



A L I C A N T O
MINERALS LIMITED

Half-year Report 2015

ABN 81 149 126 858

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Non-Executive Chairman

Didier Murcia AM

Managing Director

Travis Schwertfeger

Non-Executive Directors

Matthew Bowles

Company Secretary

Brett Dunnachie

Principal & Registered Office

288 Churchill Avenue
SUBIACO WA 6008
Telephone: (08) 6489 0700
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Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Auditors

Stantons International
Level 2, 1 Walker Avenue
WEST PERTH WA 6005

Bankers

National Australia Bank
50 St Georges Terrace
PERTH WA 6000

Stock Exchange Listing

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: AQL

Website Address

www.alicantominerals.com.au

Your directors present their report on the consolidated entity consisting of Alicanto Minerals Limited ("Alicanto" or "the Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2015.

1. Directors

The following persons were directors of Alicanto Minerals Limited during the half-year and up to the date of this report:

Didier Murcia
Travis Schwertfeger
Matthew Bowles

2. Review of Operations

Corporate

Financial Performance and Position

The net operating loss after tax for the half year ended 31 December 2015 was \$785,516 (2014: \$1,643,911). The loss for the period includes \$571,711 (2014: \$925,611) in exploration and evaluation expenditure and share based payment expenses of \$18,525 (2014: \$473,073) were also recognised during the half year.

As at 31 December 2015 the Company had cash of approximately \$339,000.

Earn-in Agreement with Barrick Gold Corporation

On 1 March 2016, Alicanto announced that it had entered into an Earn-in Agreement whereby Alicanto granted Barrick the exclusive right to acquire a 65% interest in the Arakaka Gold Project. Barrick may earn up to a 65% interest in the Arakaka Project by (i) sole funding US\$8,000,000 in exploration expenditure within a four year earn-in period, and (ii) at completion of the earn-in period, paying an additional US\$2,000,000 to Alicanto ("Earn-in Right").

Barrick may only withdraw from the Earn-in after contributing a minimum of US\$1.8m by the end of the first contract year, being 31 December 2016. For each subsequent year during the Earn-in period, Barrick has the option to continue funding exploration activities to retain its Earn-in Right, subject to minimum cumulative expenditure thresholds for each year and a total cumulative expenditure of US\$8.0m by 31 December 2019. If Barrick terminates the agreement and ceases to make contributions at any time during the earn-in period Barrick will forfeit all rights and interest to the Arakaka Gold Project.

While Alicanto is the operator, it will receive in any contract year the lesser of US\$100,000 and 5% of the approved annual exploration expenditure towards overheads while utilising the Company's highly experienced technical team to manage exploration. Barrick will have the right to become or appoint the operator at any time after one of the following occurs;

- ♦ 31 December 2017, provided Barrick has made minimum cumulative expenditure contributions of US\$3.2m as of such date;
- ♦ the date on which Barrick's exploration contributions first exceed US\$4.0m; or
- ♦ a change in control of Alicanto

If Barrick funds US\$8.0m in aggregate expenditures prior to 31 December 2019, Barrick can elect to make a payment to Alicanto of US\$2.0m to exercise its Earn-in Right and acquire a 65% interest in the Arakaka Gold Project. With the payment of the US\$2.0m to Alicanto, completing a total US\$10.0m contribution, Alicanto and Barrick will form an incorporated Joint Venture (Arakaka JV). Barrick is permitted to accelerate the balance of the US\$8.0 million of expenditure funding at any time during the Earn-in period.

Once the Arakaka JV is formed, the parties will each be required to contribute to further exploration and feasibility costs on a proportional basis for Alicanto to retain its 35% interest in the project. Should Alicanto not contribute its attributable costs of the JV prior to a decision to mine, the Company would dilute to no less than a 15% interest in the Arakaka JV. Alicanto would then be free carried and retain its 15% interest in the Arakaka JV to a decision to mine. Upon a notice of decision to mine by the Arakaka JV, Alicanto can elect to either contribute, or convert its interest in the project to a 2% net smelter royalty.

2. Review of Operations (continued)

As part of the Earn-in Agreement, Barrick has agreed to subscribe to a private placement of fully paid Alicanto shares for an aggregate amount equivalent to the lesser of US\$200,000 and 10% of Alicanto's outstanding shares at fair market terms within 120 days of this Agreement. The equity placement is subject to applicable security laws and rules of the ASX. On 14 March 2016, 3.50 million shares at \$0.075 per share were issued to Barrick within a broader private placement, refer below.

During the period, Alicanto entered into an Exclusivity Agreement granting an exclusivity period relating to a proposed investment in the Arakaka Gold Project by Barrick. As part of the Exclusivity Agreement, Alicanto has received total deposits of US\$292,000 from Barrick. Alicanto received an initial deposit during the period ending 31 December 2015 of US\$175,000 which has been booked as a current liability in the 31 December 2015 half year accounts as at that time, the deposit was refundable in certain circumstances. These funds will now be utilised towards Barrick's Earn-in commitments. Subsequent to period end, a further US\$117,000 in deposits have been received from Barrick relating to extensions of the exclusivity period. US\$75,000 will be utilised for Alicanto's overheads with the remaining US\$42,000 to be applied towards Barrick's Earn-in commitments.

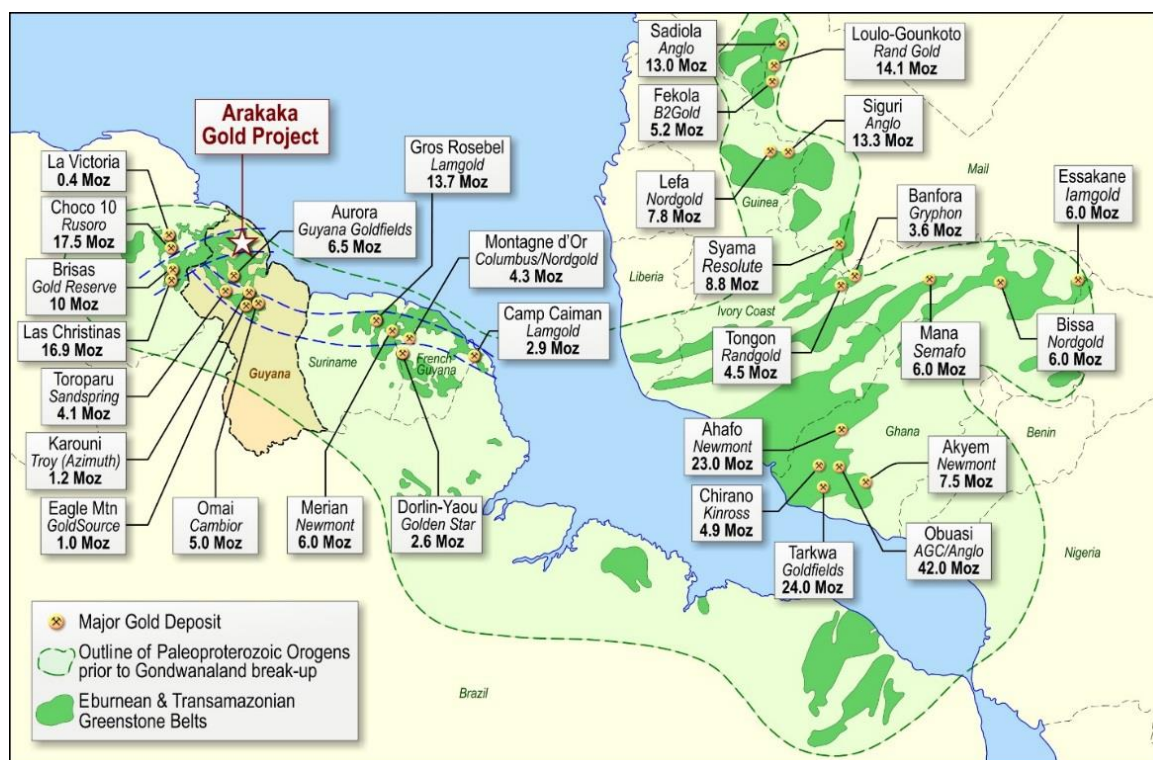
Share Placement

On 14 March 2016, Alicanto announced the completion of a share placement of 13.99 million shares at \$0.075 per share raising \$1.05 million.

Arakaka Gold Project (100%)

The Arakaka Gold Project is made up of a number of permits, subject to underlying agreements and licences held by Alicanto's 100% owned Guyanese subsidiary, that cover a total area of over 300km² within the Northern Guyana Shield. These projects cover volcano-sedimentary Paleoproterozoic greenstone rocks of the Barama-Mazaruni supergroup which are highly prospective for large tonnage, orogenic gold deposits.

Figure 1 | Location Map – Arakaka Gold Projects

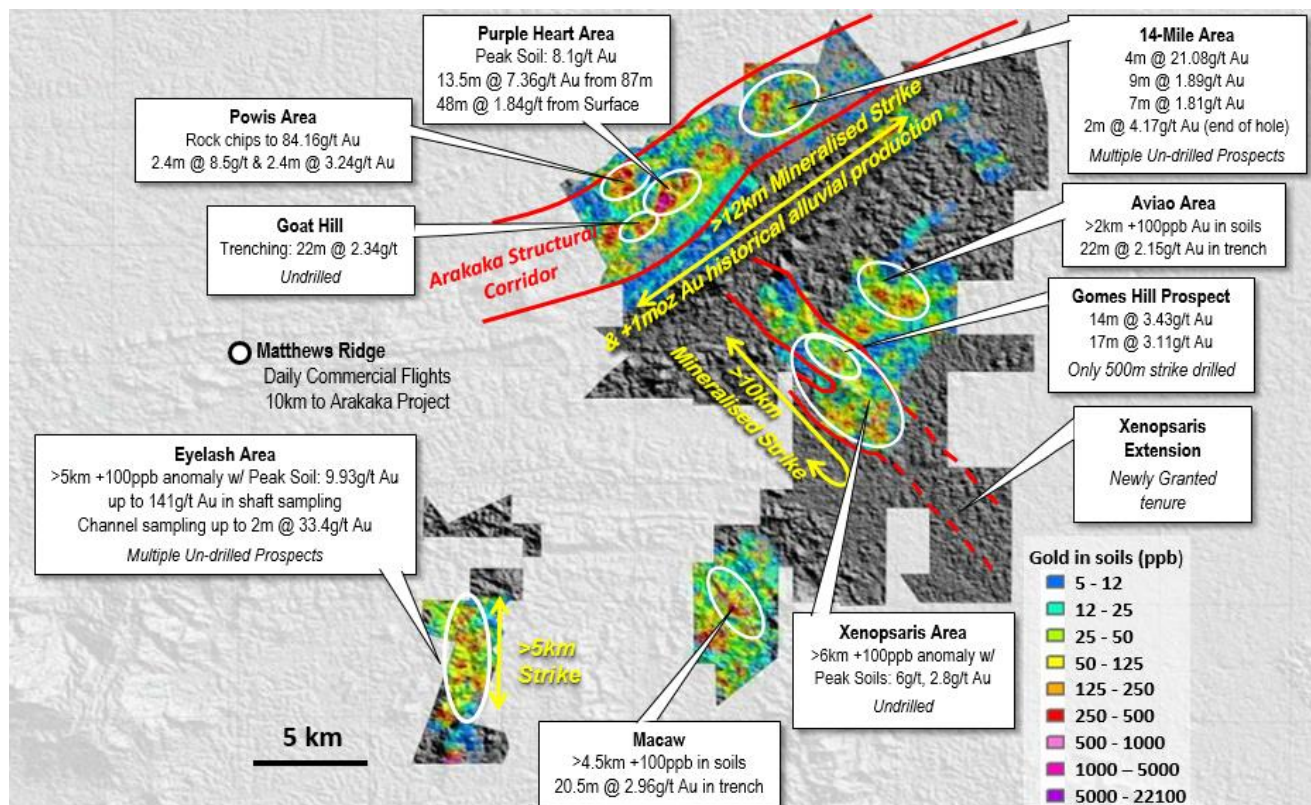


Activities during the December Half-Year

During the December half-year, Alicanto activity included compilation of geological datasets collected during the recent surface geochemistry campaign at the Arakaka Gold Project, which included previously announced surface lithology and structural mapping, various surface soil sampling, rock chip sampling, and stream sediment sampling programs, and structural analysis of historical diamond core material programs completed over the course of 2015.

2. Review of Operations (continued)

Figure 2 | Target Area and Prospect locations within the >300km² land position



Eyelash Area

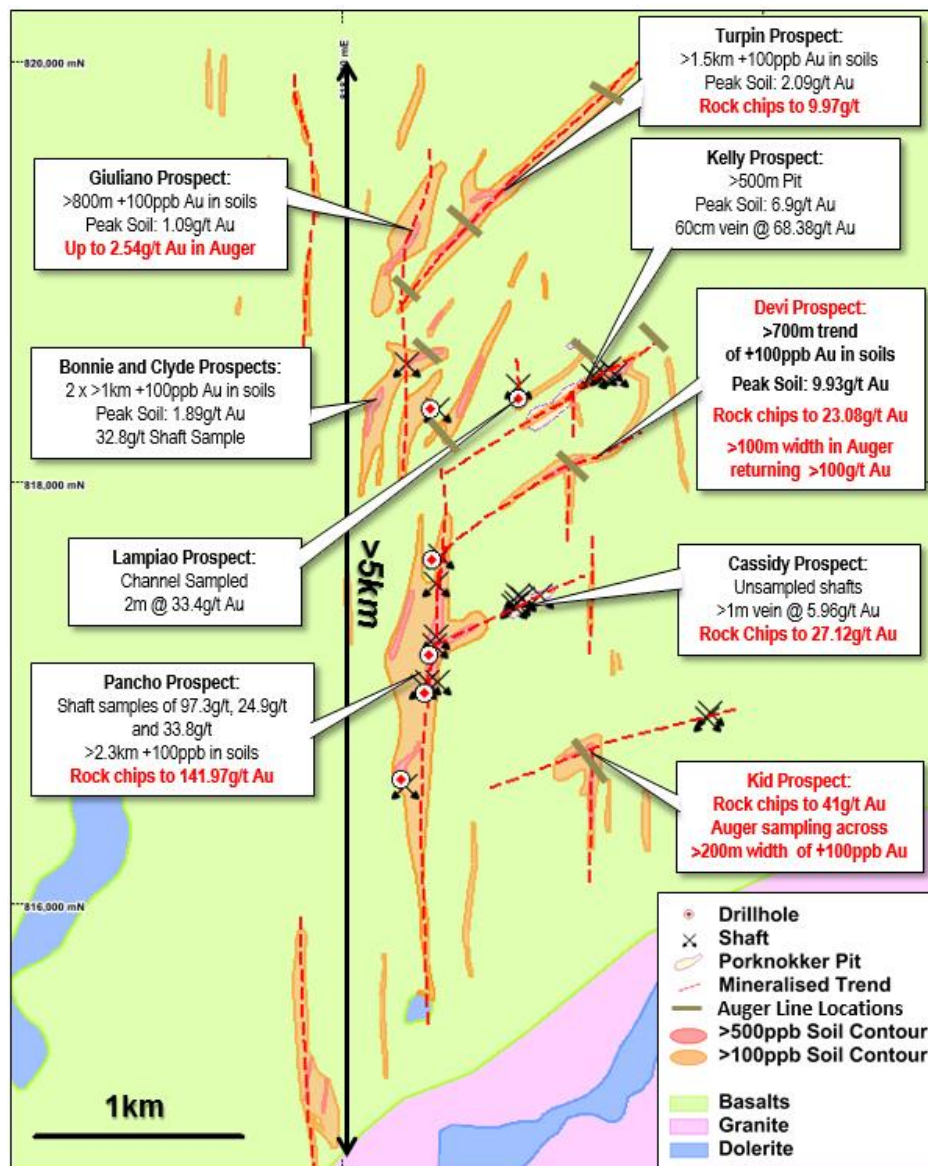
The Eyelash mineralised corridor is located in the Southwest portion of Alicanto's >300km² landholding in northwestern Guyana (Refer to Figure 2), situated at the upstream extent of more than 20 kilometres of alluvial workings. The target area is host to significant historical gold production including substantial artisanal underground workings. The target area is defined by a >5km long anomalous gold corridor displaying consistent soil anomalism exceeding 100ppb Au hosting multiple peak soil values exceeding 1g/t Au including 9.93g/t Au soil at the Devi Prospect and 6.9g/t Au Soil at the Kelly Prospect (refer to Figure 3).

Exploration results reported during the half-year at the Eyelash Area significantly expanded the footprint of high grade gold mineralisation within the extensive corridor of anomalism, and nine discrete targets within the Eyelash area have been defined by auger, soil and surface rock chip sampling that returned peak values of 142g/t, 41.8g/t, and 27.1g/t Au (refer to ASX release dated 14 July 2015). Compilation work in the December quarter has resulted in the definition of several drill ready targets at Eyelash.

The reported exploration results support Alicanto's geological and structural model for the Eyelash area where new targets for drill testing are being generated and emphasize the significance of previously unidentified northeast striking mineralised structures coincident with ankerite-sericite-pyrite alteration at Eyelash, which spur off of the previously mapped dominant north-south structural control to mineralisation as defined in the Alicanto release dated 25 February 2015.

2. Review of Operations (continued)

Figure 3 | Plan map of the Eyelash Area showing existing drill collars, interpreted geology and defined Prospect Area's including the newly identified Devi and Kid prospect areas (New results in red).



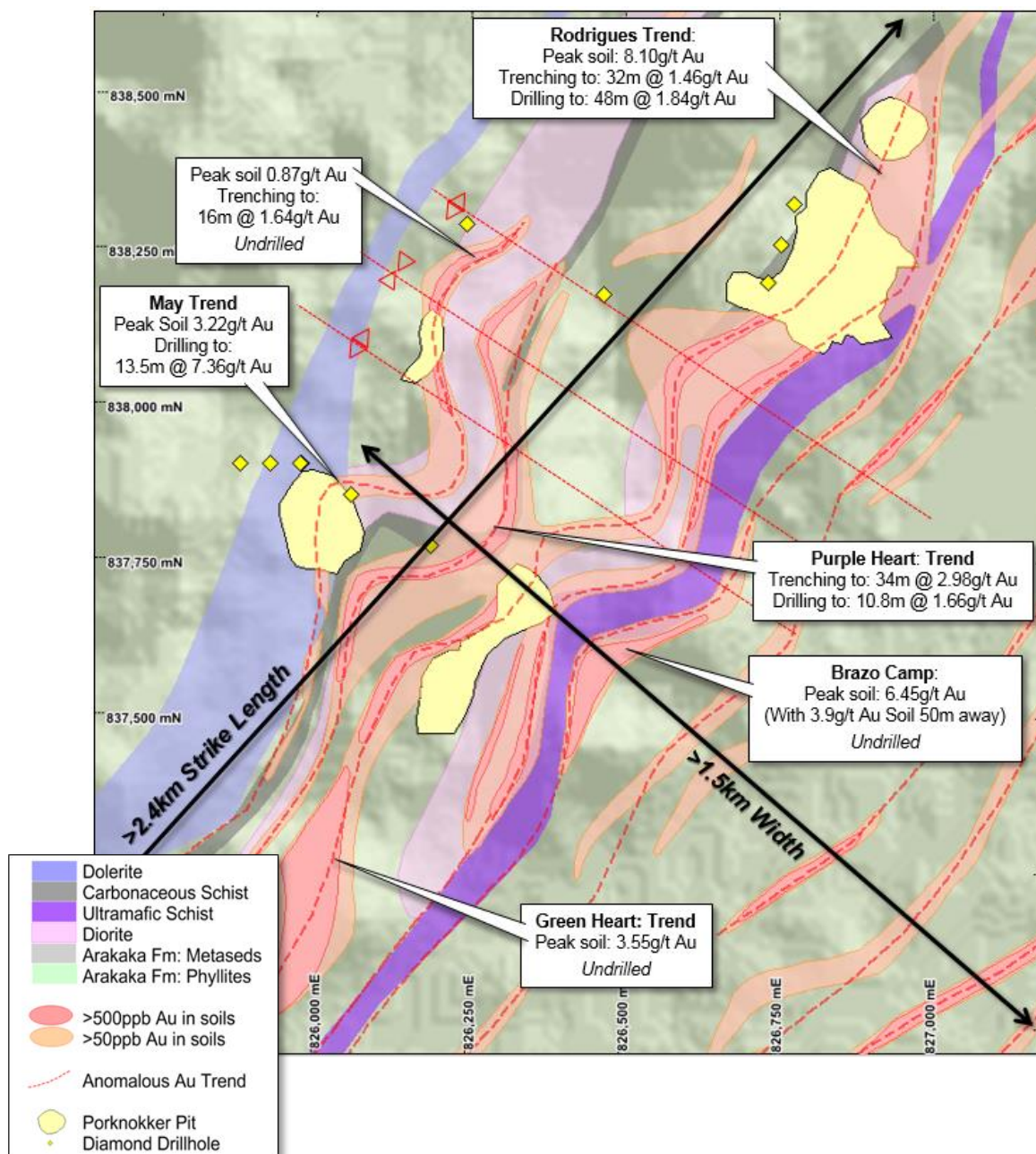
Limited historical drilling totalling 837m in six holes (refer to ASX release dated 25 February 2015) completed in 2009 was focused on the north-south trending soil anomalies, and ineffectively tested the high grade northeast trending vein sets oriented sub-parallel to the drill direction. The newly identified northeast trending zones integrated with mapping, rock chip sampling and auger results have identified nine discrete targets at Eyelash that are un-drilled, or have not been effectively drill tested located on the highly prospective zones where the two controls on mineralisation are projected to intersect.

Purple Heart Area

The Purple Heart area is host to multiple saprolite pits on hill slopes adjacent to extensive alluvial workings in the Arakaka valley. Mineralisation potential extends beyond the existing workings along multiple parallel zones of anomalous Au geochemistry where un-drilled anomalies inclusive of peak soil results of up to 8.1g/t, 6.45g/t, and 3.55g/t Au are associated with favourable geological settings defined in limited historical drilling with encouraging results located proximal to exiting shallow pits and surface mapping. Drilling by previous explorers that confirms the potential of the Purple Heart area to host a bulk tonnage gold deposit, but further drilling is required to assess continuity and extent of mineralisation for the purpose of mineral resource definition.

2. Review of Operations (continued)

Figure 4 | Plan map of the Purple Heart Area showing outlines of anomalous soil geochemistry, existing drill collars, interpreted geology and defined Prospect Area's including the newly identified Green Heart and Brazo Camp drill targets.



Historical drilling targeted only three of the multiple parallel lodes within the 1.5km wide corridor of anomalism, with limited drilling amounting to two single drill sections located 750m apart over the three lodes with visible gold and significant gold assay results encountered in many of the holes.

2. Review of Operations (continued)

Better drill intercepts from the limited drilling include;

- ♦ **13.5m @ 7.36g/t gold** from 87m – PHD0801
- ♦ **1.9m @ 30.66g/t gold** from 86m – PHD0802
- ♦ **10.8m @ 1.66g/t gold** from 17m – PHD0805
- ♦ **10m @ 3.10 g/t gold** from surface – ARD04
- ♦ **48m @ 1.84g/t gold** from surface – ARD05
- ♦ **20.5m @ 1.43g/t gold** from 65m – ROD0803

The Purple Heart target Area has been incorporated into an extensive, detailed mapping campaign of the entire Arakaka Main Trend at 1:2,000 scale geology which, integrated with an assessment of historical gradient array IP datasets, has resulted in a revised geological and structural interpretation for the prospects. The historical drilling re-logged by Alicanto personnel is in context of a revised definition of the stratigraphic column generated from detailed and regional mapping campaigns.

This updated geological work, integrated with a re-assessment of historical surface geochemical datasets in context of regolith and landform mapping has resulted in the identification of numerous untested targets across more than 1.5km of width and >2.4km of strike within the Purple Heart area, and in the December half-year, the refined geological interpretation has been compiled with regional scale geological mapping efforts to re-define the wider geologic understanding and structural architecture of the greenstone belt.

All zones of gold anomalism are focused on shear zones located in and around diorite intrusions of various composition. Mineralisation ranges from bonanza style gold intercepts of visible gold in quartz veins to broad zones of disseminated mineralisation associated with arsenian-pyrite and pyrrhotite. Encouragingly both types of mineralisation are found within the same geological setting and so exhibit significant potential for bulk tonnage targets.

During the recent re-logging, samples were collected from core for thin section petrographic studies and polished section ore microscopy. Further detailed surface sampling is planned for the Purple Heart Target Area to determine favourable vein orientations of high grade gold mineralisation for defining an optimal drill orientation to better assess the full 2.4km extent of the anomalous gold corridor to effectively drill test the identified prospects.

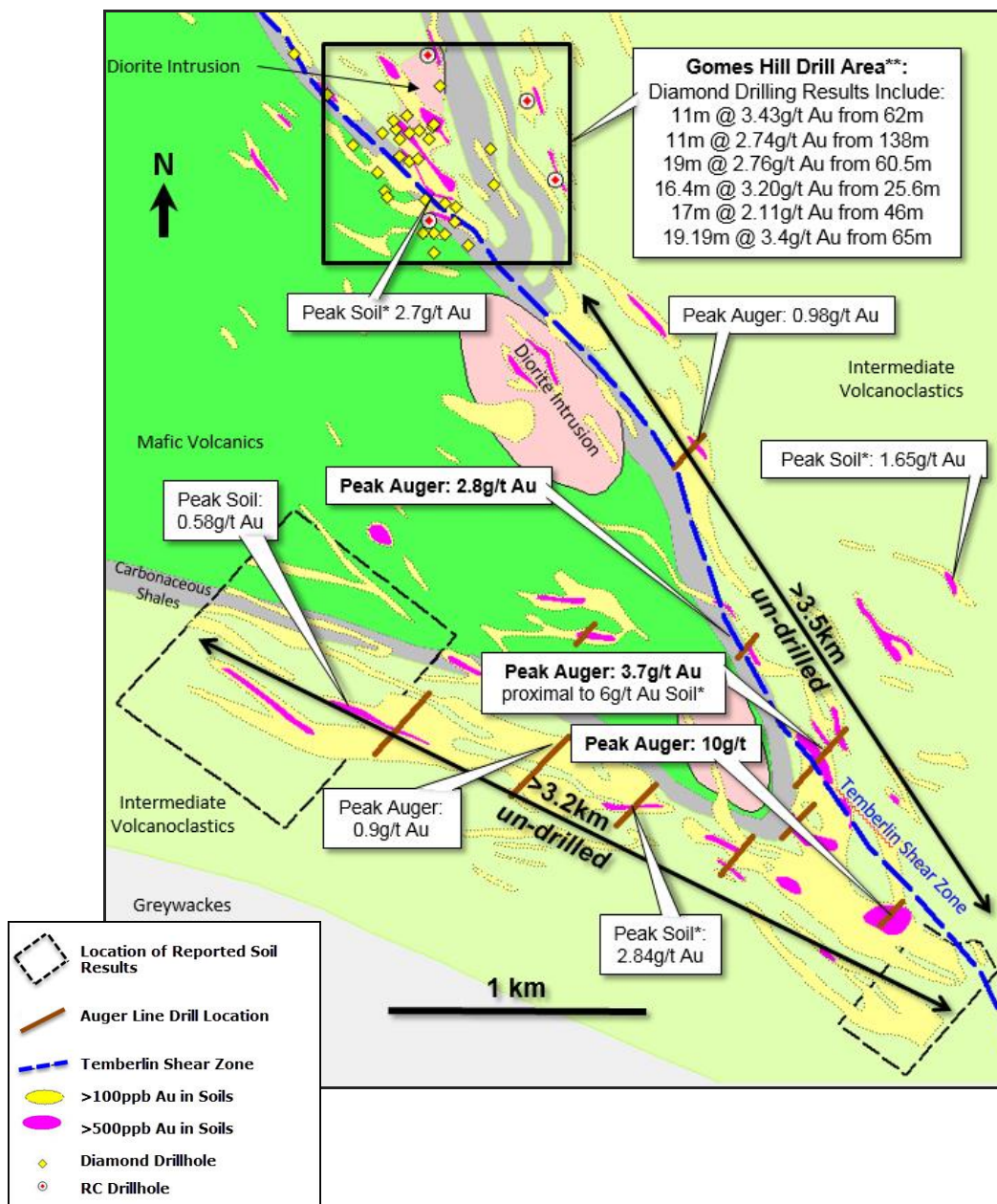
Xenopsaris Area

The Xenopsaris target area is the southern extension of the 11km long Gomes Trend gold anomalism (Refer to Figure 1), which is host to the Gomes Hill Prospect where significant drilled mineralisation requiring additional extension drilling includes better intercepts of 19.19m @ 3.4g/t Au from 65m, incl. 6m @ 6.25g/t Au in hole MD008, 17m @ 2.11g/t Au from 46m, incl. 4.25m @ 6.12g/t Au in hole MD002 and 11.0m @ 3.43g/t Au from 62m in TAK9717 (Refer to ASX release dated 9 February 2015).

Mineralisation has been identified in soil and confirmed in auger drill sampling along the interpreted Temberlin Shear Zone, where on numerous zones of +500ppb Au soils highlighted in previously reported results including multiple +1g/t Au results with peak values of 6.0g/t Au, 2.84g/t Au, and 1.65g/t Au (refer to ASX release dated 11 March 2015), Alicanto has intersected peak auger results including 10g/t and 3.7g/t Au (refer to ASX release dated 27 May 2015), with better auger results closely associated with higher grade soil assays on each line with anomalism continuing along the projection of the Temberlin Shear

2. Review of Operations (continued)

Figure 5 | Plan map of the Gomes Hill Prospect and Xenopsaris Area targets showing existing drill collars, significant reported drill results, auger drilling locations, updated soil anomaly outlines, and interpreted geology. (*Refer to ASX release dated 11 March 2015, **Refer to ASX release dated 9 February 2015).



About Guyana

Guyana is located in the north east coast of South America, the official language is English and it is a member of the Commonwealth of Nations. The legal system of Guyana is based on English common law and it has a modern and transparent mining code and a Government that is supportive of mining.

Geologically Guyana is underlain by the Guiana shield a Proterozoic aged craton that before the opening of the Atlantic Ocean was contiguous with the Leo Mann Shield of West Africa. As such there is significant geological continuity between the Guiana Shield and Birimian Shield of West Africa however, while Guyana hosts extensive greenstone coverage it remains significantly underexplored relative to West Africa.

The Guiana Shield hosts numerous "World Class" (+3 million ounce) gold deposits with the majority of the known gold deposits located within a portion of the Shield that lies in greenstone belts within 200km of the coast.

2. Review of Operations (continued)

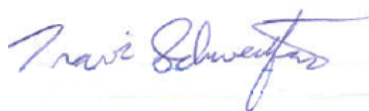
Project Generation

The acquisition of the Arakaka Gold Project in 2013 delivered a core strategic asset in one of the most underexplored greenstone belts in the world. The Company intends to continuously evaluate additional projects within Guyana for potential joint venture or acquisition. In addition the Company shall also continue to evaluate projects in Australia and overseas, in gold, copper and other commodities to grow shareholder value.

3. Lead Auditor's Independence Declaration

A copy of the lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

This report is made in accordance with a resolution of directors made pursuant to section 306(3) of the Corporation Act 2001.



Travis Schwerfeger
Managing Director

Perth, Western Australia, 15 March 2016

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Marcus Harden, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr Harden is a full time employee as Chief Geologist for the company. Mr Harden has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harden consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

15 March 2016

Board of Directors
Alicanto Minerals Limited
288 Churchill Avenue
SUBIACO WA 6008

Dear Sirs

RE: ALICANTO MINERALS LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Alicanto Minerals Limited.

As Audit Director for the review of the financial statements of Alicanto Minerals Limited for the half year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Samir Tirodkar
Director

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Alicanto Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This interim financial report covers the consolidated entity consisting of Alicanto Minerals Limited and its subsidiaries. The financial report is presented in the Australian currency.

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

Alicanto Minerals Limited
288 Churchill Avenue
Subiaco WA 6008

A description of the nature of the group's operations is included in the directors' report on pages 3 - 10, which is not part of this financial report.

The interim financial report was authorised for issue by the directors on 15 March 2016. The company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the company. All press releases, financial reports and other information are available on our website: www.alicantominerals.com.au.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2015

	Notes	Consolidated	
		31 December 2015	31 December 2014
		\$	\$
Revenue			
Revenue from continuing operations		2,681	13,854
Expenditure			
Administration costs		(17,933)	(101,022)
Consultancy expenses		(65,879)	(21,718)
Employee benefits expense		(60,982)	(75,133)
Share based payment expenses		(18,525)	(473,073)
Occupancy expense		(8,575)	(2,292)
Compliance and regulatory expenses		(25,528)	(28,849)
Insurance expenses		(10,335)	(27,168)
Depreciation		(7,475)	(1,291)
Exploration written off		(571,711)	(925,611)
Finance costs		(1,254)	(1,608)
(Loss) before income tax		(785,516)	(1,643,911)
Income tax expense		-	-
(Loss) for the half-year attributable to owners		(785,516)	(1,643,911)
Other comprehensive income			
Items that will not be reclassified to Profit or Loss		-	-
Items that may be reclassified subsequently to Profit or Loss			
Exchange differences arising on translation of foreign operations		32,002	30,133
Total comprehensive (loss) for the half-year attributable to owners		(753,514)	(1,613,778)
Basic loss per share (cents per share)		(1.4)	(3.7)
Diluted loss per share (cents per share)		N/A	N/A

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

Consolidated Statement of Financial Position

As at 31 December 2015

		Consolidated	
	Notes	31 December 2015	30 June 2015
		\$	\$
Current Assets			
Cash and cash equivalents	4	338,897	810,126
Trade and other receivables		123,549	117,989
Total Current Assets		462,446	928,115
Non-Current Assets			
Property, plant and equipment		49,315	53,412
Exploration and evaluation expenditure	5	611,288	611,288
Total Non-Current Assets		660,603	664,700
Total Assets		1,123,049	1,592,815
Current Liabilities			
Trade and other payables		310,652	56,509
Provisions		28,692	17,612
Total Current Liabilities		339,344	74,121
Total Liabilities		339,344	74,121
Net Assets		783,705	1,518,694
Equity			
Issued capital	6	6,537,079	6,537,079
Reserves		1,161,479	1,110,952
Accumulated losses		(6,914,853)	(6,129,337)
Total Equity		783,705	1,518,694

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

Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2015

Consolidated	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2014	4,142,549	(3,772,135)	17,828	551,215	939,457
(Loss) for the half-year	-	(1,643,911)	-	-	(1,643,911)
Foreign exchange differences	-	-	30,133	-	30,133
Total comprehensive (loss) for the half-year	-	(1,643,911)	30,133	-	(1,613,778)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	2,037,068	-	-	-	2,037,068
Share based payment transactions	-	-		473,073	473,073
	2,037,068	-		473,073	2,510,141
Balance at 31 December 2014	6,179,617	(5,416,046)	47,961	1,024,288	1,835,820
Balance at 1 July 2015	6,537,079	(6,129,337)	19,175	1,091,777	1,518,694
(Loss) for the half-year	-	(785,516)	-	-	(785,516)
Foreign exchange differences	-	-	32,002	-	32,002
Total comprehensive (loss) for the half-year	-	(785,516)	32,002	-	(753,514)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	-	-	-	-	-
Share based payment transactions	-	-		18,525	18,525
	-	-		18,525	18,525
Balance at 31 December 2015	6,537,079	(6,914,853)	51,177	1,110,302	783,705

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

Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2015

	Notes	Consolidated 31 December 2015 \$	31 December 2014 \$
Cash flows from operating activities			
Payments to suppliers and employees		(180,663)	(220,789)
Interest received		2,681	13,854
Payments for exploration and evaluation		(533,039)	(997,685)
Refundable deposit received		239,792	-
Net cash (used in) operating activities		(471,229)	(1,204,620)
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(49,911)
Proceeds from sale of property, plant and equipment		-	-
Net cash (used in) investing activities		-	(49,911)
Cash flows from financing activities			
Proceeds from issue of shares		-	2,132,700
Payments for costs of issue of shares		-	(95,632)
Net cash provided by financing activities		-	2,037,068
Net (decrease)/increase in cash and cash equivalents		(471,229)	782,537
Cash and cash equivalents at the beginning of the period		810,126	348,155
Cash and cash equivalents at the end of the period	4	338,897	1,130,692

Amounts shown above relating to payments to suppliers and employees include goods and services tax. The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Condensed Notes to the Financial Statements

For the half-year ended 31 December 2015

1. Basis of preparation of half-year report

This general purpose interim financial report for the half-year reporting period ended 31 December 2015 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Alicanto Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

New and Revised Accounting Requirements Applicable to the Current Half-year Reporting

There are no new standards and amendments to standards that are mandatory for the first time for the half-year beginning 1 July 2015 that affected any of the amounts recognised in the current period or any prior period, although it may have caused minor changes to the Group's disclosures.

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liability. The standard is not applicable until 1 January 2017 but is available for early adoption. The group has not yet decided when to adopt AASB 9. The directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

Going Concern

The financial statements have been prepared on the going concern basis of accounting which assumes that the Group will be able to meet its commitments, realise its assets, discharge its liabilities in the ordinary course of business and meet exploration budgets. In arriving at this position, the Directors recognise the Group is dependent on various funding alternatives to meet these commitments which may include share placements and divestment of projects.

The Directors believe that at the date of signing the financial statements there are reasonable grounds to believe that having regard to matters set out above, the Group will be able to raise sufficient funds to meet its obligations as and when they fall due.

In the event that the Group does not achieve the matters set out above there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial statements.

Condensed Notes to the Financial Statements

For the half-year ended 31 December 2015

2. Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves within Guyana, Australia and the corporate/head office function.

The segment information provided to the board of directors for the reportable segments for the half-year ended 31 December 2015 is as follows:

	Guyana \$	Exploration Australia	Corporate \$	Total \$
Half-year ended 2015				
Total segment revenue	-	-	2,681	2,681
Interest revenue	-	-	2,681	2,681
Total segment profit/(loss) before income tax	(506,437)	-	(279,079)	(785,516)
Half-year ended 2014				
Total segment revenue	-	-	13,854	13,854
Interest revenue			13,854	13,854
Total segment profit/(loss) before income tax	(925,611)	-	(718,300)	(1,643,911)
Total segment assets				
31 December 2015	684,817	-	438,232	1,123,049
30 June 2015	712,537	-	880,278	1,592,815
Total segment liabilities				
31 December 2015	12,681	-	326,663	339,344
30 June 2015	19,239	-	54,882	74,121

3. Dividends

No dividends have been paid or recommended during the current or prior interim reporting period or subsequent to reporting date.

	Consolidated 31 December 2015 \$	30 June 2015 \$
4. Cash & Cash Equivalents		
(a) Cash & cash equivalents		
Cash at bank and in hand	338,897	310,126
Deposits at call	-	500,000
Total cash and cash equivalents	338,897	810,126
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates of between 0.00% and 1.50% (30 June 2015: 0.00% and 1.50%).		
(c) Deposits at call		
There are no deposits at call as at 31 December 2015. Deposits at calls as at 30 June 2015 were bearing interest rates at 2.25%.		

Condensed Notes to the Financial Statements
For the half-year ended 31 December 2015

	Consolidated	
	31 December 2015	31 December 2014
	\$	\$
5. Exploration & Evaluation Expenditure		
(a) Half-year ended		
Opening balance at 1 July	611,288	611,288
Exploration expenditure at cost	571,711	925,611
Exploration expenditure through acquisition	-	-
Exploration written off	(571,711)	(925,611)
Closing balance at 31 December	611,288	611,288

	Consolidated		Consolidated	
	31 December 2015	30 June 2015	31 December 2015	30 June 2015
	Shares	Shares	\$	\$
6. Contributed Equity				
(a) Issued capital				
Ordinary shares – fully paid	57,629,001	57,629,001	6,537,079	6,537,079
(b) Issue of ordinary shares during the half-year				
There were no shares issued during the half year ending 31 December 2015.				

7. Contingencies and commitments

Alicanto has entered into an amending agreement on certain exploration tenure at the Arakaka Project which has increased its exploration commitments from that disclosed in the 30 June 2015 accounts as follows;

- i) Not longer than one year – increase of \$452,179 (total \$1,137,298); and
- ii) Longer than one year, but not longer than five years – increase of \$534,393 (total \$3,274,870).

As a result of the amending agreement, there is a contingent liability with respect to the acquiring the alluvial rights should the Company wish to progress to development of up to a maximum of \$2.2 million in cash. There is a further 2.5% net smelter royalty relating to these properties.

8. Events Occurring Subsequent to Reporting Date

Earn-in Agreement with Barrick Gold Corporation

On 1 March 2016, Alicanto announced that it had entered into an Earn-in Agreement whereby Alicanto granted Barrick the exclusive right to acquire a 65% interest in the Arakaka Gold Project. Barrick may earn up to a 65% interest in the Arakaka Project by (i) sole funding US\$8,000,000 in exploration expenditure within a four year earn-in period, and (ii) at completion of the earn-in period, paying an additional US\$2,000,000 to Alicanto ("Earn-in Right").

Barrick may only withdraw from the Earn-in after contributing a minimum of US\$1.8m by the end of the first contract year, being 31 December 2016. For each subsequent year during the Earn-in period, Barrick has the option to continue funding exploration activities to retain its Earn-in Right, subject to minimum cumulative expenditure thresholds for each year and a total cumulative expenditure of US\$8.0m by 31 December 2019. If Barrick terminates the agreement and ceases to make contributions at any time during the earn-in period Barrick will forfeit all rights and interest to the Arakaka Gold Project.

While Alicanto is the operator, it will receive in any contract year the lesser of US\$100,000 and 5% of the approved annual exploration expenditure towards overheads while utilising the Company's highly experienced technical team to manage exploration. Barrick will have the right to become or appoint the operator at any time after one of the following occurs;

- ♦ 31 December 2017, provided Barrick has made minimum cumulative expenditure contributions of US\$3.2m as of such date;
- ♦ the date on which Barrick's exploration contributions first exceed US\$4.0m; or
- ♦ a change in control of Alicanto

8. Events Occurring Subsequent to Reporting Date (continued)

If Barrick funds US\$8.0m in aggregate expenditures prior to 31 December 2019, Barrick can elect to make a payment to Alicanto of US\$2.0m to exercise its Earn-in Right and acquire a 65% interest in the Arakaka Gold Project. With the payment of the US\$2.0m to Alicanto, completing a total US\$10.0m contribution, Alicanto and Barrick will form an incorporated Joint Venture (Arakaka JV). Barrick is permitted to accelerate the balance of the US\$8.0 million of expenditure funding at any time during the Earn-in period.

Once the Arakaka JV is formed, the parties will each be required to contribute to further exploration and feasibility costs on a proportional basis for Alicanto to retain its 35% interest in the project. Should Alicanto not contribute its attributable costs of the JV prior to a decision to mine, the Company would dilute to no less than a 15% interest in the Arakaka JV. Alicanto would then be free carried and retain its 15% interest in the Arakaka JV to a decision to mine. Upon a notice of decision to mine by the Arakaka JV, Alicanto can elect to either contribute, or convert its interest in the project to a 2% net smelter royalty.

As part of the Earn-in Agreement, Barrick has agreed to subscribe to a private placement of fully paid Alicanto shares for an aggregate amount equivalent to the lesser of US\$200,000 and 10% of Alicanto's outstanding shares at fair market terms within 120 days of this Agreement. The equity placement is subject to applicable security laws and rules of the ASX. On 14 March 2016, 3.50 million shares at \$0.075 per share were issued to Barrick within a broader private placement, refer below.

During the period, Alicanto entered into an Exclusivity Agreement granting an exclusivity period relating to a proposed investment in the Arakaka Gold Project by Barrick. As part of the Exclusivity Agreement, Alicanto has received total deposits of US\$292,000 from Barrick. Alicanto received an initial deposit during the period ending 31 December 2015 of US\$175,000 which has been booked as a current liability in the 31 December 2015 half year accounts as at that time, the deposit was refundable in certain circumstances. These funds will now been utilised towards Barricks Earn-in commitments. Subsequent to period end, a further US\$117,000 in deposits have been received from Barrick relating to extensions of the exclusivity period. US\$75,000 will be utilised for Alicantos overheads with the remaining US\$42,000 to be applied towards Barricks Earn-in commitments.

Share Placement

On 14 March 2016, Alicanto announced the completion of a share placement of 13.99 million shares at \$0.075 per share raising \$1.05 million.

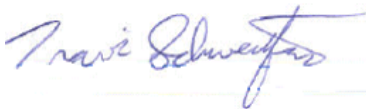
There are no other material events subsequent to reporting date.

Director's Declaration
For the half-year ended 31 December 2015

In the directors' opinion:

- (a) the financial statements and notes set out on pages 12 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Alicanto Minerals Limited 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 directors.



Travis Schwerfeger
Managing Director

Perth, Western Australia, 15 March 2016

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ALICANTO MINERALS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Alicanto Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Alicanto Minerals Limited (the consolidated entity). The consolidated entity comprises both Alicanto Minerals Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Alicanto Minerals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal 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 half year 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 2015 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 Alicanto Minerals Limited, 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

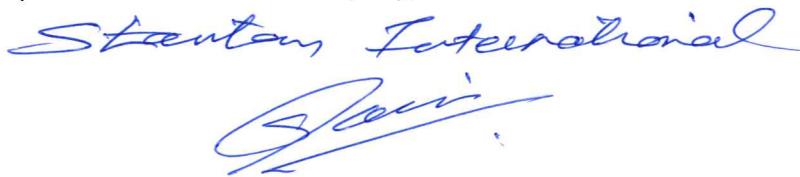
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Alicanto Minerals Limited on 15 March 2016.

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 Alicanto Minerals Limited 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 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Samir Tirodkar
Director

West Perth, Western Australia
15 March 2016