



TRUSCOTT
MINING CORPORATION LIMITED

ABN: 31 116 420 378

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2017

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

COMPANY DIRECTORY

DIRECTORS

P N Smith – Executive Chairman

M J Povey – Executive Director

R T Moore – Non-Executive Director retired 1/12/2017

E E Smith – Non-Executive Director appointed 1/12/2017

AUDITORS

Walker Wayland WA Audit Pty Ltd

Level 3, 1 Preston Street

Como WA 6152

COMPANY SECRETARY

M J Povey

HOME EXCHANGE

Australian Securities Exchange Ltd

Exchange Plaza

2 The Esplanade

Perth WA 6000

REGISTERED OFFICE

Unit 1, 1 Ewen Street

Scarborough WA 6007

ASX Code: TRM

MAILING ADDRESS

All correspondence should be addressed to:

PO Box 2805, West Perth WA 6872

Telephone 0419 956 232

SHARE REGISTRY

Security Transfer Registrars

770 Canning Highway

Applecross WA 6053

Telephone (08) 9315 2333

Facsimile (08) 9315 2233

Email: admin@truscottmining.com.au

Website: www.truscottmining.com.au

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

CONTENTS

1. Directors' Report	1
2. Auditor's Independence Declaration	4
3. Financial Statements	5
4. Notes to the Financial Statements	9
5. Directors' Declaration	14
6. Independent Auditor's Review Report	15

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the company for the half-year ended 31 December 2017.

Directors

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

Peter Neil Smith – executive chairman

Michael Jarvis Povey – executive director and company secretary

Rebecca Teresa Moore – non-executive director retired 1 December 2017

Ewan Edward Smith – non-executive director appointed 1 December 2017

Review of Operations

For the half year, by comparison with the corresponding half year, revenue was down \$46,501 or 35% and the loss increased by \$18,388 or 48%.

Rights issues

At the company's 2017 AGM on 3 November 2017 the following performance rights issues were approved:

3,850,000 Class E Performance Rights in lieu of directors' fees

3,850,000 Class F Performance Rights to the executive Directors to recognise sacrifices made by them on behalf of the Company

No funds were raised from the issue of these rights, but there was a saving in cash outflows as a result of the issue of the Class E Performance Rights amounting to \$100,800.

After balance date event

The Company was granted Tenement EL31579 in the Tennant Creek mineral field, consisting of 105 blocks and amounting to 307.46 square kilometres.

Summary

Truscott continued to focus its activities on developing a three dimensional model for the Westminster Gold Project, plus extending the reach of research and development work to support the application for additional exploration tenure.

A detailed model utilising structural constraints was developed during the quarter to assist shareholders to better visualise the nature of the gold mineralisation and to provide a clear basis for controlling future drilling programs and ore resource estimation.

Recent drilling has confirmed that the plunge of the ironstones hosting the ore body is in accordance with Truscott's structural model. This drilling, combined with local and regional scale research has provided the context for documenting that the Westminster Gold Project now has the potential to become a large company operation based on significant mineralisation.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

DIRECTORS' REPORT

Status of Exploration & Development Activities

Westminster Project Area (Truscott: MLC511, MA25952, MA26500, MA26588 all 100%)

Project Status: *Planning for a further drilling program in first quarter 2018.*

Proposed expenditure and earn-in schedule for the drill out and bankable feasibility study work set out.

Discussions with interested parties, on the commercial requirements to support project development, ongoing.

Detailed work for development of three dimensional modelling ongoing.

Further drilling of the potential ore bodies within the larger Westminster extension/compression system scheduled to follow the finalisation of a commercial agreement.

Hera Project Area Truscott: EL31532 – 100%

Project Status: *Clearance Certificates issued by AAPA for exploration and mining activities.*

Acquisition of geophysical information over the northern part of the project area planned.

Extensive field work program to support completion of the description for structural controls is ongoing.

Targeted scout drill planned and MMP submitted.

Olympus Project Area (Truscott: EL29883 100%)

Project Status: *Clearance Certificate issued by AAPA for exploration and mining activities.*

Projected trace of the 083° (D) trans-current shear across tenure.

Continued field recognisance & mapping program planned.

Acquisition of ground based gravity data planned.



Peter N Smith
Executive Chairman

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

DIRECTORS' REPORT

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 December 2017.

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



Director

Michael J Povey

Dated this 14th day of March 2018



**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS
ACT 2001 TO THE DIRECTORS OF
TRUSCOTT MINING CORPORATION LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

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

Walker Wayland WA Audit Pty Ltd.

WALKER WAYLAND WA AUDIT PTY LTD

A handwritten signature in dark ink, appearing to be 'John Dorazio', written over a light blue grid background.

John Dorazio FCA

Director

Level 3, 1 Preston Street, Como WA 6152

Dated this 15th day of March 2018.



TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	Note	31.12.2017	31.12.2016
		\$	\$
Revenue	2	84,661	131,162
Expenses			
Consultants		(15,625)	6,500
Directors' remuneration		(72,117)	(72,000)
Directors' performance rights		(4,428)	(6,760)
Depreciation		(163)	(344)
Superannuation expenses		(810)	(868)
Wages and salaries		(8,525)	(9,130)
Compliance and regulatory expenses		(40,513)	(46,697)
Exploration evaluation and development costs written off		(20,307)	0
Other expenses		(13,719)	(14,719)
Loss before income tax		(91,546)	(12,856)
Income tax benefit/(expense)		34,833	(25,469)
Loss for the period		(56,713)	(38,325)
Other comprehensive income			
Other comprehensive income for the year, net of tax		0	0
Total comprehensive loss for the period		(56,713)	(38,325)
Loss attributable to:			
Members of the company		(56,713)	(38,325)
Total comprehensive loss attributable to:			
Members of the company		(56,713)	(38,325)
Earnings per share			
From continuing operations			
Basic and diluted loss per share (cents per share)		(0.049)	(0.036)

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	31.12.2017	30.06.2017
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		77,028	116,712
Trade and other receivables		29,396	129,973
Other current assets		17,288	3,679
TOTAL CURRENT ASSETS		<u>123,712</u>	<u>250,364</u>
NON-CURRENT ASSETS			
Property, plant and equipment		7,381	8,230
Deferred exploration, evaluation and development expenditure	3	7,979,753	7,884,927
TOTAL NON-CURRENT ASSETS		<u>7,987,134</u>	<u>7,893,157</u>
TOTAL ASSETS		<u>8,110,846</u>	<u>8,143,521</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	37,803	52,994
TOTAL CURRENT LIABILITIES		<u>37,803</u>	<u>52,994</u>
NON-CURRENT LIABILITIES			
Trade and other payables	4	617,229	583,014
Deferred tax liabilities		139,896	174,729
TOTAL NON-CURRENT LIABILITIES		<u>757,125</u>	<u>757,743</u>
TOTAL LIABILITIES		<u>794,928</u>	<u>810,737</u>
NET ASSETS		<u>7,315,918</u>	<u>7,332,784</u>
EQUITY			
Issued capital	5	8,655,378	8,655,378
Reserves		125,678	85,830
Accumulated losses		(1,465,138)	(1,408,424)
TOTAL EQUITY		<u>7,315,918</u>	<u>7,332,784</u>

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	\$	\$	\$	\$
	Ordinary Shares	Accumulated losses	Options/ Rights Reserve	Total
Balance at 1.7.2016	8,467,628	(1,376,540)	30,970	7,122,058
Rights reserve on issue of rights	0	0	54,860	54,860
Loss attributable to the members	0	(38,325)	0	(38,325)
Balance at 31.12.2016	8,467,628	(1,414,865)	85,830	7,138,593
Balance at 1.7.2017	8,655,378	(1,408,425)	85,830	7,332,783
Rights reserve on issue of rights	0	0	39,848	39,848
Loss attributable to the members	0	(56,713)	0	(56,713)
Balance at 31.12.2017	8,655,378	(1,465,138)	125,678	7,315,918

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378**Interim Financial Report****STATEMENT OF CASHFLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	31.12.2017	31.12.2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(89,174)	(85,510)
Refundable research & development tax offset	111,376	103,534
Interest received	280	632
Net cash provided by operating activities	22,482	18,656
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration, evaluation and development expenditure	(62,166)	(62,031)
Net cash used in investing activities	(62,166)	(62,031)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of borrowings	0	10,000
Net cash provided in financing activities	0	10,000
Net decrease in cash held	(39,684)	(33,375)
Cash and cash equivalents at beginning of period	116,712	46,861
Cash and cash equivalents at end of period	77,028	13,486

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company 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 Truscott Mining Corporation Ltd. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2017, together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 14th March, 2018.

Accounting Policies

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 following:

Share based payments (performance rights) were provided to the Directors in lieu of cash payments owing to the Directors for their Directors' fees and for other past services. The fair value of the Performance Rights has been independently valued at grant date.

In relation to amounts owing for the Directors' fees, where the fair value of the performance rights differs from the cash amount payable for the Directors' fees, any resulting gain or loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

In relation to the other past services provided by the Directors, and for which no provision had been made, the fair value of the performance rights is recognised as a cost with a corresponding increase in equity.

Adoption of new and revised standards

Standards and Interpretations applicable to current interim period

The directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB and there are none that are relevant to the Company and effective for the current interim reporting period.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2017 annual report.

Going concern

For the half year ended 31 December 2017, the company incurred a loss of \$56,713, and had net cash outflows from operating and investing activities of \$39,684 as disclosed in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows respectively. As a result of the need for continued cash outflows from operating and investing activities the directors have assessed the Company's ability to continue as a going concern and to pay its debts as and when they fall due.

The Company's ability to fund exploration commitments and for use as working capital is dependent upon raising additional capital now and in future years, selling assets, or deriving revenue from existing operations.

The Company is working on a placement to professional and sophisticated investors to raise \$150,000, before costs. These funds will be used for a drilling program and working capital.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: BASIS OF PREPARATION (Cont'd)

Going concern (Cont'd)

The Directors of the Company advise the following initiatives have been taken or are being pursued/considered to raise additional funding:

1. A joint venture arrangement for its Westminster Project – discussions continuing with interested parties;
2. A joint venture for the Company's other projects – discussions continuing with interested parties;
3. Additional funding at price levels that are consistent with the company's current share price; and
4. The Directors have deferred payment of over 50% for consulting services and fully deferred payment of directors' fees until the Company has the cash resources to pay these in full.
5. The Directors are operating from their private homes at no cost to the Company.

Accordingly, the Directors have prepared the financial statements on a going concern basis. As such, the financial statements do not include any adjustments as to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

NOTE 2: REVENUE

	31.12.2017	31.12.2016
The following revenue items are relevant in explaining the financial performance for the interim period:	\$	\$
Interest received from other persons	281	262
Refundable research & development tax offset	19,000	35,000
Gain on remuneration liability settled by share based payments	65,380	95,900
	84,661	131,162

Gain on remuneration liability settled by share based payments:

2017

At the Company's 2017 AGM the shareholders agreed to issue the Directors 3,850,000 Class E Performance rights in lieu of their directors' fees of \$100,800 for the 2016/17 year.

The gain arose due to the difference between the amount of \$100,800 payable to the directors for their fees and the estimated value of those rights granted of \$35,420, as independently valued.

2016

At the Company's 2016 AGM the shareholders agreed to issue the Directors 3,700,000 Class C Performance rights in lieu of their directors' fees of \$144,000 for the 2015/16 year.

The gain arose due to the difference between the amount of \$144,000 payable to the directors for their fees and the estimated value of those rights granted of \$48,100, as independently valued.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 3: DEFERRED EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	\$
Carrying amount at 1 July 2017 – at cost	7,884,927
Deferred exploration, evaluation and development expenditure during the period – at cost	115,133
Write-off of deferred costs	(20,307)
Carrying amount at 31 December 2017 – at cost	<u>7,979,753</u>

The ultimate recoupment of the above deferred exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest. All of the above expenditure relates to exploration phase.

	31.12.2017	30.06.2017
	\$	\$
NOTE 4: TRADE AND OTHER PAYABLES		
- CURRENT		
Sundry payables and accrued expenses	<u>37,803</u>	<u>52,994</u>
	<u>37,803</u>	<u>52,994</u>
- NON-CURRENT		
Amounts due to related parties:		
Consulting fees	501,912	439,014
Directors' fees	<u>115,317</u>	<u>144,000</u>
	<u>617,229</u>	<u>583,014</u>

NOTE 5: ISSUED CAPITAL	31.12.2017	30.6.2017
(i) Issued and paid up capital:		
115,845,544 (30 June 2017: 115,845,544) fully paid ordinary shares	<u>\$8,655,378</u>	<u>\$8,655,378</u>

	Half-year to 31.12.2017		Year ended 30.6.2017	
	No. of shares	\$	No. of shares	\$
(ii) Movements in shares on issue				
Opening balance 1 July	115,845,544	8,655,378	107,845,544	8,467,628
Shares issued on 23/03/17 at 2.5 cents to sophisticated investors	-	-	8,000,000	200,000
	<u>115,845,544</u>	<u>8,655,378</u>	<u>115,845,544</u>	<u>8,667,628</u>
Less costs of shares issued	-	-	-	(12,250)
Closing balance	<u>115,845,544</u>	<u>8,655,378</u>	<u>115,845,544</u>	<u>8,655,378</u>

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 5: ISSUED CAPITAL (Cont'd)

(iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up of the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up. Shareholders are entitled to one vote per share held either in person or by proxy at a meeting of the company when a poll is called, otherwise each shareholder has one vote on a show of hands.

At the 2017 AGM the shareholders agreed to issue 3,850,000 Class E Performance Rights and 3,850,000 Class F Performance rights to the Directors. These rights do not vest before 1 July 2018 and are subject to milestones being met. These milestones are: a closing price of 6 cents for Class E Performance Rights and 15 cents for Class F Performance Rights, on 20 consecutive days when the company's ordinary shares have traded. Both classes of rights expire on 2/11/2021.

(iv) The Company does not have any options on issue.

(v) Performance rights on issue

<u>Class</u>	<u>Vested</u>	<u>Expiry</u>	<u>Number</u>	<u>Milestone met</u>
A	Yes	22/10/2019	3,700,000	No
B	Yes	22/10/2019	2,600,000	No
C	Yes	27/10/2020	3,700,000	No
D	Yes	27/10/2020	2,600,000	No
E	No	02/11/2021	3,850,000	No
F	No	02/11/2021	3,850,000	No

NOTE 6: SEGMENT INFORMATION

The company operated solely in Australia in mineral exploration for the whole of the period.

NOTE 7: CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities as at the date of this report.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

Other than the Company being granted Tenement EL31579 in the Tennant Creek mineral field, consisting of 105 blocks and amounting to 307.46 square kilometres, the directors are not aware of any matter or circumstance since 31 December 2017 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 subsequent financial years.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 9: COMMITMENTS

Operating lease commitments

The Company does not have any operating leases.

Capital expenditure commitments

Estimated commitments for which no provisions were included in the financial statements are as follows:

Exploration Expenditure Commitments

The company has obligations to perform minimum annual exploration work totalling \$177,000 on its properties.

NOTE 10: RELATED PARTY DISCLOSURES

Transactions with related parties:

Peter N Smith is a director of Resource Investments & Consulting Pty Ltd (RIC) which provided mine engineering and geological services totalling \$76,800 (net of GST) during the 6 months ended 31.12.2017 (6 months ended 31.12.2016 \$91,800). Of the \$76,800, by agreement, the Company has deferred payment of \$46,080 until the Company has the capacity to pay. The total amount deferred by RIC at 31/12/2017 is \$373,444, net of GST.

Michael J Povey is the principal of an accounting practice which provided accounting and company secretarial services totalling \$21,600 (net of GST) during the 6 months ended 31.12.2017 (6 months ended 31.12.2016 \$21,600). Of the \$21,600, by agreement, the Company has deferred payment of \$11,100 until the Company has the capacity to pay. The total amount deferred by Mr Povey at 31/12/2017 is \$82,840, net of GST.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. giving a true and fair view of the company's financial position as at 31 December 2017 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.

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

Director



Michael J Povey

Dated this 14th day of March 2018

**INDEPENDENT AUDITORS REVIEW REPORT TO THE MEMBERS OF
TRUSCOTT MINING CORPORATION LIMITED FOR THE HALF YEAR ENDED
31 DECEMBER 2017**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Truscott Mining Corporation Limited (the Company) which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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.

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 the Company is not in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the financial position of the Company as at 31 December 2017 and of its financial 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.

Material Uncertainty regarding Going Concern

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the company incurred a net loss of \$56,713, had net cash outflow of \$39,684 from operating and investing activities during the half year ended 31 December 2017. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

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 AASB 134 Interim Financial Reporting including: giving a true and fair view of the Company's financial position as at 31 December 2017 and its performance for the half-year ended on that date. As the auditor of 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*.

A handwritten signature in dark ink, appearing to read 'Walker Wayland WA Audit Pty Ltd'.

WALKER WAYLAND WA AUDIT PTY LTD

A handwritten signature in dark ink, appearing to read 'John Dorazio'.

John Dorazio FCA
Director

Level 3, 1 Preston Street, Como WA 6152

Dated this 15th day of March 2018.