

**GENESIS MINERALS LIMITED**

**INTERIM FINANCIAL REPORT**

**A.B.N. 72 124 772 041**

**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

**GENESIS MINERALS LIMITED**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

---

**CONTENTS**

	<u>PAGE</u>
<b>FINANCIAL STATEMENTS</b>	
DIRECTORS' REPORT	1
DIRECTORS' DECLARATION	3
AUDITORS' INDEPENDENCE DECLARATION	4
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	5
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	6
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	7
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9
INDEPENDENT AUDIT REPORT	13

**GENESIS MINERALS LIMITED**  
**DIRECTORS' REPORT**  
**31 DECEMBER 2014**

---

Your directors present their report, together with the interim financial statements of the Group, being Genesis Minerals Limited (the company) and its controlled entity, for the half year ended 31 December 2014.

**DIRECTORS**

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

<b>NAMES</b>	<b>POSITION</b>
Richard Hill	Non-Executive Chairman
Michael Fowler	Managing Director
Damian Delaney	Non-Executive Director

**OPERATING RESULTS**

The consolidated loss of the Group amounted to \$ 1,090,205, (2013: 752,112) after providing for income tax.

**REVIEW OF OPERATIONS**

**VIKING PROJECT, WESTERN AUSTRALIA**

During the 2<sup>nd</sup> half of 2014 Genesis Minerals Limited (ASX: GMD) ('Genesis' or the 'Company') completed 2 RC drill programs at the Viking Gold Project ("Viking" or "the Project"), Western Australia.

The drilling at Viking targeted the Beaker Prospect focussing on the Beaker 4 and Beaker 2 zones where high-grade gold mineralisation and significant near surface oxide mineralisation has been confirmed from Genesis' initial drilling programs.

Exploration activities in 2015 will focus on extending the known zones of mineralisation, resource definition drilling and first pass testing of regional geochemical anomalies.

**ARGENTINA PROJECTS, SAN JUAN PROVINCE**

**Las Opeñas**

In March 2014 Genesis renegotiated the agreement with Teck Argentina Ltd a wholly owned subsidiary of Teck Resources Limited ("Teck") over the Las Opeñas precious and base-metal epithermal project ('Las Opeñas') located in the pre-cordillera of San Juan Province, Argentina. Genesis was required to complete a minimum of 2,400m of drilling at Las Opeñas by September 30, 2014 with Genesis retaining its 100% interest in the Las Opeñas Project. During June 2014 Genesis completed an eight-hole 2,400m Phase 2 drill program which targeted the main known zone of extensive surface gold and base metal mineralisation, coincident with a large breccia system and Induced Polarisation features. Wide-zones of low-grade gold and base metal mineralisation were returned along with narrow high-grade gold zones. Genesis now holds 100% of the Project and is currently looking for a partner to advance the Project.

**Alliance Projects**

Genesis has delayed exploration at the Alliance Projects in San Juan until 2015. Exploration programs have been developed which will focus on the Espota high grade vein system, the Fierro Project and a geophysical survey and surface sampling program at the Castaños Project.

Genesis has the opportunity to explore a number of early stage but highly prospective gold projects in Argentina held by Teck Argentina Ltd, a wholly owned subsidiary of Teck, being the Castaños, Espota, Fierro and Fortuna Projects in

**GENESIS MINERALS LIMITED**  
**DIRECTORS' REPORT**  
**31 DECEMBER 2014**

---

San Juan, Argentina (the "Alliance Projects"). Under this arrangement Genesis will have an option to earn up to a 100% interest in the Alliance Projects. Genesis intends to leverage off Teck's geological knowledge of the San Juan pre-cordillera and rapidly complete initial low-cost, exploration programs over the Alliance Projects.

**Project Evaluation**

Genesis continues to evaluate a number of advanced and transformational copper and gold opportunities for potential acquisition in South America and Australia.

**SUBSEQUENT EVENTS**

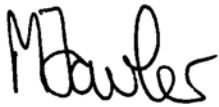
On 6 March 2015, Genesis Minerals issued 37,500,000 ordinary shares at \$0.008 each, 9,375,000 unlisted options exercisable at \$0.016 with an expiry date of 10/12/2015, and 9,375,000 unlisted options exercisable at \$0.032 with an expiry date of 10/12/2016, to raise \$300,000.

**AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the half year ended 31 December 2014 has been received and can be found on page 4 of the interim financial report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the directors



Michael Fowler  
**Managing Director**

Perth, 12 March 2015

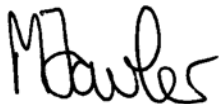
**GENESIS MINERALS LIMITED**  
**DIRECTORS' DECLARATION**  
**31 DECEMBER 2014**

---

The directors of the Group declare that:

1. the interim financial statements and notes, as set out in the following pages, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standard 134: Interim Financial Reporting and the *Corporations Regulations 2001*; and
  - b. give a true and fair view of the financial position as at 31 December 2014 and of the performance for the half year ended on that date of the company and consolidated group;
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director .....  
Michael Fowler

Dated 12 March 2015

To the Board of Directors

### **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001**

As lead audit director for the review of the financial statements of Genesis Minerals Limited for the half year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully



**BENTLEYS**  
**Chartered Accountants**



**DOUG BELL CA**  
**Director**

Dated at Perth this 12<sup>th</sup> day of March 2015

**GENESIS MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE**  
**INCOME**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

	31 DECEMBER	31 DECEMBER
	2014	2013
	\$	\$
Revenue	2,572	11,156
Salaries and employee benefits expenses	(248,669)	(227,180)
Corporate expenses	(69,479)	(60,807)
Administrative expenses	(90,722)	(93,992)
Depreciation expenses	(65)	(1,064)
Share based payments expenses	-	(9,556)
Exploration expenses	(683,842)	(370,669)
<b>Loss before income taxes</b>	<b>(1,090,205)</b>	<b>(752,112)</b>
Income tax expense	-	-
<b>Loss for the half year</b>	<b>(1,090,205)</b>	<b>(752,112)</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Exchange differences on translation of foreign operations	(82,549)	14,787
<b>Items that may not be reclassified subsequently to profit or loss</b>		
<b>Total comprehensive income for the half year attributable to members of the Group</b>	<b>(1,172,754)</b>	<b>(737,325)</b>
<b>Loss per share</b>		
Basic and diluted loss per share (cents)	(0.40)	(0.45)

These financial statements should be read in conjunction with the accompanying notes.

**GENESIS MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2014**

	NOTE	31 DECEMBER 2014 \$	30 JUNE 2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		211,367	1,239,869
Trade and other receivables		22,399	8,415
<b>TOTAL CURRENT ASSETS</b>		<b>233,766</b>	<b>1,248,284</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		8,479	7,964
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,479</b>	<b>7,964</b>
<b>TOTAL ASSETS</b>		<b>242,245</b>	<b>1,256,248</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		288,137	410,071
Provisions		48,385	58,942
<b>TOTAL CURRENT LIABILITIES</b>		<b>336,522</b>	<b>469,013</b>
<b>NON - CURRENT LIABILITIES</b>			
Provisions		24,718	31,695
<b>TOTAL NON - CURRENT LIABILITIES</b>		<b>24,718</b>	<b>31,695</b>
<b>TOTAL LIABILITIES</b>		<b>361,240</b>	<b>500,708</b>
<b>NET ASSETS</b>		<b>(118,995)</b>	<b>755,540</b>
<b>EQUITY</b>			
Issued capital	3	16,307,380	16,009,161
Reserves		1,227,085	1,309,634
Accumulated losses		(17,653,460)	(16,563,255)
<b>TOTAL EQUITY</b>		<b>(118,995)</b>	<b>755,540</b>

These financial statements should be read in conjunction with the accompanying notes.



**GENESIS MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

31 DECEMBER 2014

	ORDINARY SHARES \$	ACCUMULATED LOSSES \$	RESERVE \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	TOTAL \$
Balance at 1 July 2014	16,009,161	(16,563,255)	1,184,258	125,376	755,540
Losses attributable to members of the parent entity		(1,090,205)			(1,090,205)
Other comprehensive income		-	-	(82,549)	(82,549)
<b>Total comprehensive income</b>		(1,090,205)	-	(82,549)	(1,172,754)
Shares issued during the half year	301,000				301,000
Share issue costs	(2,781)				(2,781)
<b>Sub-total</b>	298,219	(1,090,205)	-	(82,549)	(874,535)
<b>Balance at 31 December 2014</b> <small>30 June 2014</small>	16,307,380	(17,653,460)	1,184,258	42,827	(118,995)

31 DECEMBER 2013

	ORDINARY SHARES \$	ACCUMULATED LOSSES \$	SHARE BASED PAYMENT RESERVE \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	TOTAL \$
Balance at 1 July 2013	14,440,391	(14,806,150)	1,170,711	111,068	916,020
Losses attributable to members of the parent entity	-	(752,112)	-	-	(752,112)
Other comprehensive income	-	-	-	14,787	14,787
<b>Total comprehensive income</b>	-	(752,112)	-	14,787	(737,325)
Shares issued during the half year	-	-	-	-	-
Share based payment expense	-	-	9,556	-	9,556
<b>Sub-total</b>	-	(752,112)	9,556	14,787	(727,769)
<b>Balance at 31 December 2013</b> <small>30 June 2014</small>	14,440,391	(15,558,262)	1,180,267	125,855	188,251

These financial statements should be read in conjunction with the accompanying notes.

**GENESIS MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

	<b>31 DECEMBER</b>	<b>31 DECEMBER</b>
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FROM OPERATING ACTIVITIES:</b>		
Payments to suppliers and employees	(553,361)	(365,372)
Interest received	2,573	11,156
Payments for exploration and evaluation expenditure	(683,842)	(370,669)
Net cash used by operating activities	<u>(1,234,630)</u>	<u>(724,885)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of plant and equipment	(197)	(134)
Net cash used in investing activities	<u>(197)</u>	<u>(134)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	-	-
Proceeds from issue of ordinary shares	301,000	-
Payment of share issue costs	(2,781)	-
Net cash provided by financing activities	<u>298,219</u>	<u>-</u>
Effects of exchange rate changes on cash and cash equivalents	(91,894)	(23,972)
Net cash decreases in cash and cash equivalents	<u>(1,028,502)</u>	<u>(748,991)</u>
Cash and cash equivalents at beginning of the period	1,239,869	1,109,319
Cash and cash equivalents at end of the period	<u>211,367</u>	<u>360,328</u>

These financial statements should be read in conjunction with the accompanying notes.

**GENESIS MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014**

---

**1 BASIS OF PREPARATION**

The half year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'

The interim financial report is intended to provide users with an update on the latest annual financial statements of Genesis Minerals Limited and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial report of the Group for the year ended 30 June 2014, together with any public announcements made during the half year.

The registered office and principal place of business of the Group is: Unit 6, 1 Clive Street West Perth WA 6005.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(A) GOING CONCERN**

The half year financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the half year of \$1,090,205 (2013: \$752,112) and net cash outflows from operating activities of \$1,234,629 (2013: \$724,885). As at 31 December 2014 the Group has a working capital deficiency of \$102,756.

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern. The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets or other sources and managing cashflow in line with available funds. This is exemplified by a capital raising on 6 March 2015 of 37.5 million shares which raised \$300,000.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

**(B) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The directors evaluate estimates and judgments incorporated into the interim financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**GENESIS MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014**

---

**SHARE BASED PAYMENTS**

The Group measure the cost of equity-settled transactions with employees by reference to the fair value of the equity instrument at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model. The valuation relies on the use of certain assumptions. If the assumptions were to change, there may be an impact on the amounts reported.

**ENVIRONMENTAL ISSUES**

Balances disclosed in the interim financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact the directors believe such treatment is reasonable and appropriate

**TAXATION**

Balances disclosed in the interim financial statements and notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents director's best estimate, pending an assessment by the Australian Taxation Office.

**(C) ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1031 'Materiality' (2013)
- AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'
- AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non Financial Assets'
- AASB 2013-4 'Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting'
- AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'
- AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'
- AASB 2014-1 'Amendments to Australian Accounting Standards'
  - Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycles'
  - Part B: 'Defined Benefit Plans: Employee Contributions (Amendments to AASB 119)'
  - Part C: 'Materiality'
- Interpretation 21 'Levies'

The adoption of the above standards have not had a material impact on this half year financial report

**GENESIS MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014**

**3 ISSUED CAPITAL**

	<b>31 DECEMBER</b>	<b>30 JUNE</b>
	<b>2014</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
297,337,912 (30 June 2014: 259,837,912) Ordinary shares	17,122,937	16,821,937
- (30 June 2014: -) Conversion rights	25,633	25,633
Share issue costs written off against issued capital	(841,190)	(838,409)
	<u>16,307,380</u>	<u>16,009,161</u>

**MOVEMENT IN ORDINARY SHARES**

	<b>NO.</b>	<b>\$</b>
Balance at 1 July 2013	165,657,799	15,243,924
<b>Balance at 31 December 2013</b>	<b>16,657,799</b>	<b>15,243,924</b>
Balance at 1 July 2014	259,837,912	16,009,161
Capital raising - 29 October 2014	37,500,000	301,000
Less share issue costs	-	(2,781)
<b>Balance at 31 December 2014</b>	<b>297,337,912</b>	<b>16,307,380</b>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

**4 OPERATING SEGMENTS**

**IDENTIFICATION OF REPORTABLE SEGMENTS**

The company has one operating segment that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

The Company operates in one operating segment being mineral exploration and evaluation for the half-year periods ended 31 December 2013 and 31 December 2014.

**GENESIS MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014**

---

**5 SHARE-BASED PAYMENTS**

At 31 December 2014 the Group has the following share-based payment schemes:

(i) The Group established the Genesis Minerals Limited Employee Option Plan on 15 May 2007. No Options have been issued in the 6 month period to December 31 2014. A summary of options issued is as follows:

EXPIRY DATE	EXERCISE PRICE (CENTS)	1 JULY 2014	LAPSED	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE AT THE END OF THE YEAR
31 December 2014	22.00	9,500,000	(9,500,000)	-	
1 March 2015	20.00	13,510,596		13,510,596	13,510,596
30 November 2015	12.00	750,000		750,000	250,000

**6 FINANCIAL INSTRUMENTS**

The Group's financial instruments consist of cash and cash equivalents, trade and other receivable, trade and other payable. These financial instruments are measured at amortised cost, less any provision for non-recovery. The carrying amount of the financial assets and liabilities approximate their fair value.

**7 SUBSEQUENT EVENTS**

On 6 March 2015, Genesis Minerals issued 37,500,000 ordinary shares at \$0.008 each, 9,375,000 unlisted options exercisable at \$0.016 with an expiry date of 10/12/2015, and 9,375,000 unlisted options exercisable at \$0.032 with an expiry date of 10/12/2016, to raise \$300,000.

Other than noted above, no matter or circumstance has arisen since 31 December 2014, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years

## Independent Auditor's Review Report

### To the Members of Genesis Minerals Limited

We have reviewed the accompanying half-year financial report of Genesis Minerals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

### Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

# Independent Auditor's Review Report

To the Members of Genesis Minerals Limited (Continued)

---



## Independence

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

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Genesis Minerals Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

## Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 2(a) in the half-year financial report which indicates that the Consolidated Entity incurred a loss of \$1,090,205 during the half-year ended 31 December 2014. This condition, along with other matters as set forth in Note 2(a), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report.

**BENTLEYS**  
Chartered Accountants

**DOUG BELL CA**  
Director

Dated at Perth this 12<sup>th</sup> day of March 2015