The following new accounting pronouncements are effective for annual periods beginning on or after 1 January 2014:

IAS 24, *Related Party Disclosures*
The amendment clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

IAS 32, *Financial Instruments: Presentation*
These amendments clarify the meaning of "currently has a legally enforceable right to set-off" and also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

IAS 36, *Impairment of Assets*
This amendment has been issued to remove the unintended consequences of IFRS 13 on the disclosures required under IAS 36. In addition, these amendments require disclosure of the recoverable amounts of assets or CGUs for which an impairment loss has been recognized or reversed during the period.

IFRS 13, *Fair Value Measurement*
This amendment clarifies that the portfolio exception under IFRS 13 applies not just to financial assets and financial liabilities, but to all contracts within the scope of IAS 39. This new accounting rule must be applied retrospectively.

At the date of the report on these financial statements, these accounting standards are not yet effective and the Company has not opted to apply them early:

IFRS 9, *Financial Instruments: Classification and Measurement*
This standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required but comparative information is not compulsory. Application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2016.

IFRS 15, *Revenue from Contracts with Customers*
IFRS 15 was issued in May 2015 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted.

Company management is analyzing what effects the adoption of these new standards will have on the Company's financial statements.