Properties

Direct property acquisition costs, holding costs, field exploration and field supervisory costs relating to specific properties are capitalized as mineral properties and deferred until the properties are brought into production, at which time they are amortized on a unit of production basis, or until the properties are abandoned, sold or considered to be impaired in value, at which time an appropriate charge to profit and loss will be made.

Costs include the cash consideration paid and the fair market value of the shares issued, if any, on the acquisition of exploration properties. Properties acquired under option agreements whereby payments are made at the sole discretion of the Group are recorded in the accounts at such time as the payments are made. Costs incurred for administration and general exploration that are not project specific, are charged to profit and loss. The recorded amounts for acquisition costs of properties and their related capitalized exploration expenses represent actual expenditures incurred and are not intended to reflect present or future values.

The Group reviews the capitalized costs on its properties on a periodic, or at least annual, basis and will recognize an impairment in value based upon the stage of exploration work programs proposed, current exploration results and upon management's assessment of the future probability of profitable revenues from each property, or from the sale of the relevant property.



Management's assessment of a property's estimated current fair value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review. The recovery of costs of mining claims and deferred exploration is dependent upon the existence of economically recoverable reserves, the ability of the Group to obtain the necessary financing to complete exploration and development and future profitable production or proceeds from disposition of such properties.

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Each area of interest is limited to an individual geological area which is related to a known or probable mineral resource and is considered to constitute a favourable environment for the presence of mineral deposits.

Exploration and evaluation expenditure for each area of interest is capitalised and carried forward 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 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 is not carried forward in respect of any area of interest unless the company's rights of tenure to that area of interest are current.

Mining assets

Mining assets were recorded at cost of acquisition less sales, recoupment and losses. Cost included pre-production expenditure incurred during the development of the mine.

c) Property and Equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any impairment.

Subsequent Costs

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.



Depreciation

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property and equipment as follows:

Computer Equipment	3 years
Mining Equipment	4 to 10 years
Motor Vehicles	5 years
Office Furniture & Equipment	10 years

d) Intangible assets

Software costs have a finite useful life. Software costs are capitalized and amortized on a straight line basis over the estimated economic life of three years.

e) Foreign Currency Transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

f) Financial instruments

The Company classified its cash and cash equivalents and amounts receivable as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. The carrying amounts related to Trade and other receivables, Trade and other payables and Accrued Liabilities approximate their fair value due to the relatively short periods to maturity of these financial instruments.

g) Leased assets

Group entities lease certain land and buildings. Operating lease payments, where the lessors effectively retain substantially all the benefits of ownership of the leased items, are recognised in profit and loss in the statement of comprehensive income in equal installments over the lease term.



h) Mineral Property Impairment

The Group reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, but at least annually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 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.

Exploration and Evaluation expenditure accumulated and carried forward (as Mineral Properties) is assessed based on recoverable amount.

i) Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.



A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

j) Investment in Subsidiaries

Investments in subsidiaries are stated at cost less any accumulated impairment losses, which are recognised in profit or loss in the statement of comprehensive income.

k) Joint Arrangements

Joint arrangements are a contractual agreement whereby two or more parties undertake an economic activity that is subject to unanimous consent.

When a member of the group participates in a joint arrangement classified as a joint operation, that member recognises its proportionate interest in the individual assets, liabilities, revenue and expenses of the joint operation in the financial statements under the appropriate headings.

l) Payables

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

m) Common Shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognised as a deduction from equity.

n) Employee benefits

Employee entitlements to salaries and wages, annual leave, bonuses and other benefits are recognised when they accrue as a result of services rendered prior to balance date.

o) Stock-based Compensation

The Company's shareholders have approved a stock option plan. Under the plan, stock based compensation awards will be available to officers, directors, employees and non-employees. All stock-based payments made to employees have been accounted for using a fair value-based method of accounting. The fair value of each stock option is accounted for in profit and loss, over the vesting period thereof, and the related credit is included in contributed surplus. The amount recognised as an expense is adjusted to reflect the number of awards for which related service and non-market verifying

conditions are expected to meet such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. If and when the stock options are ultimately exercised and are issued, the applicable units of additional paid-in capital and contributed surplus will be transferred to share capital. The fair value is calculated based on the Black-Scholes option pricing model. This model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable.

The fair value of stock options granted to non-employees is recognised as the fair value of the goods or services received.

The Company's stock-based compensation plan is described in Note 11(c).

p) Earnings per Share

The Company presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share warrants and options.

Determination of fair value

Share based payment transactions

The fair values of employee stock options are measured using a Black-Scholes model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

q) Revenue

Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and recovery of the consideration is probable.

r) Interest

Interest income is recognised as it accrues, using the effective interest method.



s) Farm-In Expenditure

Expenditures incurred on exploration “farm-in” projects are capitalized while the farm-in obligations are being undertaken. Should an equity interest in the project not vest due to non-compliance of the farm-in obligations or otherwise, accumulated expenditures are written off to profit or loss in the statement of comprehensive income.

t) Segment Reporting

The determination of the Company’s operating segments and the information reported for the operating segments is based on the management approach. The Company’s President and Chief Executive Officer, has been identified as the Company’s chief decision maker for the purpose of segment reporting. The Company only operates in New Zealand and reports internally using the same reports and accounting policies as used in the annual financial statements. The Company operates in a single segment: gold exploration.

u) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to insignificant risk of changes in their fair value. Monies held in escrow by Trust are also included in cash and cash equivalents.

v) Changes in Accounting Policies

There have been no changes in accounting policies during the period.

w) New standards and interpretations not yet adopted

The following standards and interpretations, which are considered relevant to the group but not yet effective for the year ended 31 December 2014, have not been applied in preparing the financial statements:

IFRS 9, *Financial Instruments: Classification and Measurement*

IFRS 9 (2009), IFRS 9 (2010) and IFRS 9 (2013) together will replace parts of IAS 39, *Financial Instruments: Recognition and Measurement*. The new standard simplifies the measurement model and establishes two primary measurement categories for financial assets (amortised cost and fair value) and adds requirements related to the classification and measurement of financial liabilities, and derecognition of financial assets and liabilities. The effective date is annual periods beginning on or after 1 January 2018. It is not expected to have a material impact on the group’s financial statements.

IFRS 15, *Revenue from Contracts with Customers*

This standard was issued in May 2014, and will replace all existing guidance for revenue recognition, including IAS 11, Construction Contracts and IAS 18, Revenue. The effective date is annual periods beginning on or after 1 January 2017. It is not expected to have a material impact on the group’s financial statements.

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5. Segment Information - Identification of reportable segments

The group has identified its operating segments based on the internal reports reviewed and used by the Company's President and Chief Executive Officer, (the Company's chief operating decision maker), in assessing performance and in determining the allocation of resources.

The Company has one segment, being Gold Exploration and is primarily focused on the location and definition of a large hard-rock gold deposit.

6. Cash and cash equivalents

	Group 2014	Group 2013	Company 2014	Company 2013
	\$	\$	\$	\$
Bank balances	4	74	-	-
Call deposits	-	9	-	-
	<u>4</u>	<u>83</u>	<u>-</u>	<u>-</u>

7. Trade and other receivables

	Group 2014	Group 2013	Company 2014	Company 2013
	\$	\$	\$	\$
Other receivables	10	137	-	-
	<u>10</u>	<u>137</u>	<u>-</u>	<u>-</u>

8. Exploration and Mineral Properties

	2014	2013
	\$	\$
Balance - beginning of period	2,034	13,062
Expenditure on Projects:		
Geological consulting, mapping and modeling	35	401
License rental	26	101
Drilling	-	808
Total project expenditure for the period	61	1,310
Write off of Mineral Properties		(10,005)
Impairment	(659)	(1,643)
Amortisation	-	(313)
Disposals	-	(377)
Balance - end of year	<u>1,436</u>	<u>2,034</u>



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The Group's exploration and mining activities are carried out solely in New Zealand and were divided into five projects, now reduced to two projects. Expenditures made on account of mineral properties by the Group were as follows:-

Region	Opening Balance January 1, 2014	Expenditure to December 31, 2014	Amortisation to December 31, 2014	Impairment & Provisions to December 31, 2014	Disposals to December 31, 2014	Closing Balance December 31, 2014
<u>Hard Rock</u>	\$	\$	\$	\$	\$	\$
Hauraki	1,931	59	-	659	-	1,331
Waihi West	103	2	-	-	-	105
	2,034	61	-	659	-	1,436

Region	Opening Balance January 1, 2013	Expenditure to December 31, 2013	Amortisation to December 31, 2013*	Impairment & Provisions to December 31, 2013	Disposals to December 31, 2013	Closing Balance December 31, 2013
<u>Hard Rock</u>	\$	\$	\$	\$	\$	\$
Hauraki	2,888	809	-	(1,766)	-	1,931
Waihi West	103	-	-	-	-	103
Mamaku - Muirs	2,759	15	-	(2,774)	-	-
Otago	2,695	80	-	(2,775)	-	-
<u>Continuing Operations</u>	8,445	904	-	(7,315)	-	2,034
<u>Placer</u>						
Otago	4,617	406	(313)	(4,333)	(377)	-
<u>Discontinued Operations</u>	4,617	406	(313)	(4,333)	(377)	-
	13,062	1,310	(313)	(11,648)	(377)	2,034

*The amortisation expense is included in discontinued operations at December 31, 2013

A summary of joint operations is listed below:-

The Company has 2 joint operations with Newmont Mining Corp ("**Newmont**"). Newmont has earned a 65% equity interest in each of 2 areas of the Hauraki Region (named Northern and Central).

In respect to Waihi West, as at December 31, 2014, Newmont has expended approximately 71% of the exploration funds to earn the initial 60% equity.

On March 12, 2014 the Company announced that it had finalised a restructuring of the Hauraki Joint Venture ("the JO") with Newmont Mining Limited. ("**Newmont**")



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Key changes were:

- Antipodes Gold Limited ("AGL") to take Management Control of the JO
- AGL sets out program of resource drilling, metallurgical and environmental studies
- AGL aims to have sufficient information for a Preliminary Economic Assessment by June 2015.
- AGL may earn 51% by sole funding NZ\$3.5M (C\$3.3M) exploration expenditure
Newmont retains claw-back provisions but at a significant premium
- AGL to sole fund approved programs equal to defaulted cash calls totaling NZ\$720,245 (C\$677,000) by 24 October 2015.

Refer to Note 22, Subsequent Events, for a summary of a planned change in direction for the Company.

9. Property and Equipment

Group	Computer Equipment	Motor Vehicles	Mining Equipment	Other Assets	Total
Cost	\$	\$	\$	\$	\$
Balance as at January 1, 2013	106	129	2,077	67	2,379
Additions	1	-	505	8	514
Impairments to placer assets	-	-	(970)	-	(970)
Disposals	-	(88)	(1,612)	(21)	(1,721)
Balance as at December 31, 2013	107	41	-	54	202
Additions	-	-	-	-	-
Disposals	-	(29)	-	-	(29)
Balance as at December 31, 2014	107	12	-	54	173
Accumulated Depreciation					
Balance as at January 1, 2013	95	93	216	57	461
Depreciation for the year	8	12	380	2	402
Disposals	-	(74)	(596)	(5)	(675)
Balance as at December 31, 2013	103	31	-	54	188
Depreciation for the period	3	2	-	-	5
Disposals	-	(21)	-	-	(21)
Balance as at December 31, 2014	106	12	-	54	172
Carrying amounts					
At December 31, 2012	11	36	1,861	10	1,918
At December 31, 2013	4	10	-	-	14
At December 31, 2014	1	-	-	-	1



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10. Trade and other payables

	Group	Group	Company	Company
	2014	2013	2014	2013
	\$	\$	\$	\$
Trade payables	814	1,279	-	-
Other payables	433	282	170	53
Current Payables	1,247	1,561	170	53

Glass Earth (New Zealand) Limited has unpaid cash calls of NZ\$783,281 (C\$718,000) included in Trade Payables) in respect of its 35% equity in the Hauraki Joint Operation (refer to further comment at the end of Note 8).

The reduction in trade payables is primarily due to the conclusion of the creditors' compromise agreement in Glass Earth Mining Limited, a subsidiary of the parent, on 31 December 2014. Refer to note 21 for details.

11. Shareholders' Equity

a) Common Shares

Authorized: Unlimited number of common shares with no par value.

Issued and Outstanding (Group):

	Number of	Amount
	Common Shares	
	#	\$
Outstanding January 1, 2013	103,781,093	28,976
Issued pursuant to private placement	1,884,500	302
Share Purchase Warrant Valuation (Note 11(b))	-	(74)
Finders' fee - compensation warrants issued	-	(3)
Finders' fee - cash paid	-	(15)
Outstanding December 31, 2013	105,665,593	29,186
Share Consolidation - 1:10 (i)	(95,099,034)	-
Outstanding December 31, 2014	10,566,559	29,186

The holders of common shares are entitled to an equal share in distributions and to one vote per share at meetings of the Company.

- (i) On March 12, 2014, the Company announced the completion of a consolidation of its share capital on a ten (10) old for one (1) new share basis.

b) Share Purchase Warrants

The Company and Group's movement in share purchase warrants is as follows:



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	Number of Warrants	Weighted Average Exercise Price	Fair Value upon issue	Weighted Average Fair Value upon issue
	#	\$ per share	\$	\$ per share
Balance January 1, 2013	48,658,207	0.36	3,367	0.069
Granted - February, 2013	1,972,665	0.25	77	0.039
Expired	(11,501,425)	0.58	(1,249)	-
Balance December 31, 2013	39,129,447	0.29	2,195	0.056
 Consolidation - 1:10	 3,912,946	 2.90	 2,195	 0.56
Granted	-	-	-	-
Expired	(3,715,679)	2.88	(2,121)	-
Balance December 31, 2014	197,267	2.50	74	0.39

Summary of outstanding warrants at December 31, 2014:

Expiry Date	Exercise Price \$ per share	Warrants outstanding #	Fair value upon issue \$
February 14, 2015	2.50	197,267	74

The fair value of each warrant was determined on the date of grant using the Black-Scholes option pricing model, based on the following assumptions:

	2014	2013
Risk-free interest rate	-	1.00%
Expected life	-	2 years
Expected volatility	-	87%
Expected dividends	-	-

Option pricing models require the input of highly subjective assumptions. Changes in assumptions can materially affect the fair value estimate, and therefore, the existing model does not necessarily provide a reliable measure of the fair value of the Company's warrants at date of grant. Expected volatility is estimated by considering historic average share price volatility.

c) **Stock-Based Compensation**

The Company may grant incentive stock options to its officers, directors, employees and consultants, for the purchase of shares of the Company for cash. Stock options are non-transferable. The Board of Directors of the Company determines the exercise price, but it may be no less than the current market price at the time of the grant.

Options have a maximum term of five years and terminate 90 days after the termination of employment or other contracting arrangement of the option holder. Vesting of options may be at the time of granting of the option or over a period as set out in each option agreement.



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Once approved and vested, options are exercisable at any time until expiry or termination as above. Alternatively, the options may be cancelled by agreement between the Company and the option holder.

The Company and Group's movement in stock options is as follows:

	Number of Options Issued and Vested #	Weighted Average Exercise Price \$ per share	Weighted Average Fair Value \$ per share
Balance - January 1, 2013	4,678,000	0.33	0.18
Granted	-	-	-
Exercised	-	-	-
Cancelled/Expired	(848,000)	(0.44)	(0.11)
Balance - December 31, 2013	3,830,000	0.30	0.18
Consolidation - 1:10	383,000	3.04	1.79
Cancelled	(287,000)	(3.08)	(1.83)
Exercised	-	-	-
Cancelled/Expired	(96,000)	(2.93)	(1.69)
Outstanding - December 31, 2014	-	-	-
Exercisable - December 31, 2014	-	-	-

During the year 96,000 options with a weighted average exercise price of \$2.93 expired unexercised, and no options were exercised. (2013: 848,000 options with a weighted average exercise price of \$0.44 expired unexercised).

All option holders agreed to accept cancellation of all outstanding stock options as at 31 December 2014.

d) Contributed Surplus

The following summarizes contributed surplus activity during the year for the company and group.

	2014 \$	2013 \$
Balance, beginning of period	7,751	6,502
Expiration of Share Purchase Warrants	2,121	1,249
Exercise of Share Purchase Warrants	-	-
Balance, end of period	9,872	7,751



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e) Earnings per share (cents)

The calculation of basic and fully diluted earnings per share at December 31, 2014 was based on the loss attributable to ordinary shareholders of \$250,000 (2013: \$14,885,000) and a weighted average number of ordinary shares on issue as at the date of these financial statements of 10,566,559 (2013: 10,334,224) for basic earnings per share and 11,166,559 (2013: 10,334,224) for fully diluted earnings per share.

Reconciliation of shares outstanding to weighted average shares

	2014	2013
Shares Outstanding - January 1, 2013 (Note 11(a))	105,665,593	103,781,093
Weighted Average Shares Issued during year (Note 11(a))	-	1,652,164
Effect of share consolidation (10:1) (Note 11(a))	(95,099,034)	(95,099,034)
Weighted Average Shares used for basic EPS	10,566,559	10,334,224
Potential shares from convertible debt	600,000	-
Weighted average shares used for diluted EPS	11,166,559	10,334,224

12. Administrative expenses

	Group 2014 \$	Group 2013 \$	Company 2014 \$	Company 2013 \$
Auditor's remuneration	25	53	-	-
Other fees to auditors	-	2	-	-
Consultancy fees	-	5	-	-
Depreciation	5	18	-	-
Directors fees	-	-	-	-
General and administration	69	197	19	38
Investor relations	-	91	-	91
Operating lease expense	4	38	-	-
Professional fees	19	100	17	68
Registry and filing	51	65	51	62
Travel and accommodation	1	45	-	-
	<u>174</u>	<u>614</u>	<u>87</u>	<u>259</u>

13. Personnel expenses

	Group 2014 \$	Group 2013 \$	Company 2014 \$	Company 2013 \$
Wages and salaries	40	260	-	-
	<u>40</u>	<u>260</u>	<u>-</u>	<u>-</u>

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14. Finance income and expense

	Group 2014	Group 2013	Company 2014	Company 2013
	\$	\$	\$	\$
Interest income	-	10	-	-
Foreign exchange (losses)/ gains	(56)	77	-	-
Net finance income / (expense)	(56)	87	-	-

15. Related Party Transactions

Related party transactions are in the normal course of business and are measured at the exchange amount, which is the fair value as agreed between management and the related parties.

- a) Salaries of \$23,743 have been accrued for Simon Henderson (Director) for the year (2013: paid and accrued \$184,532).
- b) Salaries of \$60,319 have been accrued for Peter Liddle (CFO) for the year (2013: paid and accrued \$148,449).
- c) Salaries of \$23,743 have been accrued for Thomas Rabone (CEO) for the year (2013: paid \$99,918).
- d) The following loans have been received from directors and management: - Adrian Fleming \$10,000, Justin Cochrane \$10,000, Simon Henderson \$10,000, Peter Liddle \$10,000 (December 31, 2013: Nil).

These loans are interest free and repayable by 30 June 2015 or, at the election of the director, convertible into shares in the Company.

- e) Group entities

Legal subsidiaries	Country of incorporation	Ownership Interest (%)	
		2014	2013
Glass Earth (New Zealand) Limited	New Zealand	100	100
HPD New Zealand Limited	New Zealand	100	100
Glass Earth Geothermal Limited	New Zealand	100	100
Glass Earth Mining Limited	New Zealand	100	100
Goldmines New Zealand Limited	New Zealand	100	100

- f) Advances to subsidiaries

At year end the parent company held an investment in subsidiaries and advances to subsidiaries of CAD 483,000 measured on an historical cost basis.



The net assets of the group, also measured on an historical cost basis are CAD 150,000. This divergence has arisen as the operating subsidiary, GENZL, incurs expenditures and write-downs of its mineral properties accumulated exploration expenditures.

As the carrying value of the net assets of the subsidiaries are less than the Parent company's carrying cost an impairment has been recorded in the Parent company's accounts and disclosed in the financial statements as such.

16. Income Taxes

a) Provision for income taxes:

Major items causing the Group's income tax rate to differ from the Canadian statutory tax rate of approximately 28.0% (2013: 28.0%) were as follows:-

	Group 2014	Group 2013	Company 2014	Company 2013
	\$	\$	\$	\$
Loss for the year	(483)	(14,891)	(250)	(14,885)
Expected income tax recovery at the statutory rate of 28% (Canada: 28%; New Zealand: 28%) (2013: 28.0%)	(135)	(4,169)	(70)	(4,167)
Foreign exchange (losses)/gains	(296)	478	-	-
Stock-based compensation	-	-	-	-
Non deductible expense	-	-	-	-
Exploration write off and impairment	247	3,137	-	-
Impairment provision on loans to subsidiaries	-	-	46	2,735
Tax losses not recognised	184	554	24	1,432
Income tax (benefit)/expense	-	-	-	-
b) Unrecognised deferred tax assets:				
Tax effect of net operating loss carried forward - Antipodes Gold Limited	1,246	1,219	-	1,219
Tax effect of net operating loss carried forward - GENZL	-	-	-	-
Tax losses not recognised	(1,246)	(1,219)	-	(1,219)
	-	-	-	-

The Group has tax operating losses available to be applied against future years' income amounting to \$14.6 million. In order to record a future income tax benefit, it must be more likely than not that the future tax asset resulting from the tax losses available for carry forward will be realized.

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Given the Group's classification as a development stage company and uncertainty regarding future profitability, no future income tax benefit is recognized (except as an offset to a deferred tax liability as set out in the note below).

c) Deferred tax

	Group 2014	Group 2013	Company 2014	Company 2013
	\$	\$	\$	\$
Future tax liability on capitalized exploration expenditure	402	694	-	-
Tax effect of exploration expenditure losses carried forward - GENZL	(2,831)	(3,010)	-	-
Future tax liability on taxable temporary differences	3	392	-	-
Benefit of tax losses not previously recognised	2,426	1,924	-	-
	-	-	-	-

The future tax liability of \$402,000 reflects the future tax that would be payable on the exploration expenditure capitalized for accounting purposes. Available tax losses in respect of exploration expenditure have been offset against this future tax liability. Less than 5% of such tax losses are only available to be offset against future income derived from individual permit areas. There is a write back of \$233,000 for the current year which is recognised in the consolidated Statement of Comprehensive Income.

d) Movement in deferred tax

Capitalised Exploration Expenditure	Group
Balance January 1, 2013	239
Recognised in (profit) and loss	(239)
Balance December 31, 2013	-
Recognised in (profit) and loss	-
Balance December 31, 2014	-

17. Financial Risk Factors and Management

The group has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk



The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. A summary of the Group's risk exposures as it relates to financial instruments is reflected below:

a) *Market Risk*

Interest rate risk – The Group held \$4,000 in cash and cash equivalents at December 31, 2014. The Group invests cash surplus to its operation in interest bearing accounts held in a major New Zealand chartered bank. The Group periodically assesses the quality of its investment with the bank and is satisfied with the credit rating of the bank.

At reporting date the cash and cash equivalents were the only financial instruments with interest rate risk exposure. The Group's cash is held primarily in interest bearing accounts, the rates of which are not fixed. A 100 basis point change in the interest rate would affect the Company by an annualized amount of interest equal to approximately \$40.

Foreign currency risk – The Group's operational activities are all within New Zealand and 97% of all cash transactions are in New Zealand Dollars (NZD). As at December 31, 2014 the Group held all of its cash and equivalents in NZD.

b) *Credit Risk and Concentrations of Credit Risk*

The Group is not exposed to major credit risks attributable to customers. The Group monitors the credit worthiness of its joint operation partners. The Group's cash is held in a major New Zealand chartered bank and the Group has no investments in non-bank asset- backed commercial paper.

c) *Liquidity risk*

Liquidity risk represents the Group's ability to meet its contractual obligations. As a gold explorer with no current mining revenue the Group ensures that its expenditure rate is commensurate with its cash position (The current liquidity risk is set out in further detail in note 3 - Going Concern). Given that the majority of all non-derivative financial liabilities are classified as current, the carrying amount represents the contractual cash flows that are due in less than twelve months.

d) *Financial instrument classification*

With the exception of investments in subsidiaries that are treated as available for sale, all other financial assets are classified as loans and receivables and all financial liabilities are classified at amortised cost under IFRS 7.

18. Management of Capital

The Group defines the capital that it manages as its shareholder equity.

The Group's objectives with respect to managing capital are to safeguard the Group's ability to continue as a going concern so that it can provide future returns to shareholders and benefits for other stakeholders. As at December 31, 2014 total managed capital was \$150,000 (2013: \$400,000).

The Group's capital structure reflects a company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

In order to maintain or adjust its capital structure, the Group may issue new shares or sell assets to fund ongoing operations.

The Group manages its capital structure by performing the following:

- Preparing budgets and cash-flow forecasts which are reviewed and approved by the Board of Directors;
- Regular internal reporting and Board of Directors meetings to review actual versus budgeted spending and cash-flows; and
- Detailed project analysis to assess and determine new funding requirements.

There were no changes in the Company's approach to capital management during the period ended December 31, 2014. The Company is not subject to externally imposed capital requirements (also refer to Note 22).

19. Commitments and Contingencies

- a) At December 31, 2014 the Group had no capital commitments (2013: Nil)
- b) GENZL has granted a 2% production royalty to Geoinformatics Exploration Ireland Limited ("GEIL") in respect of any production achieved from the Company's interests on targets identified by GENZL and GEIL in 2005, in regions in the North Island.
- c) Under the terms of non-cancelable operating leases, the Group is committed to rental payments as follows:

Group	2014	2013
	\$	\$
Less than one year	-	14
Between one and five years	-	-
	<u>-</u>	<u>14</u>



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- d) The Company has future work program obligations in order to maintain tenure of its mineral permits. These obligations include: permit rentals, mapping, sampling, data compilation and modeling, geophysics and geochemical programs.
- e) In December 2014 Glass Earth (New Zealand) Limited (Company's wholly owned subsidiary) received a notice of claim of \$300k from the owner of a property, at which the subsidiary undertook mining activity over the years 2010-12, in relation to a land access agreement. Whilst it is the intention of the subsidiary to defend this claim, a \$37,000 provision has been recognized in these financial statements to reflect the Company's best estimate of any potential legal and other costs associated with defending this claim.

20. Reconciliation of net loss for the year with net cash from operating activities

	Group	Group	Company	Company
For the year ended December, 31	2014	2013	2014	2013
	\$	\$	\$	\$
Net loss for year	(250)	(14,885)	(250)	(14,885)
Adjustment for non-cash items:				
Depreciation	5	18	-	-
Impairment and write off of Mineral Properties (Note 8)	659	11,648	-	-
Amortisation of Mineral Properties	-	313	-	-
Impairment provision on advances to subsidiaries (Note 15(e))	-	-	30	6,937
Impairment of investment in subsidiaries (Note 15(e))	-	-	133	7,647
			-	-
Income tax expense/(recovery)	(233)	(6)		
Exchange translation	56	(77)	-	-
Stock based compensation	-	-	-	-
Changes in non-cash working capital items:				
Amounts receivable	85	111	-	-
Advances and prepaid	-	-	-	4
Trade and other payable	(517)	1,196	16	45
Net cash used in Continuing Operating Activities	<u>(195)</u>	<u>(1,682)</u>	<u>(71)</u>	<u>(252)</u>

21. Discontinued Operations - Placer Operations

In September 2013, the Company sold its placer mining segment in central Otago.

	2014	2013
Results of discontinued operation		
Gold sales	-	3,153
Cost of sales		(4,645)
Reversal of costs booked in 2013 (1)	446	-
Write off of mineral properties (Note 8)	-	(4,333)
Impairment of property and equipment (Note 9)	-	(891)
Results from discontinuing operating activities	446	(6,716)
Finance income/(expense) (Note 14)	-	6
Profit/(Loss) before Income Taxes	446	(6,710)
Income tax recovery/(expense) (Note 16)	-	-
Net Profit/(Loss) for the year	446	(6,710)
	Cents	Cents
Basic earnings/(loss) per share (Note 11e)	4.22	(64.93)
Diluted earnings/(loss) per share (Note 11e)	3.99	(64.93)
	2014	2013
Cash flows from (used in) discontinued operation		
Net cash used in operating activities	-	(773)
Net cash used in financing activities	-	-
Net cash used in investing activities	-	(309)
Net cash flows for the year	-	(1,082)
Proceeds from sale of placer assets	-	1,182
Less: Carrying value of net assets sold	-	(1,986)
Loss on sale	-	(804)

- (1) The "result" recorded represents the reversal of placer trade payables and trade receivables from 2013 following the conclusion of the creditors' compromise agreement together with the inclusion of further operational costs incurred this year.

22. Subsequent Events

The Company announced on 31 March 2015 that it had signed an agreement to sell its gold exploration interests and undertake a reverse takeover of a listed New Zealand based phosphate development company. Both these transactions will require shareholder approval.

The planning of these transactions is at an early stage and subject to a number of conditions. There is no certainty that these transactions will be concluded.

Sale of Gold Exploration Interests to Aorere Resources Limited ("AOR")

The first transaction proposed is with AOR, whereby AOR will acquire the Company's gold exploration assets by purchasing all the share capital in the Company's wholly owned New Zealand subsidiary, Glass Earth (New Zealand) Limited ("GENZL") for NZ\$1 million (C\$950,000). Exploration liabilities owed to Newmont Mining Corp. will remain in GENZL as will potential royalty obligations relating to the exploration permits. Other trade liabilities in GENZL are to be settled as part of the sale process.

Recent encouraging drilling results at the Waihi West permit have been incorporated in the transaction value. The gold exploration assets are subject to pre-emption rights, exercisable by Newmont. Should Newmont not pre-empt, AOR will pay for the GENZL shares by issuing NZ\$800,000 in AOR fully paid ordinary shares and NZ\$200,000 in cash.

After settlement of liabilities and distribution of any surplus assets, this should leave Antipodes Gold Limited as a listed shell company to undertake the second transaction, being a reverse takeover of Chatham Rock Phosphate Limited ("CRP").

Reverse Takeover of Chatham Rock Phosphate Limited ("CRP")

CRP is listed on the New Zealand Stock Exchange Alternative board (refer below for more information). It holds a mining permit over an area off the coast of New Zealand with significant seabed deposits of rock phosphate and other potentially valuable minerals.

CRP applied for a Marine (environmental) Consent to mine this in July 2014 and was declined in February 2015. CRP has advised that it is likely to pursue a re-submission of its Marine Consent application and has recently announced that it intends to raise NZ\$1.38 million (C\$1.3m) by a rights issue to its existing shareholders, in order to advance this project.

CRP applied for five marine phosphate prospecting licenses offshore Namibia in mid-2012 and has recently sought to accelerate the licensing process.

The Company proposes to make a takeover offer for all of CRP's issued shares, by issuing new shares of its own in exchange, such that, on completion it is intended that the Company's current shareholders will retain 7.5% of the post-transaction Company.

General & Administration Costs and Transaction Costs

The Company's ongoing minimalist general and administration costs and its transaction costs to plan, prepare and carry out these transactions will be funded by AOR and/or parties associated with it. It is intended that the Company issue fully paid ordinary shares to these parties to discharge the resultant debt.