



Mount Ridley Mines Limited

ABN 93 092 304 964

and its controlled entity

Half year report for the half-year ended

31 December 2015

Corporate directory

Board of Directors

Mr Robert Downey	Non-Executive Chairman
Mr Dean Goodwin	Managing Director
Mr Guy Le Page	Non-Executive Director
Mr Keith Bowker	Non-Executive Director
Mr Michael Pedley	Non-Executive Director

Company Secretary

Mr Keith Bowker

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Principal Place of Business

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Welshpool, Western Australia 6106

Postal Address

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Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
Perth, Western Australia 6000

Share Registry

Security Transfer Registrars Pty Ltd
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Applecross, Western Australia 6153
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Stock Exchange

Australian Securities Exchange
Level 40, Central Park
152-158 St Georges Terrace
Perth, Western Australia 6000

ASX Code

MRD

Half year report for the half-year ended 31 December 2015

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Directors' report

The directors of Mount Ridley Mines Limited ("Mount Ridley" or "the Company") submit herewith the financial report of Mount Ridley Mines Limited and its subsidiary ("the Group") for the half-year ended 31 December 2015. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Names of Directors

The names of Directors who held office during or since the end of the half-year are:

Mr Robert Downey

Mr Dean Goodwin

Mr Guy Le Page

Mr Keith Bowker – appointed 5 November 2015

Mr Michael Pedley – appointed 5 November 2015

Mr Paul Fromson – resigned 5 November 2015

Review of operations

During the half-year, Messrs Keith Bowker and Michael Pedley were appointed as non-executive directors following the resignation of Mr Paul Fromson.

The Company completed a capital raising during the half-year via a placement of 28,000,000 fully paid ordinary shares at \$0.019 for a total amount of \$532,000 (before costs) to sophisticated investors plus 14,000,000 unlisted options on a 1 for 2 basis, exercisable at \$0.070 on or before 30 June 2016.

The Company received a Research & Development (R&D) Tax Incentive refund of \$905,062 for the 2014/2015 financial year.

The Company has continued staged exploration on its 100% owned Mt Ridley Project conducting diamond drilling and infill aircore drilling to identify the nature of conductor targets in its highly prospective Albany-Fraser Range tenements.

A bedrock EM conductor T19C01 was identified by ground EM surveys (FLEM and MLEM) in the NE portion of Target 19, the main area of focus for diamond and aircore drilling in the reporting period. Two additional conductor zones, T19C02 and T19C03, have also been identified by ground EM surveying at Target 19. Both conductors have yet to be tested by diamond drilling.

Seven diamond holes, MRDD005-MRDD011, were drilled for 2,853m, testing conductor T19C01 and following up aircore geochemical targets. Thick discontinuous 170m and 337m zones of lightly disseminated and globular to blebby sulphides were intersected in MRDD010 and MRDD011 respectively within very coarse grained mesocumulate ultramafic rocks. These sulphides are interpreted to represent a halo or flanking style mineralisation surrounding a potential massive or semi massive sulphide accumulation located nearby. Importantly the mineralisation intersected to date in both MRDD010 and MRDD011 is not conductive and is therefore not the source to conductor T19C01 which has yet to be found. A narrow 7cm thick stringer of semi-massive sulphide was also intersected at 179m downhole in MRDD010 which returned 1.1% Ni and 0.55% Cu.

Review of operations (cont'd)

Infill aircore drilling down to 100m spaced lines was conducted during the reporting period to enhance the understanding of geology and mineralisation dispersion within Target 19 especially around conductor T19C01, identifying significant nickel, copper and other multi-element anomalism. A total of 66 holes for 3,092m were completed.

The nickel and copper supergene enrichment zone defined by the aircore drilling program within Target 19 has now been extended to over 1,600m in length.

No graphitic sediments have been intersected to date in any aircore or diamond drill holes in and around the Target 19 intrusion.

Auditor's independence declaration

The auditor's independence declaration is included on page 3 of the half-year report and forms part of this directors' 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

A handwritten signature in black ink, appearing to read 'D Goodwin', with a stylized flourish at the end.

Mr Dean Goodwin
Managing Director
Perth, 14 March 2016

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Mount Ridley Mines 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:

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

**Perth, Western Australia
14 March 2016**



**L Di Giallonardo
Partner**

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mount Ridley Mines Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mount Ridley Mines Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2015, 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, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year end or from time to time 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 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 Group'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 the company, 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.

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 Mount Ridley Mines Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group'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 Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 to the financial report which indicates that the Group will be required to raise additional funds or divest their assets to enable it to continue as a going concern. If the Group is unable to raise sufficient funds or divest its assets, there exists a material uncertainty that may cast significant doubt whether the Group will be able to 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 the amounts stated in the financial report.



HLB Mann Judd
Chartered Accountants



L Di Giallonardo
Partner

Perth, Western Australia
14 March 2016

Directors' declaration

The directors declare that:

- (a) 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; and
- (b) in the directors' opinion, the attached financial statements and notes as set out on pages 7 to 16 are in accordance with the *Corporations Act 2001*, including compliance with accounting standard AASB 134 '*Interim Financial Reporting*' and giving a true and fair view of the financial position and performance of the Group.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'D Goodwin', with a horizontal line extending from the end.

Mr Dean Goodwin
Managing Director
Perth, 14 March 2016

Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2015

		Consolidated	
		Half-year ended	
	Note	31 Dec 2015 \$	31 Dec 2014 \$
Revenue from continuing operations	4	9,389	3,574
Consulting fees		(225,711)	(32,254)
Compliance and regulatory expenses		(58,036)	(40,572)
Depreciation		(6,728)	-
Exploration expenses	5	(1,413,824)	(339,719)
Occupancy costs		(15,773)	(7,495)
Directors' fees		(70,000)	(255,285)
Administrative expenses		(41,377)	(44,821)
Acquisition costs – impairment expense		-	(168,790)
Loss on disposal of investments		-	(135,134)
Share based payments – directors and officers		-	(304,960)
Share based payments – other		-	(121,882)
Loss before income tax		(1,822,060)	(1,447,338)
Income tax benefit	4	905,062	-
Loss for the period		(916,998)	(1,447,338)
Other comprehensive income, net of income tax			
<i>Items that have been reclassified to profit or loss</i>			
Reclassification adjustment relating to investments disposed of		-	124,616
Other comprehensive income for the period, net of income tax		-	124,616
Total comprehensive loss for the period		(916,998)	(1,322,722)
Loss attributable to:			
Owners of Mount Ridley Mines Limited		(916,998)	(1,447,338)
Total comprehensive loss attributable to:			
Owners of Mount Ridley Mines Limited		(916,998)	(1,322,722)
Loss per share:			
Basic and diluted (cents per share)		(0.11)	(0.33)

Notes to the condensed consolidated financial statements are included on pages 11 to 16.

Condensed consolidated statement of financial position as at 31 December 2015

	Note	Consolidated	
		31 Dec 2015	30 Jun 2015
		\$	\$
Current assets			
Cash and cash equivalents		843,112	1,369,598
Trade and other receivables		91,931	136,550
Total current assets		935,043	1,506,148
Non-current assets			
Financial assets		15,708	15,708
Exploration and evaluation expenditure	5	791,061	781,648
Property, plant and equipment		77,766	76,679
Total non-current assets		884,535	874,035
Total assets		1,819,578	2,380,183
Current liabilities			
Trade and other payables		168,327	312,014
Total current liabilities		168,327	312,014
Total liabilities		168,327	312,014
Net assets		1,651,251	2,068,169
Equity			
Issued capital	6	19,701,897	19,201,817
Reserves	8	905,779	905,779
Accumulated losses		(18,956,425)	(18,039,427)
Total equity		1,651,251	2,068,169

Notes to the condensed consolidated financial statements are included on pages 11 to 16.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2015

	Issued Capital \$	Share options reserves \$	Financial assets reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2014	14,301,821	15,000	(124,616)	(14,365,101)	(172,896)
Loss for the period	-	-	-	(1,447,338)	(1,447,338)
Other comprehensive income, net of income tax	-	-	124,616	-	124,616
Total comprehensive loss for the period	-	-	-	(1,447,338)	(1,322,722)
Issue of ordinary shares	3,012,925	-	-	-	3,012,925
Issue of options	-	304,960	-	-	304,960
Share issue costs	(485,500)	-	-	-	(485,500)
Balance at 31 December 2014	16,829,246	319,960	-	(15,812,439)	1,336,767
Balance at 1 July 2015	19,201,817	905,779	-	(18,039,427)	2,068,169
Loss for the period	-	-	-	(916,998)	(916,998)
Other comprehensive income, net of income tax	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(916,998)	(916,998)
Issue of ordinary shares	532,000	-	-	-	532,000
Share issue costs	(31,920)	-	-	-	(31,920)
Balance at 31 December 2015	19,701,897	905,779	-	(18,956,425)	1,651,251

Notes to the condensed consolidated financial statements are included on pages 11 to 16.

Condensed consolidated statement of cash flows for the half-year ended 31 December 2015

		Consolidated	
		Half-year ended	
	Note	31 Dec 2015	31 Dec 2014
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(508,810)	(270,137)
Payments for exploration and evaluation	5	(1,423,237)	(361,922)
Research and development refund received		905,062	-
Interest received		9,389	3,574
Interest and other finance costs paid		-	(24,267)
Net cash (used in) operating activities		(1,017,596)	(652,752)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		7,500	-
Payment for property, plant and equipment		(16,470)	-
Proceeds from sale of investments		-	20,006
Acquisition of tenements		-	(8,371)
Net cash (used in) / provided by investing activities		(8,970)	11,635
Cash flows from financing activities			
Proceeds from equity instruments of the Company		532,000	1,349,575
Payment for share issue costs		(31,920)	-
Repayment of borrowings		-	(9,700)
Net cash provided by financing activities		500,080	1,339,875
Net (decrease)/increase in cash and cash equivalents		(526,486)	698,758
Cash and cash equivalents at the beginning of the period		1,369,598	208
Cash and cash equivalents at the end of the period		843,112	698,966

Notes to the condensed consolidated financial statements are included on pages 11 to 16.

Notes to the condensed consolidated financial statements for the half-year ended 31 December 2015

1. Significant accounting policies

Statement of compliance

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 half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with annual financial statements of the Company for the year ended 30 June 2015 together with any public announcements made during the following half-year.

The half-year financial report was authorised for issue by the directors on 14 March 2016.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2015 annual financial report for the financial year ended 30 June 2015, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Principles of consolidation

The consolidated financial statements incorporate all assets, liabilities and results of the parent and all of its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it 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 assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the consolidated entity from the date on which control is obtained by the Company. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Going concern basis

The condensed consolidated financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the half-year ending 31 December 2015, the Group incurred a loss after tax of \$916,998 (31 December 2014: \$1,447,338) and a net cash outflow from operations of \$1,017,596 (31 December 2014: \$652,752). At 31 December 2015, the Group had net current assets of \$766,716 (30 June 2015: \$1,194,134).

Going concern basis (cont'd)

Based on the Group's existing cash resources of \$843,112 (30 June 2015: \$1,369,598), the ability to modify expenditure outlays, if required, and to source additional funds, the directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered appropriate for the Group's 31 December 2015 half-year consolidated financial statements.

The board of directors is aware, having prepared a cash flow forecast, of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months. In the event that the Group is not able to raise additional funds or divest its assets, there exists a material uncertainty that may cast a significant doubt whether the Group will be able to continue as a going concern and therefore, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial statements.

Significant accounting judgements and key estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these half-yearly statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2015.

Amendments to AASBs and the new Interpretation that are mandatorily effective for the current reporting period

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 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

Impact of the application of AASB 2015-3 'Amendments to Australian Accounting Standards arising from Withdrawal of AASB 1031 Materiality'

Completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations.

The adoption of the amending Standard does not have any impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

2. Segment information

The Group operates in one business segment and one geographical segment, namely the mineral exploration industry in Australia only. AASB 8 'Operating Segments' states that similar operating segments can be aggregated to form one reportable segment. Also, based on quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. However, none of the operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Group has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenue and results of this segment are those of the Group as a whole and are set out in the condensed consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities are those of the Group and set out in the condensed consolidated statement of financial position.

3. Dividends

No dividends were paid or declared for the half-year ended 31 December 2015 and the directors have not recommended the payment of a dividend.

4. Revenue and income tax benefit

	31 Dec 2015 \$	31 Dec 2014 \$
Revenue from continuing operations		
Interest income	9,389	3,574
Income tax benefit		
Research and development refund	905,062	-

5. Exploration and evaluation expenditure

	Half-year ended 31 Dec 2015 \$	Year ended 30 June 2015 \$
Carrying value at beginning of the period	781,648	332,857
Expenditure incurred during the period	1,423,237	2,523,764
Impairment of exploration and evaluation expenditure (i)	(1,413,824)	(2,074,973)
Carrying value at end of the period	791,061	781,648

(i) An impairment expense of \$1,413,824 has been recognised in profit or loss for the half-year ended 31 December 2015 (30 June 2015: \$2,074,973). This is consistent with the Group's policy of expensing all exploration and evaluation expenditure incurred (other than acquisition costs). For more information, refer to the 2015 annual financial report.

Recoverability of the above carrying amount is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

6. Issued capital

825,174,646 fully paid ordinary shares
(30 June 2015: 797,174,646)

31 Dec 2015	30 Jun 2015
\$	\$
19,701,897	19,201,817

Fully paid ordinary shares	Half-year ended		Year ended	
	31 Dec 2015		30 Jun 2015	
	No.	\$	No.	\$
Balance at beginning of period	797,174,646	19,201,817	213,050,185	14,301,821
Placement (i)	28,000,000	532,000	-	-
Issue of shares (ii)	-	-	250,000,000	500,000
Issue of shares (iii)	-	-	94,515,000	1,228,695
Issue of shares (iv)	-	-	28,571,428	414,285
Issue of shares (v)	-	-	2,386,417	20,370
Placement (vi)	-	-	96,835,004	849,575
Issue of shares (vii)	-	-	3,416,612	71,749
Placement (viii)	-	-	108,400,000	2,926,800
Share issue costs	-	(31,920)	-	(1,111,478)
	825,174,646	19,701,897	797,174,646	19,201,817

(i) Issue of fully paid ordinary shares on 20 July 2015 at \$0.019 each pursuant to a placement to sophisticated and institutional investors of the Company.

(ii) Issue of fully paid ordinary shares on 22 September 2014 at \$0.002 each pursuant to resolution 2 passed at a General Meeting held on 8 September 2014.

(iii) Issue of fully paid ordinary shares on 22 September 2014 at various prices pursuant to resolutions 3, 7, 8, 9, 12, 13 and 15 passed at a General Meeting held on 8 September 2014.

(iv) Issue of fully paid ordinary shares to exercise option over Fraser Range tenements.

(v) Issue of fully paid ordinary shares on 16 October 2014 following conversion of \$20,370 worth of Convertible Notes pursuant to resolution 9 passed at a General Meeting held on 4 October 2013.

(vi) Issue of fully paid ordinary shares on 12 November 2014 at \$0.009 each pursuant to a placement to sophisticated and institutional investors of the Company.

(vii) Exercise of unlisted options at \$0.021 each on 23 February 2015.

(viii) Issue of fully paid ordinary shares on 17 March 2015 at \$0.027 each pursuant to a placement to sophisticated and institutional investors of the Company.

7. Commitments

The Group must meet annual tenement expenditure commitments to maintain them in good standing until they are joint ventured, sold, reduced, relinquished, exemptions from expenditure are applied or are otherwise disposed of. These commitments are not provided for in the accounts and are payable.

Exploration expenditure commitments

Not later than one (1) year
Longer than one (1) year, but not longer than five (5) years
Longer than five (5) years

31 Dec 2015	30 June 2015
\$	\$
339,993	360,416
1,291,834	725,562
-	-
1,631,827	1,085,978

8. Options

Unlisted options	Half-year ended 31 Dec 2015		Year ended 30 Jun 2015	
	No.	\$	No.	\$
Balance at beginning of period	398,957,062	905,779	14,345,462	15,000
Issue of options (i)	14,000,000	-	-	-
Issue of options (ii)	-	-	250,000,000	-
Issue of options (iii)	-	-	25,000,000	304,960
Issue of options (iv)	-	-	1,193,208	-
Issue of options (v)	-	-	48,417,502	-
Issue of options (vi)	-	-	48,417,502	387,340
Issue of options (vii)	-	-	10,000,000	133,479
Exercise of options (viii)	-	-	(3,416,612)	-
Issue of options (ix)	-	-	5,000,000	65,000
	412,957,062	905,779	398,957,062	905,779

(i) Issue of free attaching unlisted options on 20 July 2015 pursuant to a placement of shares to sophisticated and institutional investors of the Company.

(ii) Issue of free attaching unlisted options on 19 September 2014 pursuant to a placement of shares.

(iii) Issue of unlisted options to directors and company secretary of the Company following shareholder approval at a General Meeting held on 8 September 2014.

(iv) Issue of free attaching unlisted options on 16 October 2014 pursuant to a Convertible Note Placement approved by shareholders with resolution 9 at the General Meeting held on 4 October 2013.

(v) Issue of free attaching unlisted options on 12 November 2014 pursuant to a placement of shares to sophisticated and institutional investors of the Company.

(vi) Issue of unlisted options on 12 November 2014 as payment for a mandate fee pursuant to a capital raising mandate for corporate and capital raising services.

(vii) Issue of unlisted option to a director of the Company on 10 February 2015 as part of remuneration.

(viii) Exercise of unlisted options on 23 February 2015.

(ix) Issue of unlisted options as payment for a mandate fee for a placement of shares completed on 17 March 2015.

The following options arrangements were in existence at the reporting date:

Option series	Number	Exercise price \$	Expiry date
1	15,785,714	0.0700	30 June 2016
2	94,469,366	0.0210	30 June 2016
3	7,500,000	0.0150	31 December 2016
4	5,201,982	0.0210	31 December 2016
5	5,000,000	0.0700	31 March 2018
6	10,000,000	0.0210	31 August 2019
7	275,000,000	0.0125	31 August 2019

9. Key management personnel

During the half-year ended 31 December 2015, Messrs Keith Bowker and Michael Pedley were appointed as non-executive directors following the resignation of Mr Paul Fromson. Messrs Bowker and Pedley are paid a remuneration of \$2,500 per month (excluding GST) for their services as non-executive directors.

Remuneration policies of key management personnel are disclosed in the annual financial report. Arrangements with related parties continue to be in place. For further details, please refer to the 30 June 2015 annual financial report.

10. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 30 June 2015 annual financial report.

11. Subsequent events

There has not been any matter or circumstance that has arisen since the end of the half-year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.