NamibianCopperNL

ABN: 52 118 913 232

Half-Year Financial Report for the Half-Year Ended 31 December 2013

CORPORATE DIRECTORY

ABN	52 118 913 232
Directors	Colin Ikin
	Alan Marlow
	Robert Timmins
	Gregory Hall
Company secretary	Jay Stephenson
Registered office	Level 4, 66 Kings Park Road, WEST PERTH WA 6006
Principal place of business	Level 4, 66 Kings Park Road, WEST PERTH WA 6006
Share registry	Advanced Share Registry Services
Solicitors	Steinepreis Paganin
Bankers	National Australia Bank
	Westpac
Auditors	William Buck Audit (WA) Pty Ltd

CONTENTS

Directors' Report

Your Directors present their report, together with the financial statements of Namibian Copper NL (the Company) and its controlled entities for the half-year ended 31 December 2013.

Directors

The names of the directors who held office during or since the end of the half year:

Mr Colin Ikin

Mr Alan Marlow

Mr Gregory Hall

Mr Robert Timmins – appointed as Non-Executive Chairman on 10 October 2013

Company Secretary

Mr Jay Richard Stephenson

Principal Activities

The Principal activities of the Company during the half-year were the exploration of its Project in Namibia.

Operating Results

The consolidated loss of the consolidated group, eliminating non-controlling interests amounted to $126,552 (2012 loss of $2,331,142).

Review of Operations

The Consolidated Group continued its exploration of the Ongombo Copper Project in Namibia. During the period, the Company secured 100% of the Kojeka project in Namibia. In addition, a number of possible acquisitions in various countries were investigated.

Subsequent Events

In January 2014, the Company entered into an agreement to purchase 100% equity interest in Masterton Investments Pty Ltd at a consideration of $10,000. Masterton Investments Pty Ltd is owned by Alan Marlow, a director of the Company. This acquisition has yet to be completed at the date of this report.

Auditor's Declaration

A copy of the independence declaration by the lead auditor under section 307C of the Corporations Act 2001 is included on page 4 of this half-year report.

This report is signed in accordance with a resolution of the Board of Directors.

Dated this 14th day of March 2014

Robert Timmins

Director

William Buck

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NAMIBIAN COPPER NL AND ITS CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief during the half year ended 31 December 2013 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

— no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Nikki Shen

Nikki Shen
Director

Dated this 14th day of March 2014

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

Level 3, 15 Labouchere Road (corner Mill Point Road), South Perth WA 6151
PO Box 748, South Perth WA 6951
Telephone: +61 8 6436 2888 • Facsimile: +61 8 6436 2889
williambuck.com

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	2013	2012
	$	$
Interest revenue	658	-
Other income	-	2,777
Less Expenses:		
Depreciation and Amortisation	(2,500)	(1,688)
Directors Remuneration	-	(67,698)
Employee Benefits Expense	(21,377)	
Foreign Exchange Loss	(9,534)	(16,476)
Write-off Goodwill Expense	-	(1,965,797)
Travel and Accommodation	(12,658)	(14,423)
Other Expenses	(76,234)	(267,591)
Loss before income tax	(121,645)	(2,330,896)
Income tax	-	-
Loss for the year	(121,645)	(2,330,896)
Other comprehensive loss		
Items that may be reclassified subsequently to profit and loss		
Currency translation differences arising from consolidation	(6,793)	(1,661)
Total comprehensive loss for the period	(128,438)	(2,332,557)
Loss attributable to:		
Non-controlling interest	(527)	(1,083)
Members of the parent entity	(121,118)	(2,329,813)
	(121,645)	(2,330,896)
Total comprehensive loss attributable to:		
Non-controlling interest	(1,886)	(1,415)
Members of the parent entity	(126,552)	(2,331,142)
	(128,438)	(2,332,557)
Loss per share	**cents**	**cents**
Basic loss per share	(0.16)	(3.157)
Diluted loss per share	(0.16)	(3.157)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

	Note	December 2013 $	June 2013 $
ASSETS			
Current Assets			
Cash and cash equivalents		147,275	299,512
Trade and other receivables		10,714	2,952
Other current assets		49,479	34,282
Total Current Assets		**207,468**	**336,746**
Non-current Assets			
Intangible Assets		2,707	2,995
Mineral exploration and evaluation expenditure		1,125,388	1,130,467
Plant and equipment		1,263	3,474
Total Non-current Assets		**1,129,358**	**1,136,936**
TOTAL ASSETS		**1,336,826**	**1,473,682**
LIABILITIES			
Current Liabilities			
Trade and other payables		26,919	35,337
Total Current Liabilities		26,919	**35,337**
TOTAL LIABILITIES		26,919	**35,337**
NET ASSETS		**1,309,907**	**1,438,345**
EQUITY			
Contributed equity	**6**	6,005,690	6,005,690
Reserves		(10,377)	(3,584)
Accumulated losses		(4,676,244)	(4,555,126)
Equity attributable to the members of Namibian Copper NL		**1,319,069**	**1,446,980**
Non-controlling interest		(9,162)	**(8,635)**
TOTAL EQUITY		**1,309,907**	**1,438,345**

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 2013

	Issued Capital	Accumulated Losses	Share Based Payments Reserve	Non-controlling Interest	Foreign Translation Reserve	Total Equity
	$	$	$	$	$	$
Opening balance 1 July 2013	**6,005,690**	**(4,555,126)**	**-**	**(8,635)**	**(3,584)**	**1,438,345**
Loss for the period	-	(121,118)	-	(527)	-	(121,645)
Other comprehensive loss for the period	-	-	-	-	(6,793)	(6,793)
Total comprehensive loss for the period	-	(121,118)	-	(527)	(6,793)	(128,438)
Balance 31 December 2013	**6,005,690**	**(4,676,244)**	**-**	**(9,162)**	**(10,377)**	**(1,309,907)**
Opening balance 1 July 2012	**6,005,690**	**(2,369,558)**	**212,377**	**(6,767)**	**(8,505)**	**3,833,237**
Loss for the period	-	(2,329,813)	-	(1,083)	-	(2,330,896)
Other comprehensive loss for the period	-	-	-	-	(1,661)	(1,661)
Total comprehensive loss for the period	-	(2,329,813)	-	(1,083)	(1,661)	(2,332,557)
Balance 31 December 2012	**6,005,690**	**(4,699,371)**	**212,377**	**(7,850)**	**(10,166)**	**(1,500,680)**

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

Consolidated Statement of Cash Flow

For the Half-Year ended 31 December 2013

	Note	2013	2012
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(141,543)	(412,432)
Interest received		658	2,777
Net cash outflow from operating activities		(140,885)	(409,655)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from compensation		-	372,083
Loan to related party		(103)	-
Payments for exploration expenditure		(1,715)	(87,754)
Net cash inflow/(outflow) from investing activities		(1,818)	284,329
Net decrease in cash and cash equivalents		(142,703)	(125,326)
Effects of currency translation on cash and cash equivalents		(9,534)	(16,647)
Cash and cash equivalents at the beginning of the period		299,512	590,268
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		147,275	448,295

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

The financial report includes the consolidated financial statements and notes of Namibian Copper NL ("Parent Entity") and its controlled entities ('Consolidated Entity' or 'Group').

Namibian Copper NL is a listed public company, incorporated and domiciled in Australia.

The financial report was authorised for issue on 14th March 2014 by the board of directors.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the interim half–year reporting period ended 31 December 2013 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting', Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Corporations Act 2001. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Namibian Copper NL and its controlled entities ("the Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2013, together with any public announcements made during the half-year.

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 except for the adoption of the following new and revised Accounting Standards.

(a) New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

The group has to change one of its accounting policies as a result of AASB 10 Consolidated Financial Statements which becase effective for the annual reporting period commencing on 1 July 2013.

AASB 10 was issued in August 2011 and replaces the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements and in Interpretation 112 Consolidation – Special Purpose Entities. Under the new principles, the group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group has reviewed its investments in other entities to assess whether the consolidation conclusion in relation to these entities is different under AASB 10 than under AASB 127. No differences were found and therefore no adjustments to any of the carrying amounts in the financial statements are required as a result of the adoption of AASB 10.

The other new standard applicable for the first time in the current half year is AASB 13 Fair Value Measurement. The adoption of this standard has not affected accounting policies or amounts recognised or disclosed in these half year financial statements due to the nature of the group's financial instruments.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

2. GOING CONCERN

The Group incurred a loss of $121,645 (2012: $2,330,896), net decreasing cash flows of $142,703 (2012: $125,326) and had a net asset balance of $1,309,907 (30 June 2013: $1,438,345) for the half-year ended 31 December 2013, including a cash balance of $147,275 (30 June 2013: $299,512).

In preparing the financial statements the Directors note that the ability of the Consolidated Group to continue as a going concern is dependent upon:

- the containment of operating expenses at a level that is commensurate with the Consolidated Entity's revenue generating potential;
- the ability of the Parent Entity to raise sufficient capital and equity;
- the Group continuing to enhance the value of the retained assets;
- exploitation of the exploration and evaluation tenements; and
- the disposal of assets at a fair value that generates adequate cash flow to the Consolidated Entity.

Given the Group is maintaining an exploration program, the Group has forecasted that it will require additional funding in the coming year to meet its budgeted operating and exploration expenditures for the next twelve months. The Group is currently in discussion with its major shareholders to raise additional funding of $100,000. Management is aware that the Group's current bank balances are insufficient to cover its budgeted operating expenditures for the next twelve months but is confident in raising such necessary funds.

The Directors continue to maintain the Group's operating expenditures at a lower level by ceasing all director fee payments since October 2012 and are actively looking at reducing other administrative costs. Subsequent to the reporting period, a creditor had agreed not to charge any fees for services, effective on 1 March 2014 until such time as the Company is successful in capital raising.

The Group has not raised any capital during the six months period ended 31 December 2013 and has thus deferred its exploration activities so that the Group will remain a going concern for at least the period up to 12 months from the date of signing the half year financial report.

Management is however, currently in negotiation with potential parties in regards to joint arrangements to carry out drilling activities in exchange for the Company's shares. If this joint arrangement does not materialize, the Group will continue to defer it budgeted exploration activities.

The ability of the Group to continue as a going concern and be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report is primarily dependent upon the ability of the Group to raise additional funding. The Directors remain confident in raising such funds and have prepared a cash flow forecast that indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the next twelve months. The financial report does not include adjustments relating to the recoverability and classification of the recorded assets amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as going concern.

3. DIVIDENDS

No dividends have been declared or paid for the half-year ended 31 December 2013.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

4. OPERATING SEGMENTS

Management has determined that the Group has one reportable segment, being mineral exploration in Namibia, which is based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. As the group is focused on mineral exploration, the Board monitors the group based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Revenue by geographical region: The group has not generated revenue from operations, other than interest income derived from deposits held at call with banks in Australia and reimbursements of shared administration costs.

Assets by geographical region: The location of segment assets is disclosed below by geographical location of the assets.

	December 2013 $	June 2013 $
Australia	206,836	336,534
Namibia	1,129,990	1,137,147
Total assets	1,336,826	1,473,682

5. COMMITMENTS AND CONTINGENCIES

The Group is not aware of any commitments, guarantees and contingencies at the end of the reporting period except that in January 2014, the Company entered into an agreement to purchase 100% equity interest in Masterton Investments Pty Ltd at a consideration of $10,000. $5,000 has been paid subsequent to the reporting period and the remaining $5,000 will be paid upon ministerial approval for the renewal of one of the tenements held by Masterton Investments Pty Ltd.

6. CONTRIBUTED EQUITY

	December 2013 #	June 2013 #	December 2013 $	June 2013 $
(a) Share Capital				
73,825,001 Fully paid ordinary shares (2012: 73,825,001)	73,825,001	73,825,001	6,005,690	6,005,690
(b) Fully Paid Ordinary Shares				
Balance at the beginning and end of period	73,825,001	73,825,001	6,005,690	6,005,690

7. EVENTS AFTER THE REPORTING PERIOD

In January 2014, the Company entered into an agreement to purchase 100% equity interest in Masterton Investments Pty Ltd at a consideration of $10,000. Masterton Investments Pty Ltd is owned by Alan Marlow, a director of the Company. This acquisition has yet to be completed at the date of this report.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Directors' Declaration

In accordance with a resolution of the directors of Namibian Copper NL, the directors of the Company declare that:

1. The financial statements and notes set out on pages 5 to 11 are in accordance with the Corporations Act 2001, including:
   a. complying with Accounting Standards AASB 134 Interim Financial Reporting; and
   b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half year ended on that date.
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.

Dated this 14th day of March 2014

Robert Timmins

Director

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

William Buck

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF NAMIBIAN COPPER NL AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Namibian Copper NL (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group), which comprises the consolidated statement of financial position as at 31 December 2013, 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.

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 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 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 2013 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 Namibian Copper NL, 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.

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

Independence

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

Level 3, 15 Labouchere Road (corner Mill Point Road), South Perth WA 6151
PO Box 748, South Perth WA 6951
Telephone: +61 8 6436 2888 • Facsimile: +61 8 6436 2889
williambuck.com

William Buck

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF NAMIBIAN COPPER NL AND ITS CONTROLLED ENTITIES (CONT)

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 Namibian Copper NL 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 2013 and of its performance for the half year ended on that date; and
b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of Matter

Without modifying our conclusion expressed above, we draw attention to Note 2 in the financial report which states that the consolidated entity incurred a loss of $121,645 during the half-year ended 31 December 2013 and, as of that date, the Consolidated Entity's cash and bank balances amounted to $147,275. These conditions, along with other matters set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Matters Relating to the Electronic Presentation of the Reviewed Half Year Financial Report

This auditor's review report relates to the half year financial report of Namibian Copper NL for the half year ended 31 December 2013 included on Namibian Copper NL's web site. The company's directors are responsible for the integrity of the Namibian Copper NL's web site. We have not been engaged to report on the integrity of the Namibian Copper NL's web site. The auditor's review report refers only to the half year financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half year financial report to confirm the information included in the reviewed financial report presented on this web site.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Nikki Shen

Nikki Shen
Director

Dated this 14th day of March 2014