



Coventry Resources Limited

ABN 76 161 615 783

Financial Report
for the half-year ended 31 December 2016

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CORPORATE DIRECTORY

Directors

Mr. Mark Bojanjac (Executive Chairman)
Mr. Michael Fowler (Non-Executive Director)
Mr. Robert Boaz (Non-Executive Director)

Company Secretary

Mr. Ian Cunningham

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Stock Exchange Listing

Coventry Resources Limited shares
are listed on the Australian Securities
Exchange, the home branch being Perth.
ASX Code: CYY

Auditors

Stantons International Audit and Consulting Pty Ltd
Level 2, 1 Walker Avenue
West Perth WA 6005

Directors' Report

The Directors present their report for Coventry Resources Limited ("Coventry" or "the Company") and its subsidiaries ("the Group") for the half-year ended 31 December 2016.

DIRECTORS

The names of the Directors in office during the period and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Mark Bojanjac	Executive Chairman
Michael Haynes	Managing Director (resigned 13 December 2016)
Ian Cunningham	Executive Director (resigned 13 December 2016)
Michael Fowler	Non-Executive Director
Robert Boaz	Non-Executive Director

RESULTS OF OPERATIONS

The Group's total comprehensive loss after taxation attributable to the members of Coventry Resources Limited for the half-year ended 31 December 2016 was \$182,908 (2015: \$437,879).

REVIEW OF OPERATIONS

Caribou Dome Copper Project, Alaska USA

The Company's primary asset is the highly prospective, high-grade Caribou Dome Copper Project ("Caribou Dome Project" or "the Project") in Alaska, USA.

The Caribou Dome Project is located 250km north-east of Anchorage, Alaska's main port. There is road access all the way to the Project. Rail and high voltage power are both accessible 100km west of the Project, at Cantwell. Alaska is a stable, pro-mining jurisdiction. Approximately 80% of the state's GDP comes from mining and resources, with six large-scale mines currently in production. Alaska's largest alluvial gold field, Valdez Creek, is ~15km from the Caribou Dome Project.

Mineralisation was discovered at the Project in 1963. From 1963-1970 nine lenses of sediment-hosted copper mineralisation were delineated over approximately 700 metres of strike. 95 diamond core holes were drilled during this period, from surface and underground. This drilling was concentrated primarily on just 250 metres of strike, at Lenses 4, 5 and 6.

Very limited exploration had been undertaken since 1970, until Coventry secured the rights to explore and develop the Project in February 2015.

In 2015 Coventry secured the rights to acquire a 80% interest in the Project (refer further Note 16 to the 2016 Annual Financial Report for key terms). It compiled all historic technical information, prioritised targets arising, completed a ground geophysics (induced polarisation) survey, and completed 4,300 metres of diamond core drilling. Confirmatory drilling rapidly validated previous work and the Company's initial results from work undertaken to further expand the resources at the Project have been very promising. All drilling (prior to 2016) was within a 700m long corridor, with mineralisation remaining open in both directions along strike and at depth. Significant intersections in drilling include:

- 51.1m* at 5.3% Cu from 4.4m
- 18.1m at 9.3% Cu from 22.7m
- 14.1m at 9.9% Cu from 134.6m
- 18.4m at 6.3% Cu from 31.4m
- 15.4m at 7.0% Cu (U/G drill hole)
- 10.4m at 7.9% Cu from 14.0m
- 12.8m at 5.8% Cu (U/G drill hole)
- 13.0m at 4.9% Cu (U/G drill hole)
- 10.1m at 7.1% Cu from 39.0m
- 9.1m at 7.0% Cu from 28.7m

Directors' Report

- 10.2m at 6.2% Cu from 46.6m
- 12.2m at 5.0% Cu from 27.1m

* True width estimated to be approximately 25m

Multiple high-priority targets remain undrilled. With >18km of the stratigraphic horizon that hosts the mineralisation evident within the Company's project area, there is considerable potential to discover additional high-grade mineralisation and to continue to expand the resource base at the Project.

As at the date of its acquisition in February 2015, the Project comprised 175 State Mining Claims covering approximately 22,240 acres (9,000 hectares). During 2016 applications were lodged for an additional 27 State Mining Claims (4,320 acres), so the Project now encompasses a contiguous area of approximately 26,366 acres (10,750 hectares).

Work Completed During the Reporting Period

Exploration activities during the half-year included diamond drilling, soil sampling, ground geophysics surveying and acquisition of additional samples for further metallurgical testwork.

Diamond Core Drilling Program

From June to early October a total of 22 diamond core holes were drilled at the Project for 6,520m. The objectives of the drilling program were to (i) increase the resource base at the Project and (ii) to improve the understanding of the grade, thickness and distribution of the shallow mineralisation so that development of a potential initial starter high-grade open pit operation can be assessed with greater confidence.

Significant results from the drill program at the Caribou Dome Deposit included:

Central Portion

- 11.4m at 6.7% Cu from 70.2m
- 5.7m at 7.3% Cu from 92.4m
- 3.5m at 11.5% Cu from 49.2m
- 4.0m at 6.4% Cu from 156.1m
- 4.2m at 4.3% Cu from 91.7m

NE End

- 4.3m at 5.2% Cu from 220.5m
- 1.1m at 5.5% Cu from 532.1m

The results reiterated the considerable potential to develop an initial low-CAPEX high-grade starter open pit at the Project. In particular:

- mineralisation extended at the NE end of the Caribou Dome Deposit; and
- shallow mineralisation discovered with first drilling undertaken between Lenses 2 and 6, adding material that may be recovered during an initial starter pit operation

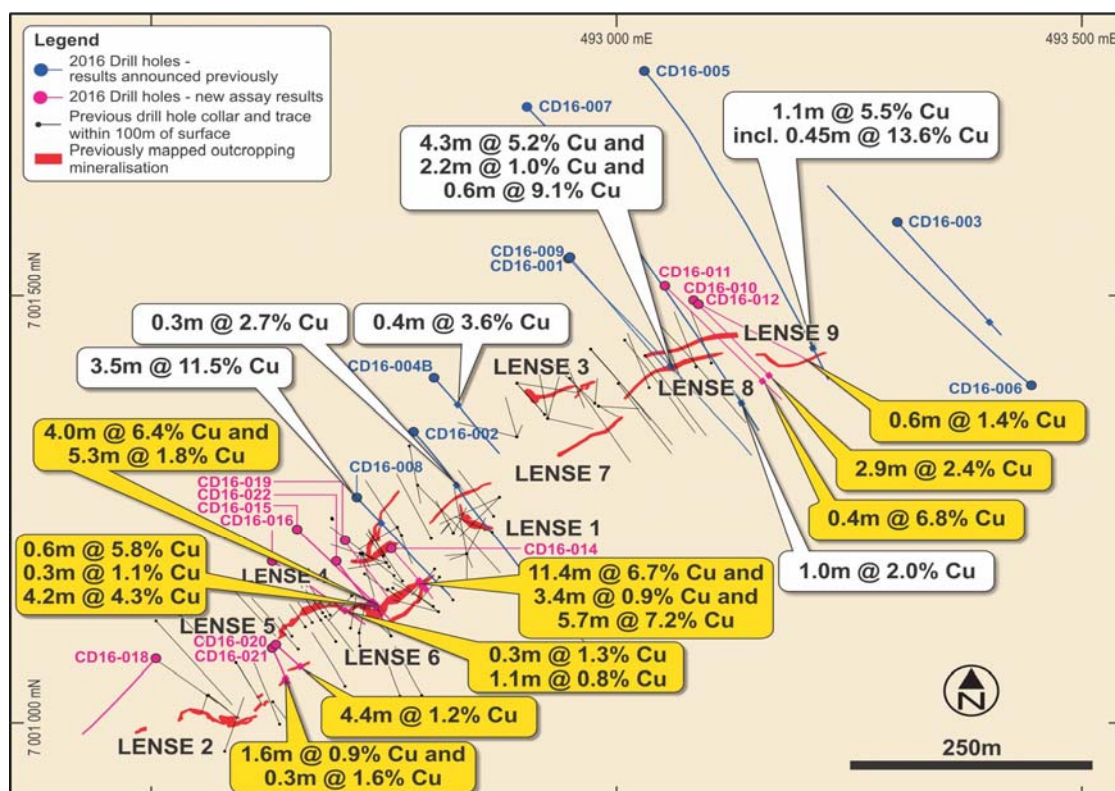


Figure 1. Drill hole traces and some of the significant intersections for the holes drilled during the Company's 2016 diamond core drilling program at the Caribou Dome Deposit, together with the traces of all previous holes within 100m of surface and the extents of previously mapped outcropping mineralisation (drill holes >100m deep are not shown here).

Soil Sampling

During late June and early July 2016 approximately 800 soil samples were collected over more than 5km of strike over an extension of the prospective sedimentary sequence in the far northeast of the Project area, where, historically, outcropping-sediment hosted copper mineralisation had been recorded. This new area is >11km NE of the Caribou Dome Deposit itself (see Figure 2) and has been subject to very little exploration previously.

Assay results were received during the quarter. A 5km wide zone of highly anomalous copper results is evident in this new "Senator Prospect" area, with samples assaying up to 0.17% copper.

The sampling team identified some exposed areas of outcropping sediment-hosted mineralisation while they were collecting soil samples. Select rock chip samples from these areas have recently returned assays up to 12.1% Cu (see Figure 2), confirming significant potential for additional high-grade sediment-hosted copper mineralisation in this sizeable new area.

26 new mineral claims have been staked recently to secure the mineral rights over the new anomalism and surrounding areas (for a total 4,160 acres or 16.8km²).

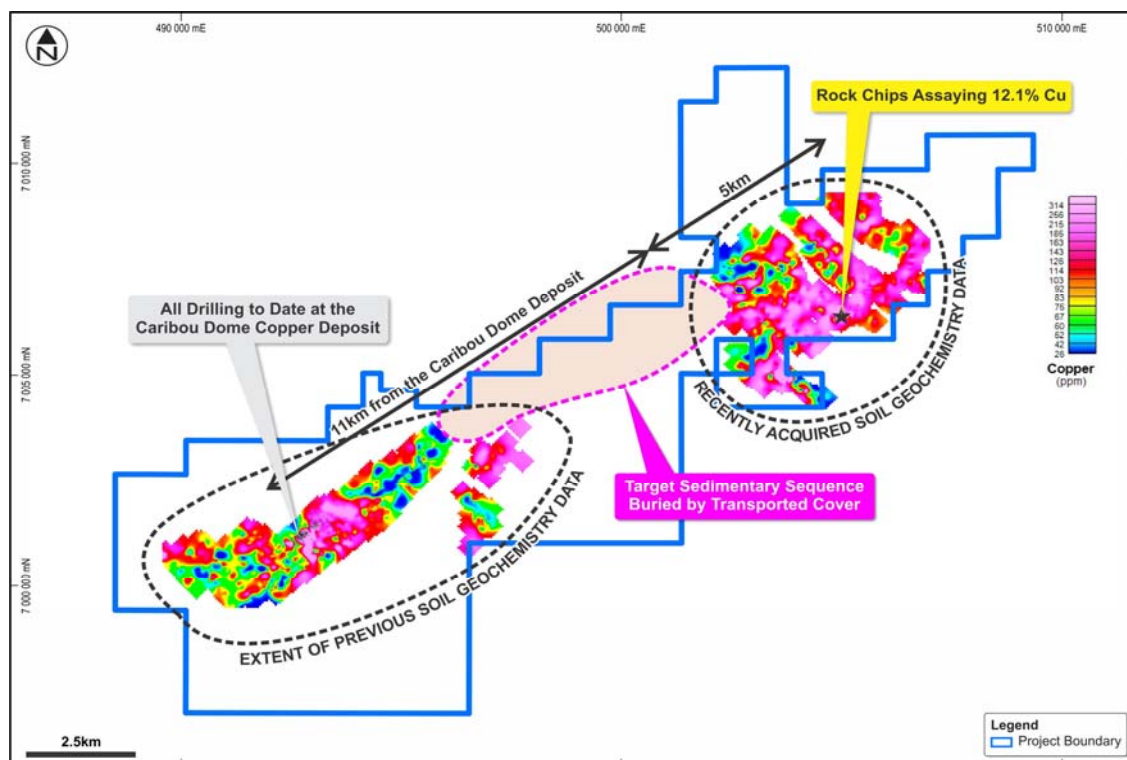


Figure 2. Image of copper soil geochemistry across the entire Caribou Dome Project, illustrating the 5km-wide highly anomalous zone delineated during 2016 in the far northeast of the Project – the “Senator Prospect”.

Ground Geophysics Surveying

During June-August 2016 a contract crew completed induced polarisation (“IP”) surveying over 7km of strike, centred on the Caribou Dome Deposit itself; targeting the strike extensions of the prospective geological contact between sedimentary and volcanic rocks.

A very strong IP anomaly was delineated over the Deposit itself. Numerous very high-priority new targets have been delineated in the new IP data, including the newly defined Kopsis Anomaly and the Trojan IP Anomaly, each of which cover 1,100m of strike and lie in the same geological position as the Caribou Dome Deposit itself – namely at the contact between a sedimentary sequence and the underlying volcanic sequence of rocks (see Figure 3). The Kopsis IP Anomaly coincides with a strong soil geochemistry anomaly and extensive outcropping mineralisation, whereas the Trojan IP anomaly is buried by transported cover (hence surface geochemistry is ineffective).

Two holes were drilled at the Kopsis IP Anomaly, approximately 1km from (NE of) the closest previous drilling (see Figure 3). One of these holes intersected a narrow interval of stock-worked chalcopyrite veins in volcanic rocks, with best assay results comprising 0.5m @ 0.9% Cu from 131.9m. Neither hole intersected the target sedimentary sequence. The presence of chalcopyrite coinciding with this >1,000m long IP anomaly is very encouraging, and accordingly further drilling will be undertaken in this highly prospective area.

Numerous other “second priority” IP anomalies have also been delineated. Many of these coincide with strong geochemistry anomalies, but on current understanding they are all slightly removed from the preferred sediment/volcanic contact. Mapping and reconnaissance has been undertaken so these targets can be systematically prioritised for further work.

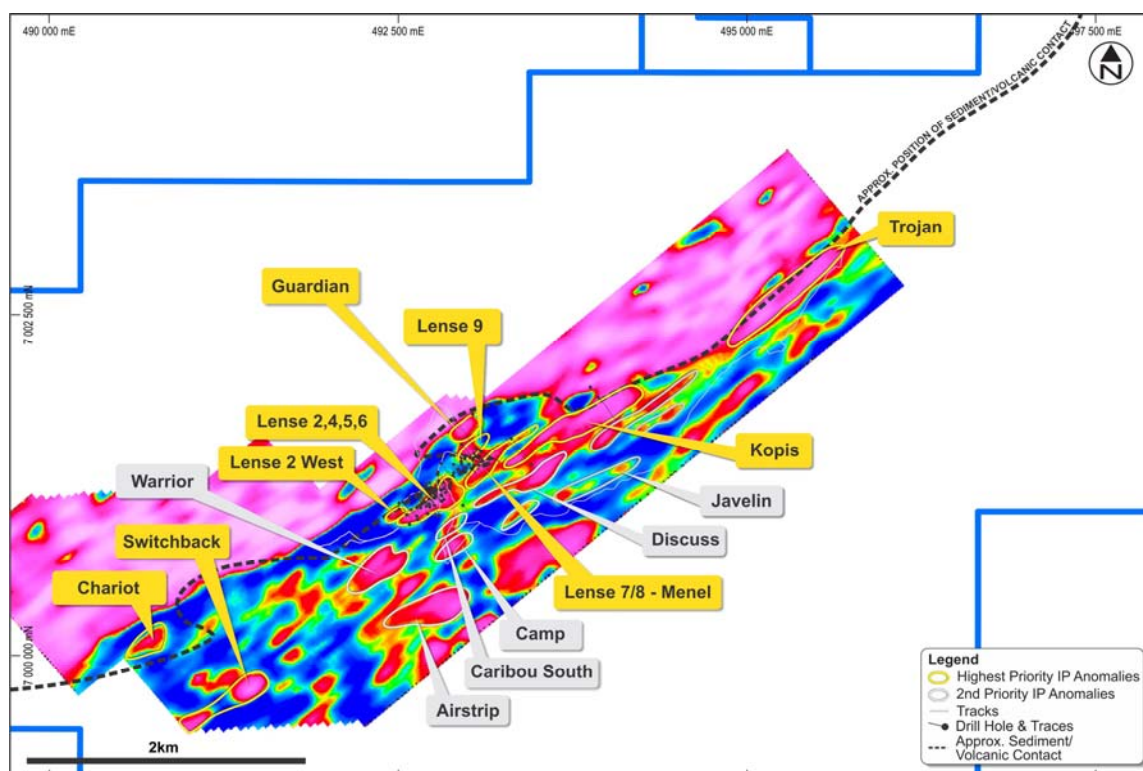


Figure 3. 125m depth slice of inverted IP data acquired during 2016 at the Caribou Dome Project. There is a strong correlation between IP anomalism and known mineralisation. Numerous strong IP anomalies are yet to be evaluated with drilling. Geology and geochemistry is being used to prioritise them.

Metallurgy

Initial metallurgical test-work (in early 2016), focused on conventional flotation, achieved recoveries of >95% Cu, with concentrates grading up to 24.5% Cu, from a composite sample from the Lense 4, 5 and 6 area (which averaged 5.03% Cu).

Subsequent testwork is now investigating whether metallurgical responses differ across the Deposit. This work is being undertaken by testing samples from discrete locations across the Deposit, rather than compositing samples. Accordingly, for the first time metallurgical testwork has been undertaken on a representative sample of mineralisation from the recently discovered Lense 7/8 area (at the NE end of the Deposit). The head grade of this sample was 7.4% Cu. During the half-year the Company reported that excellent results had been returned, with recoveries of >99% Cu achieved in all rougher flotation tests and concentrates grading up to 27.4% Cu were produced during cleaner flotation tests. Results such as these would be very acceptable in commercial operations, with such a product being readily saleable.

The on-going drilling and metallurgical results continue to confirm there is considerable potential to develop a low-CAPEX operation at the Project utilising conventional flotation methods.

Additional samples were collected from across the Deposit during the 2016 drilling program so further metallurgical testwork can be undertaken to continue to refine the optimal processing flowsheet for the Project.

Initiation of Scoping Study

Results of the 2016 drilling program and metallurgical testwork reiterate considerable potential to develop an initial low-CAPEX, high-grade starter open pit at the Project, to be processed with a conventional flotation plant.

While extensive exploration upside remains at the Project, particularly with numerous high-priority IP and copper-in-soil anomalies yet to be drill tested, a preliminary scoping study was initiated during the later part of the period to guide the best way to advance the Project.

Directors' Report

Re-interpretation of the 3-dimensional geological model is now underway, incorporating the results from recent drilling as well as structural information compiled by a consultant geologist who completed a focused assessment of the structural controls on mineralisation at the Project during August and September 2016.

It is anticipated that the scoping study will be completed in early 2017. This will assist in prioritising further work at the Project in 2017.

2017 Work Program

As noted above, the proposed work program for 2017 will be guided by the outcomes of the preliminary scoping study. The 2017 work program is also expected to include a ground geophysics survey over the new Senator Prospect to identify discrete drill targets.

The Senator Prospect was identified from the 2016 soil sampling program, which took samples from more than 5km of strike over an extension of the prospective sedimentary sequence in the far northeast of the Project area. This new area is >11km NE of the Caribou Dome Deposit (see Figure 2) and has been subject to very little previous exploration. Assay results from the 2016 soil sampling program at the Senator Prospect included (i) a 5km wide zone of highly anomalous copper results, with samples assaying up to 0.17% copper; and (ii) select rock chip samples from areas of outcropping sediment-hosted mineralisation returning up to 12.1% copper. These results confirm the significant potential for additional high-grade sediment-hosted copper mineralisation in this sizeable new area.

Uncle Sam Gold Project, Alaska USA

The Uncle Sam Project is located 75 kilometres southeast of the City of Fairbanks in Alaska. Intrusion-related gold is being targeted, in a similar age of intrusive rocks to those which host the Pogo Gold Mine approximately 60 kilometres to the east of the Uncle Sam Project.

The Company secured the rights to the Uncle Sam Project on 15 December 2010 when it entered into an option agreement (the "Option Agreement"), as subsequently amended on 22 December 2011, with Millrock Resources Inc. and Millrock Alaska LLC (collectively "Millrock") pursuant to which the Company was granted the right to earn a 100% interest in the Uncle Sam Project (the "Option"). In April 2013, Coventry exercised the Option (refer further Note 29 to the 2016 Annual Financial Report for key terms).

On 27 July 2015, Coventry entered into a mineral lease and purchase agreement with Great American Minerals Exploration Inc. ("GAME"), pursuant to which GAME agreed to lease the Uncle Sam Project for 10 years with an option to purchase the property outright at any time during the lease period (refer further Note 29 to the 2016 Annual Financial Report for key terms).

Corporate

During the half-year ended 31 December 2016, the Company raised \$1,807,160 via a placement, consisting of 56,473,750 Shares at an issue price of \$0.032 per Share, to institutional and sophisticated investors.

On 23 September 2016, the Ontario Securities Commission granted an order to the effect that the Company is no longer a reporting issuer in any jurisdiction in Canada. As a result the Company is no longer required to file financial statements and other continuous disclosure documents pursuant to Canadian securities laws. This development is expected to deliver significant administration cost and time savings to the Company.

AUDITOR'S DECLARATION

Section 307C of the Corporations Act 2001 requires the Group's auditors to provide the Directors of Coventry with an Independence Declaration in relation to the review of the half-year financial report. A copy of that declaration is included at page 25 of this report. There were no non-audit services provided by the Company's auditor for the half-year ended 31 December 2016.

Directors' Report

Signed on behalf of the board in accordance with a resolution of the Directors.



Mark Bojanjac
Executive Chairman
14 March 2017

Competent Person Statement

The information in this report that relates to exploration results and metallurgical testwork for the Project is based on information compiled by Mr Ben Vallerine, who is a consultant to the Company and holds an indirect shareholding in the Company. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results (JORC Code). Mr Vallerine is also a Qualified Person as defined by Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mr Vallerine consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Caution Regarding Forward Looking Statements

This report may contain "forward-looking statements" and/or "forward-looking information" within the meaning of applicable securities regulations (collectively, "forward-looking information"). Any forward-looking information contained in this report is made as of the date of this report. Except as required under applicable securities legislation, Coventry does not intend, and does not assume any obligation, to update this forward-looking information.

Any forward-looking information contained in this report is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

Statement of Profit or Loss and Other Comprehensive Income

	Notes	Consolidated	
		Six months ended December 31	
		2016	2015
		\$	\$
Interest Revenue & Other Income		\$ 8,536	\$ 8,775
Public company costs		28,995	30,949
Consulting and directors fees		166,688	139,805
Share-based compensation	11, 13	22,458	87,916
Legal fees		17,202	8,565
Staff costs		30,507	27,876
Serviced office and outgoings		36,000	36,457
Interest and penalties		873	-
Investor relations		970	-
Travel expenses		4,709	41,404
Foreign exchange loss		33,125	32,776
Other expenses	4	69,733	71,902
		411,260	477,650
Loss from operations		\$ (402,724)	\$ (468,875)
Other comprehensive income			
Items that will not be reclassified to profit and loss in subsequent periods		-	-
Items that may be reclassified to profit and loss in subsequent periods	11	219,816	30,996
Other comprehensive income for the period		219,816	30,996
Total comprehensive loss for the period		\$ (182,908)	\$ (437,879)
Loss per share:			
Basic and diluted loss per share (cents per share)		\$ 0.09	\$ 0.19
Weighted Average Number of Shares:			
Basic and diluted number of shares		440,577,245	247,165,624

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

Statement of Financial Position

	Notes	Consolidated	
		As at	
		December 31	June 30
		2016	2016
		\$	\$
Current Assets			
Cash and cash equivalents		\$ 529,195	\$ 2,137,481
Other receivables and prepayments	5	59,074	263,133
Total current assets		588,269	2,400,614
Non-Current Assets			
Property, plant and equipment	6	\$ 15,698	\$ 17,902
Exploration and evaluation assets	7	6,271,527	3,794,242
Total Non-Current Assets		6,287,225	3,812,144
Total Assets		\$ 6,875,494	\$ 6,212,758
Current liabilities			
Trade and other payables	8	\$ 106,887	\$ 993,990
Total Current Liabilities		106,887	993,990
Total Liabilities		\$ 106,887	\$ 993,990
NET ASSETS		\$ 6,768,607	\$ 5,218,768
Equity			
Contributed equity	9	61,123,936	\$ 59,462,844
Reserves	11	5,499,484	5,208,013
Accumulated losses	10	(59,854,813)	(59,452,089)
TOTAL EQUITY		\$ 6,768,607	\$ 5,218,768

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

Statement of Cash Flows

	Notes	Consolidated	
		Six months ended December 31	
		2016	2015
		\$	\$
Cash flows from Operating activities			
Payments to suppliers and employees		\$ (529,945)	\$ (362,236)
Interest received		8,536	8,775
Net cash flows used in operating activities		(521,409)	(353,461)
Cash flows from investing activities			
Payments for expenditure on exploration		(2,745,883)	(1,791,566)
Net cash flows used in investing activities		(2,745,883)	(1,791,566)
Cash flows from financing activities			
Proceeds from issue of shares		1,807,160	2,001,804
Share issue costs		(146,068)	(211,552)
Proceeds from exercise of options		-	3,354
Net cash flows from financing activities		1,661,092	1,793,606
Net decrease in cash and cash equivalents		(1,606,200)	(351,421)
Cash and cash equivalents at beginning of period		2,137,481	894,351
Foreign exchange variances on cash		(2,086)	(7,036)
Cash and cash equivalents at end of period		\$ 529,195	\$ 535,894

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

Statement of Changes in Equity

Consolidated	Notes	Number of Shares	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserves	Warrant Reserves	Share Based Payment Reserves	Option Premium Reserve	Total
At 1 July 2016		403,439,615	\$ 59,462,844	\$(59,452,089)	\$ (83,965)	\$ 1,190,098	\$ 4,098,880	\$ 3,000	\$ 5,218,768
Loss for the period		-	-	(402,724)	-	-	-	-	(402,724)
Other comprehensive income		-	-	-	219,816	-	-	-	219,816
Total comprehensive loss for the period		-	\$ -	\$(402,724)	\$ 219,816	\$ -	\$ -	\$ -	\$(182,908)
Transactions with owners in their capacity as owners									
Shares issued	9 (b)	56,473,750	1,807,160	-	-	-	-	-	1,807,160
Share issue costs		-	(146,068)	-	-	-	-	-	(146,068)
Options issued to consultants	14	-	-	-	-	-	49,197	-	49,197
Share-based compensation	13	-	-	-	-	-	22,458	-	22,458
Balance at 31 December 2016		459,913,365	\$ 61,123,936	\$(59,854,813)	\$ 135,851	\$ 1,190,098	\$ 4,170,535	\$ 3,000	\$ 6,768,607

Consolidated	Notes	Number of Shares	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserves	Warrant Reserves	Share Based Payment Reserves	Option Premium Reserve	Total
At 1 July 2015		231,273,112	\$ 55,175,883	\$(58,371,925)	\$ (32,486)	\$ 1,190,098	\$ 3,956,426	\$ 3,000	\$ 1,920,996
Loss for the period		-	-	(468,875)	-	-	-	-	(468,875)
Other comprehensive income		-	-	-	30,996	-	-	-	30,996
Total comprehensive loss for the period		-	\$ -	\$(468,875)	\$ 30,996	\$ -	\$ -	\$ -	\$(437,879)
Transactions with owners in their capacity as owners									
Shares issued		43,037,503	2,001,804	-	-	-	-	-	2,001,804
Share issue costs		-	(211,552)	-	-	-	-	-	(211,552)
Options exercised		129,000	3,870	-	-	-	(517)	-	3,353
Share-based compensation		-	-	-	-	-	87,916	-	87,916
Balance at 31 December 2015		274,439,615	\$ 56,970,005	\$(58,840,800)	\$ (1,490)	\$ 1,190,098	\$ 4,043,825	\$ 3,000	\$ 3,364,638

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

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

1. Corporate Information

The financial report of Coventry Resources Limited ("Coventry" or "the Company") and its subsidiaries ("the Group") for the half-year ended 31 December 2016 was authorised for issue in accordance with a resolution of the Directors on 14 March 2017.

Coventry Resources Limited is a public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors' report.

2. Going Concern

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

For the half-year ended 31 December 2016, the Group incurred a loss of \$402,724 (2015: \$468,875) and incurred net cash outflows of \$1,606,200 (2015: \$351,421). At 31 December 2016, the Group had net current assets of \$481,382 (30 June 2015: \$1,406,624).

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors continue to be focused on meeting the Group's business objectives and is mindful of the funding requirements to meet these objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- given the Company's market capitalisation and the underlying prospects for the Group to raise further funds from the capital markets; and
- the fact that future exploration and evaluation expenditure are generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Group's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Group's working capital.

The Directors are confident that the Group can continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis. However, should the Group be unable to raise further required financing, there is uncertainty which may cast doubt as to whether or not the Group will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

3. Summary of Significant Accounting Policies

(a) Basis of Presentation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of 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 2016 ("2016 Annual Financial Report"), together with any public announcements made during the following half-year.

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

(b) Accounting Policies

New and revised accounting requirement applicable to the current reporting period

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the 2016 Annual Financial Report.

The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

	Consolidated	
	For the six months ended	
	31 December	31 December
	2016	2015
	\$	\$
4. Other expenses		
Accounting and audit fees	19,448	12,354
Bank fees	6,090	3,550
Computer expenses	2,618	2,618
Insurance	21,880	4,291
Printing and stationary	2,759	2,574
Postage	569	3,627
Telephone	1,699	1,265
Depreciation	108	155
Others	14,562	41,468
	69,733	71,902

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
5. Other Receivables and Prepayments		
Current		
GST / VAT receivable	27,738	40,888
Prepayments	31,336	222,245
	59,074	263,133

Trade debtors, other debtors and goods and services tax are non-interest bearing and generally receivable on 30 day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
6. Property, Plant and Equipment		
Plant and Equipment		
Cost	18,127	17,557
Accumulated depreciation	(3,104)	(439)
Net carrying amount	15,023	17,118
Office Furniture and Fixtures		
Cost	519	519
Accumulated depreciation	(235)	(203)
Net carrying amount	284	316
Computer Equipment		
Cost	1,946	1,946
Accumulated depreciation	(1,555)	(1,478)
Net carrying amount	391	468
Total property, plant and equipment		
Cost	20,592	20,022
Accumulated depreciation	(4,894)	(2,120)
Net carrying amount	15,698	17,902

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial period:

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
Plant and Equipment		
Carrying amount at beginning of year	-	-
Additions	17,118	17,557
Depreciation expense	(2,535)	(439)
Net exchange differences on translation	440	-
Carrying amount at end of period	15,023	17,118
Office Furniture and Fixtures		
Carrying amount at beginning of year	316	393
Additions	-	-
Depreciation expense	(32)	(79)
Net exchange differences on translation	-	2
Carrying amount at end of year	284	316

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

Computer Equipment

Carrying amount at beginning of period	468	702
Additions	-	-
Depreciation expense	(77)	(243)
Net exchange differences on translation	-	9
Carrying amount at end of period	391	468
Total property, plant and equipment	15,698	17,902

Consolidated

31 December	30 June
2016	2016
\$	\$

7. Deferred Exploration and Evaluation Expenditure

Exploration and evaluation expenditure

At cost	7,561,977	5,084,692
Accumulated provision for impairment	(1,290,450)	(1,290,450)
Total exploration and evaluation	6,271,527	3,794,242

Consolidated

31 December	30 June
2016	2016
\$	\$

Carrying amount at beginning of the year	3,794,242	1,330,839
Acquisition cost	-	-
Exploration and evaluation expenditure during the period	2,292,870	2,523,436
Payment related to mineral lease agreement	(32,784)	(33,660)
Net exchange differences on translation	217,199	(26,373)
Carrying amount at end of period	6,271,527	3,794,242

The Directors' assessment of the carrying amount for the Group's exploration and development expenditure was after consideration of prevailing market conditions; previous expenditure for exploration work carried out; and the potential for mineralisation based on the Group's independent geological reports. The recoverability of the carrying amount of the deferred exploration and evaluation expenditure is dependent on successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
8. Current Liabilities		
Trade and other payables		
Trade payables	49,898	634,622
Accruals	56,989	359,368
	106,887	993,990

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
9. Contributed Equity		
(a) Issued and paid up capital		
Ordinary shares fully paid	61,123,936	59,462,844

	31 December		30 June	
	2016		2016	
	Number of shares	\$	Number of shares	\$
(b) Movements in ordinary shares on issue				
Balance at beginning of period	403,439,615	59,462,844	231,273,112	55,175,883
Share issues	56,473,750	1,661,092	172,166,503	4,286,961
Balance at end of the period	459,913,365	61,123,936	403,439,615	59,462,844

On 1 September 2016, the Company completed a placement consisting of 56,473,750 Shares at an issue price of \$0.032 per Share for gross proceeds of \$1,807,160 to institutional and sophisticated investors.

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
10. Accumulated losses		
Movements in accumulated losses were as follows:		
Balance at beginning of period	59,452,089	58,371,925
Loss for the period	402,724	1,080,164
Balance at end of the period	59,854,813	59,452,089

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
11. Reserves		
Foreign currency translation reserve	135,851	(83,965)
Warrant reserves	1,190,098	1,190,098
Share based payments reserves	4,170,535	4,098,880
Option premium reserve	3,000	3,000
Balance at end of period	5,499,484	5,208,013

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
Movement in reserves:		
<i>Share based payments and option premium reserve</i>		
Balance at beginning of period	4,101,880	3,959,426
Options issued to consultants	49,197	-
Options exercised	-	(516)
Equity benefits expense	22,458	142,970
Balance at end of period	4,173,535	4,101,880

The Share based payments and option premium reserve is used to record the value of equity benefits provided to individuals acting as employees, directors as part of their remuneration, and consultants and for their services.

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
<i>Foreign currency translation reserve</i>		
Balance at beginning of period	(83,965)	(32,486)
Items that will not be reclassified to profit or loss in subsequent periods	-	-
Items that may be reclassified to profit and loss in subsequent periods	219,816	(51,479)
Balance at end of period	135,851	(83,965)

The foreign currency translation reserve is used to record the currency difference arising from the translation of the financial statements of the foreign operations.

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
<i>Warrant reserve</i>		
Balance at beginning of period	1,190,098	1,190,098
Warrants exercised	-	-
Balance at end of period	1,190,098	1,190,098

The warrant reserve is used to record the value of warrants provided to shareholders as part of capital raising activities.

12. Related Party Disclosures

The ultimate parent entity is Coventry Resources Limited.

MQB Ventures Pty Ltd, a Company of which Mr. Michael Haynes is a Director, provided the Company with a fully serviced office including administration support for a fee totalling \$36,000 during the half-year ended 31 December 2016 (2015: \$36,457). \$7,682 was outstanding at period end (30 June 2016: \$30,000).

There were no other related party disclosures for the half-year ended 31 December 2016 (2015: Nil).

13. Share Based Payment Plans

(a) Recognised share based payment expenses

Total expenses arising from share based payment transactions recognised during the half-year as part of share based payment expense were as follows:

	Consolidated	
	31 December	31 December
	2016	2015
	\$	\$
<i>Operating expenditure</i>		
Options issued to employees and directors	22,458	87,916
Options issued to consultants	-*	-
Balance at end of period	22,458	87,916

*Expense of \$49,197 was recorded in June 2016 for fair value of consultant stock options which were subsequently issued in August 2016.

(b) Share based payment to employees

The Group has established an employee share option plan (ESOP) and also issues options to executive officers, directors, consultants and employees outside the Plan (collectively the "Options"). The objective of the Options is to assist in the recruitment, reward, retention and motivation of the recipients and/or reduce the level of cash remuneration that would otherwise be paid to the recipient. An eligible person may receive the options or nominate a relative or associate to receive the options. Details of Options granted are as follows:

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

2016

Grant date	Expiry date	Exercise price	Balance at start of the period Number	Granted during the period Number	Exercised during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
8 Jan 2013	1 Dec 2016	C\$0.05	1,507,800	-	-	(1,507,800)	-	-
8 Jan 2013	17 Aug 2017	C\$0.05	1,130,850	-	-	-	1,130,850	1,130,850
8 Jan 2013	8 Mar 2017	C\$0.05	125,650	-	-	-	125,650	125,650
28 Nov 2013	28 Nov 2016	C\$0.05	3,350,000	-	-	(3,350,000)	-	-
20 Feb 2015	19 Feb 2020	A\$0.0143	20,000,000	-	-	-	20,000,000	10,000,000
18 Jun 2015	17 Jun 2020	A\$0.035	2,000,000	-	-	-	2,000,000	2,000,000
18 Jun 2015	30 Jun 2018	A\$0.026	731,000	-	-	-	731,000	731,000
31 Aug 2016	31 Aug 2019	A\$0.039	-	2,000,000	-	-	2,000,000	2,000,000
31 December 2016			28,845,300	2,000,000	-	(4,857,800)	25,987,500	15,987,500

Weighted remaining contractual life (years)	2.97	2.96	2.84
Weighted average exercise price	\$ 0.02	\$ 0.02	\$ 0.02

On 31 August 2016, the Company issued 2,000,000 options, each exercisable at \$0.039 on or before 30 August 2019, in lieu of cash consideration for consulting services. Refer to Note 14.

2015

Grant date	Expiry date	Exercise price	Balance at start of the period Number	Granted during the period Number	Exercised during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
8 Jan 2013	31 Jan 2016	C\$0.05	200,000	-	-	-	200,000	200,000
8 Jan 2013	1 Dec 2016	C\$0.05	1,507,800	-	-	-	1,507,800	1,507,800
8 Jan 2013	17 Aug 2017	C\$0.05	1,130,850	-	-	-	1,130,850	1,130,850
8 Jan 2013	8 Mar 2017	C\$0.05	125,650	-	-	-	125,650	125,650
28 Nov 2013	28 Nov 2016	C\$0.05	3,350,000	-	-	-	3,350,000	3,350,000
20 Feb 2015	19 Feb 2020	A\$0.0143	20,000,000	-	-	-	20,000,000	-
18 Jun 2015	17 Jun 2020	A\$0.035	2,000,000	-	-	-	2,000,000	-
18 Jun 2015	30 Jun 2018	A\$0.026	860,000	-	(129,000)	-	731,000	731,000
31 December 2015			29,174,300	-	(129,000)	-	29,045,300	7,045,300

Weighted remaining contractual life (years)	3.94	3.44	1.18
Weighted average exercise price	\$ 0.02	\$ 0.02	\$ 0.05

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

14. Issue of Options

2,000,000 Options with a fair value of \$49,197 were issued during the half-year, as consideration for consulting services provided during the 2016 financial year. The fair value at grant date of options granted during the period and in previous reporting periods, was determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share and the risk free interest rate for the term of the Option.

The model inputs for the options granted during the period ended 31 December 2016 included:

- a) options were issued with an exercise price of \$0.039;
- b) expected life of options is 3 years;
- c) share price at grant date was \$0.03;
- d) expected volatility of 162%, based on the history of the Company's share prices for the expected life of the options;
- e) expected dividend yield of nil; and
- f) a risk-free interest rate of 1.4%

15. Operating Segment

For management purposes, the Group is organised into one main operating segment, which involves mineral exploration, predominantly for copper. All of the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole. The Group operates in Australia and the USA. The following table shows the assets and liabilities of the Group by geographic region:

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Assets		
Australia	619,640	2,226,042
United States	6,255,854	3,986,716
Total Assets	<u>6,875,494</u>	<u>6,212,758</u>
Liabilities		
Australia	97,278	770,446
United States	9,609	223,544
Total Liabilities	<u>106,887</u>	<u>993,990</u>
	31 December 2016 \$	31 December 2015 \$
Operating Result		
Australia	(393,832)	(1,687)
Canada	-	(464,348)
United States	(8,892)	(2,840)
Total loss from operations	<u>(402,724)</u>	<u>(468,875)</u>

16. Expenditure commitments**(a) Tenement expenditure commitments*****Caribou Dome Project***

Commitments related to the Caribou Dome Project at reporting date but not recognized as liabilities below include the following:

- (i) maintaining the claims (licenses) at the Project in good standing, including making annual claim rental payments and ensuring minimum expenditure commitments are met;
- (ii) expending a minimum of US\$100,000 on the Project for the 12 month period ending 1 September 2017 (which has been completed);
- (iii) expending a minimum of US\$2,000,000 (inclusive of payments in (ii) above) in each of the periods (i) 2 September 2014 to 1 September 2017 (which has been completed); (ii) 2 September 2017 to 1 September 2020; and (iii) 2 September 2020 to 6 June 2023 (unless the Earn-in deadline of 6 June 2023 is extended);
- (iv) expending a total of US\$9,000,000 on the Project (inclusive of the payments in (ii) and (iii) above) or completing a feasibility study on the Project by 6 June 2023 (unless the Earn-in deadline of 6 June 2023 is extended); and
- (v) making annual payments to the underlying vendors of the Project in the amounts of:

Due Date	Payment
6 June 2017	US\$50,000
6 June 2018	US\$100,000
6 June 2019	US\$100,000
6 June 2020	US\$100,000
6 June 2021	US\$100,000
6 June 2022	US\$100,000
Earn-in deadline (currently 6 June 2023)	US\$1,360,000

Uncle Sam Project

Commitments related to mining taxes to keep claims/patents for the Uncle Sam Project at reporting date but not recognized as liabilities are A\$11,961 (US\$8,620) per annum. Pursuant to the mineral lease and purchase agreement with GAME, GAME is required to pay these commitments on behalf of Coventry during the term of the agreement.

17. Contingent Liabilities

The Company entered into an option agreement with Coronel Oviedo Mining Company SA dated April 16, 2007, whereby it had an option to earn up to a 70% interest in the Oviedo uranium project in Paraguay ("Oviedo Project"). A Paraguayan company, Semin SA ("Semin"), was retained to manage the exploration program on the Oviedo Project. On June 15, 2007, Semin entered into a drill contract (the "Oviedo Drill Contract") with a drilling company, Copami, with respect to exploration drilling to be conducted by Copami at the Oviedo Project. The Company guaranteed the obligations of Semin under the Oviedo Drill Contract.

Copami's performance under the Oviedo Drill Contract was considered not acceptable and, after Semin provided notice to Copami that Copami was not properly performing its obligations under the Oviedo Drill Contract, Semin terminated the

Coventry Resources Limited

Condensed notes to the financial statements for the half-year ended 31 December 2016

Oviedo Drill Contract in early 2008. The Company had heard nothing on this matter since late 2008; however, in May 2011, it was requested to attend a mediation meeting in Paraguay to discuss Copami's claim for payment under the Oviedo Drill Contract. The mediation meeting did not proceed and the Company heard nothing further on this matter until October 4, 2012, when it was informed that Copami has initiated arbitration proceedings at the Paraguay Center for Arbitration and Mediation, in which both the Company and Semin have been named as defendant parties in a breach of contract claim for US\$1,505,782.

Subsequent to year end, Coventry received notice from its Paraguayan legal counsel that the Arbitration Tribunal has determined that the drilling contract had been incorrectly terminated by Semin. However, the Tribunal also held that the Copami was concurrently negligent in its execution of the contract.

Based on its review of the Tribunal's judgement and advice from its Paraguayan legal counsel, Coventry has assessed the quantum of damages that may be payable by it to Copami to be approximately US\$40,000 plus interest. Coventry does not anticipate making any damages payment until it has received further advice in relation to the Tribunal decision, including the enforceability of the judgement in Australia and Coventry's rights to challenge such enforcement.

18. Subsequent events

There has been no events after the reporting date.

DIRECTORS' DECLARATION

The directors of Coventry Resources Limited 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 financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to the Corporations Act 2001.

On behalf of the Directors



Mark Bojanjac
Executive Chairman
14 March 2017

14 March 2017

Board of Directors
Coventry Resources Limited
Suite 9, 5 Centro Avenue
SUBIACO WA 6008

Dear Directors

RE: COVENTRY RESOURCES 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 Coventry Resources Limited.

As Audit Director for the review of the financial statements of Coventry Resources Limited for the half year ended 31 December 2016, 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 sincerely

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



Martin Michalik
Director

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
COVENTRY RESOURCES LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Coventry Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2016, 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, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Coventry Resources Limited (the consolidated entity). The consolidated entity comprises both Coventry Resources Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Coventry Resources 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 2016 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 Coventry Resources 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 Coventry Resources Limited on 14 March 2017.

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 Coventry Resources 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 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Material Uncertainty Regarding Going Concern

Without qualification to the conclusion expressed above, attention is drawn to the following matters:

As referred to in Note 2 to the half year financial report, the financial statements have been prepared on a going concern basis. As at 31 December 2016, the consolidated entity had cash and cash equivalents of \$529,195 and had incurred a loss after tax of \$402,724 for the half year then ended.

In the event that the consolidated entity is unable to raise additional funding as described in Note 2 to the financial report, and based on the current commitments and planned expenditure, there is a material uncertainty whether the consolidated entity 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 the amounts stated in the financial report. The financial report does not include any adjustments relating to recoverability and classification of recorded assets amounts, or to the amounts and classification of liabilities, that might be necessary should the consolidated entity not continue as a going concern.

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

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
14 March 2017