



SELECT
EXPLORATION

**Select Exploration Limited
and its controlled entities
ABN: 25 062 063 692**

**Interim Financial Report
for the Half-Year Ended 30 June 2014**

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These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual financial statements for the year ended 31 December 2013 and any public announcements made by Select Exploration Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Director's Report

The directors present their half-yearly report on the consolidated entity of Select Exploration Limited ("the Company" or "Select") and the entities it controlled at the end of, or during, the period 1 January 2014 to 30 June 2014 ("the Group").

The directors of the Company at any time during or since the end of the half-year are:

Directors

Name	Position	Period of Directorship
Mr Ian Macliver	Non-Executive Chairman	Appointed 14 September 2010
Mr Mark Titchener	Non- Executive Director	Appointed 14 September 2010
Ms Cherie Leeden	Non-Executive Director	Appointed 10 January 2011

Review of Operations

During the half year ended 30 June 2014 the Company continued with its ongoing project review, including the divestment of non-core assets in both Tanzania and Gabon to Metals of Africa Limited (ASX: MTA). Ms Cherie Leeden was not involved with either of these transactions due to the related party nature of her involvement with both companies.

The Company undertook a two tranche placement that raised approximately \$800,000 before costs at \$0.004 per share, in addition to receiving shareholder approval to cancel 50 million performance shares for nil consideration.

The loss from operations before tax for the half-year of \$645,270 compares to a loss of \$1,815,903 for the 6-months ended 30 June 2013. The Company had a cash balance of \$685,453 as at 30 June 2014 (31 December 2013: \$362,083).

Events Subsequent to Reporting Date

Subsequent to 30 June 2014 the Company relinquished three tenements in Tanzania, as announced on 29 August 2014.

Subsequent to 30 June 2014 the Company has exercised 2,500,000 options in Metals of Africa Limited at an exercise price of \$0.093.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 30 June 2014.

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



Ian Macliver
Non-Executive Chairman
12 September 2014

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 5 to 17 are in accordance with the *Corporations Act 2001*, including:
 - a) complying with the Corporations Regulations 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting and other mandatory professional requirements; and
 - b) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2014 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.



Ian Macliver
Non-Executive Chairman

Dated at Perth this 12th day of September 2014

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF SELECT EXPLORATION LIMITED

As lead auditor for the review of Select Exploration Limited for the half-year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Select Exploration Limited and the entities it controlled during the period.



Peter Toll

Director

BDO Audit (WA) Pty Ltd

Perth, 12 September 2014

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the half year ended 30 June 2014

	Note	Consolidated 30 June 2014 \$	Consolidated 30 June 2013 \$
Revenue from continuing operations		-	-
Other income	2	409,187	30,457
Administration and general expenses		(390,364)	(585,072)
Exploration expenses		(84,169)	(656,852)
Impairment of PP&E		(30,100)	-
Impairment of EE&E		(790,899)	
Share based payment expense		-	(177,032)
Wages and salaries		-	(430,074)
Loss before income tax		(886,345)	(1,815,939)
Income tax benefit/(expense)		-	-
Loss from continuing operations		(886,345)	(1,815,939)
Profit from discontinued operations		241,075	(2,598)
Net loss for the half year attributable to the owners of Select Exploration Limited		(645,270)	(1,815,903)
<i>Items that may be classified to profit and loss</i>			
Exchange difference on translation of foreign operations		(65,854)	954,358
Total other comprehensive income for the period, net of tax		(65,854)	954,358
Total comprehensive profit/(loss) for the half year attributable to the owners of Select Exploration Limited		(711,124)	(861,545)
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the company:			
Basic profit/(loss) per share		(0.45 cents)	(2.08 cents)
Diluted loss per share		n/a	n/a
Earnings per share for loss attributable to the ordinary equity holders of the company:			
Basic profit/(loss) per share		(0.33 cents)	(2.08 cents)
Diluted loss per share		n/a	n/a

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position As at 30 June 2014

	Note	Consolidated 30 June 2014 \$	Consolidated 31 December 2013 \$
Current assets			
Cash and cash equivalents		685,453	362,083
Trade and other receivables		4,069	-
Financial Assets at Fair Value Through Profit and Loss	6	787,792	-
Total current assets		1,477,314	362,083
Non-current assets			
Exploration and evaluation expenditure	5	-	1,002,901
Property, plant and equipment		-	97,566
Total non-current assets		-	1,100,467
Total assets		1,477,314	1,462,550
Liabilities			
Current liabilities			
Trade and other payables		93,145	121,159
Total current liabilities		93,145	121,159
Total liabilities		93,145	121,159
Net assets		1,384,169	1,341,391
Equity			
Issued capital	8	48,404,634	47,650,734
Reserves		3,172,433	3,238,276
Accumulated losses		(50,192,898)	(49,547,619)
Total equity		1,384,169	1,341,391

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity For the half year ended 30 June 2014

	Issued Capital \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated Losses \$	Total \$
Consolidated					
Balance at 1 January 2014	47,650,734	3,160,861	77,416	(49,547,619)	1,341,392
Total loss for the period	-	-	-	(645,279)	(645,279)
Exchange rate differences on translation of foreign operations	-	-	(65,844)	-	(65,844)
Total comprehensive loss for the period	-	-	(65,844)	(645,279)	(711,123)
Transactions with owners in their capacity as owners					
Placement net of capital raising costs	753,900	-	-	-	753,900
Balance at 30 June 2014	48,404,634	3,160,861	11,572	(50,192,898)	1,384,169

Consolidated

Balance at 1 January 2013	49,294,659	517,819	9,648	(39,669,149)	10,152,977
Total loss for the period	-	-	-	(9,878,470)	(9,878,470)
Exchange rate differences on translation of foreign operations	-	-	67,768	-	67,768
Total comprehensive loss for the period	-	-	67,768	(9,878,470)	(9,810,702)
Transactions with owners in their capacity as owners					
Transfer of options upon expiry	(2,437,911)	2,437,911	-	-	-
Incentive options issued to employees and consultants	-	206,700	-	-	206,700
Reversal of performance shares expense on resignation	-	(29,688)	-	-	(29,668)
Incentive options issued to employees and consultants	-	7,312	-	-	7,312
Incentive options issued to employees and consultants	-	20,787	-	-	20,787
Contributions of equity, net of transaction costs	793,974	-	-	-	793,974
Options exercised during year	12	-	-	-	12
	(1,643,925)	2,643,042	-	-	999,117
Balance at 31 December 2013	47,650,734	3,160,861	77,416	(49,547,619)	1,341,391

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows For the half year ended 30 June 2014

	Consolidated 30 June 2014 \$	Company 30 June 2013 \$
Cash flows operating activities		
Payments to suppliers and employees	(447,833)	(1,000,380)
Interest received	4,929	19,920
Other receipts	21,469	31,315
Net cash used in operating activities	(421,435)	(949,145)
Cash flows from investing activities		
Payments for PPE	-	(91,715)
Proceeds on disposal of PPE	80,000	-
Payments for Exploration and Evaluation Expenditure	(84,169)	(660,626)
Net cash used in investing activities	(4,169)	(752,341)
Cash flows from financing activities		
Proceeds from issue of shares net of transaction costs	753,900	5,401
Net cash provided by financing activities	753,900	5,401
Net increase/ (decrease) in cash held	328,296	(1,696,085)
Cash and cash equivalents at the beginning of the half year	362,083	2,318,827
Exchange rate adjustment	(4,926)	(55,224)
Cash and cash equivalents at the end of the financial period	685,453	567,518

The accompanying notes form part of these financial statements.

Notes to the financial statements for the half year ended 30 June 2014

1. Statement of Significant Accounting Policies

Basis of preparation

These general purpose interim financial statements for the half-year reporting period ended 30 June 2014 has been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Act 2001*. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 31 December 2013 and any public announcements made by Select Exploration Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 30 June 2014. As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the company and, therefore, no change is necessary to Group accounting policies.

2. Other Income	Consolidated 30 June 2014 \$	Company 30 June 2013 \$
Other income	26,397	30,457
Gain on Sale – Gabon	210,860	-
Gain on re-measurement of equity instrument	171,930	-
	409,187	30,457

3. Operating Segments

The Group has 2 operating segments, as described below, which are the Group's strategic divisions. The strategic divisions are based on geographic locations, and are operated separately because of the different jurisdictions in which they are located. For each of these divisions the Group's managing director is responsible for overseeing the operations of the division. The following summary describes the operations in each of the Group's reportable segments:

- Exploration Tanzania. Includes all Tanzanian exploration licences and related activities; and
- Corporate Australia. Includes all Australian based management and corporate activities.

Segment Performance 30 June 2014	Exploration Tanzania \$	Corporate \$	Total \$
Revenue from external customers	-	-	-
Reportable segment (loss)	(905,168)	18,823	(886,345)
Segment Assets 30 June 2014	Exploration Tanzania \$	Corporate \$	Total \$
Segment assets			
Cash	12,729	672,724	685,453
Exploration and evaluation	-	-	-
Other receivables and prepayments	4,069	-	4,069
Other Financial Assets	-	787,792	787,792
Total segment assets	16,798	1,460,516	1,477,314
Segment Liabilities 30 June 2014	Exploration Tanzania \$	Corporate \$	Total \$
Segment liabilities			
Creditors	42,424	(135,569)	(93,145)
Total segment liabilities	42,424	(135,569)	(93,145)
Segment Performance 31 December 2013	Exploration Tanzania \$	Corporate \$	Total \$
Revenue from external customers	-	50,484	50,484
Reportable segment (loss)	(8,054,221)	(1,824,249)	(9,878,470)

Segment Assets	Exploration Tanzania	Corporate	Total
31 December 2013	\$	\$	\$
Segment assets			
Cash	9,107	352,976	362,083
Exploration and evaluation	1,002,901	-	1,002,901
Other	97,566	-	97,566
Total segment assets	1,109,574	352,976	1,462,550
Segment Liabilities			
31 December 2013	\$	\$	\$
Segment liabilities			
Creditors	32,731	88,428	121,159
Total segment liabilities	32,731	88,428	121,159

4. Events Subsequent to Reporting Date

Subsequent to 30 June 2014 the Company relinquished three tenements in Tanzania, as announced on 29 August 2014.

Subsequent to 30 June 2014 the Company has exercised 2,500,000 options in Metals of Africa Limited at an exercise price of \$0.093.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

5. Exploration & Evaluation Expenditure

	Consolidated 30 June 2014	Consolidated 31 December 2013
	\$	\$
Opening balance	1,002,901	7,815,000
EE&E attributable to acquisitions	-	18,527
Non-core EE&E divested (note 12)	(154,145)	-
Additions	84,169	754,069
Write down	(84,169)	-
Impairment	(790,899)	(7,636,717)
Foreign exchange on translation	(57,857)	52,022
Total Exploration & Evaluation Expenditure	-	1,002,901

6. Financial Assets at Fair Value Through Profit and Loss

	Consolidated 30 June 2014 \$	Company 30 June 2013 \$
Listed Securities	480,000	-
Unlisted Options	307,792	-
	787,792	-

Changes in fair value of financial assets at fair value through profit and loss are recorded in other income in profit or loss.

7. Contingent Assets and Liabilities

As at the date of this financial report the Company has no identified contingent assets or liabilities (31 Dec 2013: Nil).

8. Contributed Equity

Details	Note	30 June 2014		31 December 2013	
		No. of shares	\$	No. of shares	\$
Ordinary fully paid Shares	8a	324,923,226	45,614,634	124,673,226	44,860,734
Performance Shares	8b	-	2,790,000	50,000,000	2,790,000
Total		324,923,226	48,404,634	50,000,000	47,650,734

	30 June 2014		31 December 2013	
	No. of shares	\$	No. of shares	\$
a) Ordinary Shares				
At the beginning of the reporting period	124,673,226	44,860,734	41,527,558	44,066,748
<i>Shares issued during the period</i>				
- Placement	200,250,000	801,000	-	-
- Rights Issue and Shortfall	-	-	83,109,074	831,090
- Exercise of options	-	-	3	12
- Exercise of loyalty options	-	-	36,561	-
- Transferred from performance shares	-	2,790,000	-	-
Transaction costs	-	(47,100)	-	(37,116)
At the end of the reporting period	324,923,226	48,404,634	124,673,226	44,860,734

	30 June 2014		31 December 2013	
	No. of shares	\$	No. of shares	\$
b) Performance Shares				
At the beginning of the reporting period	50,000,000	2,790,000	50,000,000	2,790,000
Cancelled during the period	(50,000,000)	(2,790,000)	-	-
At the end of the reporting period	-	-	50,000,000	2,790,000

9. Share Based Payment Reserve

Details	Note	30 June 2014		31 December 2013	
		No. of Options	\$	No. of Options	\$
Expired Options (\$0.20, 31 July 2013)		3,045,730	2,437,911	3,045,730	2,437,911
Exercised Options (\$0.20, 31 July 2013)		1,129,861	7,312	1,129,861	7,312
Options (\$0.36, 30 June 2016)	9a	3,850,000	694,851	3,850,000	694,851
Options (\$0.35, 30 Sept 2015)	9b	27,443,886	20,787	27,443,866	20,787
Total		35,469,477	3,160,861	35,469,457	3,160,861

	30 June 2014		31 December 2013	
	No. of options	\$	No. of options	\$
a) Options (\$0.36, 30 June 2016)				
At the beginning of the reporting period	3,850,000	694,851	2,000,000	488,151
Issued during the period	-	-	1,850,000	206,700
At the end of the reporting period	3,580,000	694,851	3,850,000	694,851

	30 June 2014		31 December 2013	
	No. of options	\$	No. of options	\$
b) Options (\$0.35, 30 September 2015)				
At the beginning of the reporting period	27,443,886	20,787	6,666,667	-
Issued during the period	-	-	20,777,252	20,787
Exercised during the period	-	-	(33)	-
At the end of the reporting period	27,443,886	20,787	27,443,886	20,787

10. Dividends

There were no Dividends paid by the Company during the half year period ended 30 June 2014 (30 June 2013: Nil).

11. Related Parties

The Company paid Grange Capital Partners a lead manager capital raising and management fee of \$47,100 in relation to the two tranche placement completed during the period. Mr Macliver is a director of Grange Capital Partners.

Ms Cherie Leeden is a director of both Select Exploration Limited and Metals of Africa Limited. It is advised that Ms Leeden abstained from any discussions concerning any dealings between both parties during the period.

Otherwise, transactions within the related parties are consistent with those disclosed in the 31 December 2013 financial report.

12. Commitments

The company has committed to USD 260,000 in expenditure in relation to operations in Tanzania, other than this the Company had no changes to commitments during the period ended 30 June 2014 (31 December 2013: nil).

13. Non-Core Asset Divestment

On 7 February 2014, Select Exploration Limited divested a portfolio of non-core exploration assets in Tanzania to Metals of Africa Ltd. The divestment was completed through the disposal of the Mkindu Group, consisting of Mkindu Pty Ltd, Swala Resources Ltd, and Siwandu Metals Ltd.

Select recognised a net profit on the disposal of \$241,360.

Proceeds on disposal comprises:

	Number	Price	\$
Fully paid ordinary shares in Metals of Africa issued to the Company (subject to 12 month voluntary escrow)	5,000,000	\$0.081	405,000

Net assets of Mkindu Group disposed:

	\$
Trade and other receivables	7,254
PP&E	2,241
Exploration and evaluation and fixed assets	154,145
Net assets disposed	163,640

On 31 March 2014, Select divested a portfolio of Gabonese exploration licences to Metals of Africa, to be structured through a joint venture holding company. Select received 5,000,000 unlisted Metals of Africa options exercisable at \$0.093 on or before 31 March 2017 as consideration.

Proceeds on disposal comprises:

	Number	Price	\$
Unlisted Metals of Africa options issued to the Company	5,000,000	\$0.0422	\$210,860

14. Discontinued Operation

a) Description

As advised above, on 7 February 2014 the Company divested a portfolio of non-core exploration assets in Tanzania to Metals of Africa Ltd. The divestment was completed through the disposal of the Mkindu Group, consisting of Mkindu Pty Ltd, Swala Resources Ltd, and Siwandu Metals Ltd.

b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the 5 week period ended 7 February 2014.

	30 June 2014
	\$
Revenue	-
Expenses	(285)
Profit before income tax	(285)
Income tax expense	-
Profit after income tax of discontinued operation	(285)
Gain on sale of the division before income tax	241,360
Income tax expense	-
Gain on sale of the division after income tax	241,075
Profit from Discontinued operation	-

	30 June 2014
	\$
Net cash inflow from operating activities	-
Net cash inflow from investing activities	-
Net cash inflow from financing activities	-
Net increase in cash generated by the division	-

c) Details of the sale of the division

There were no contingent or performance related consideration components in the sale.

	30 June 2014
	\$
Consideration received or receivable	
- Fully paid ordinary shares in Metals of Africa Limited	405,000
Total disposal consideration	405,000
Carrying amount of net assets sold (see note 13)	163,640
Gain on sale before income tax	241,360
Income tax expense	-
Gain on sale after income tax	241,360

15. Controlled Entities

	Country of Incorporation	Principal Activity	Percentage Owned (%)	
			2014	2013
Parent Entity				
Select Exploration Limited	Australia	Investment/Parent		
Subsidiaries of Select Exploration Limited				
Tanganyika Energy Pty Ltd	Australia	Investment/Holding	100	100
East Africa Energy Pty Ltd	Australia	Investment/Holding	100	100
Panama Resources Limited	Mauritius	Investment/Holding	100	100
Shira Resources Limited	Mauritius	Investment/Holding	100	100
WTF Resources Limited	Tanzania	Mineral Exploration	100	100
IBIS Resources Limited	Tanzania	Mineral Exploration	100	100
Rift Energy Pty Ltd*	Australia	Investment/Holding	100	100
Sana Energy Pty Ltd*	Australia	Investment/Holding	100	100
Soren Energy Pty Ltd*	Australia	Investment/Holding	100	100
Bora Energy Pty Ltd*	Australia	Investment/Holding	100	100

*Dormant company, to be wound up subsequent to balance date.

16. Fair Value Measurements of Financial Instruments

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date and represent fair value. The fair value of current financial assets and liabilities settled within 12 months approximate fair value due to their short-term nature. The fair value of financial assets and liabilities together with their carrying value are as follows:

	30 June 2014	30 June 2014	31 Dec 2013	31 Dec 2013
	Carrying Value	Fair Value	Carrying Value	Fair Value
Current Financial assets				
Financial Assets at Fair Value Through Profit and Loss				
-Listed Shares	480,000	480,000	-	-
-Unlisted Options	307,792	307,792	-	-
	<u>787,792</u>	<u>787,792</u>	-	-

The following tables classify financial instruments recognised in the statement of financial positions of the Group, according to the hierarchy stipulated in AASB 7 as follows:

Level 1: the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: a valuation technique is used using other than quoted prices within Level 1 that are observable for the financial instrument either directly (i.e. as prices) or indirectly (i.e. derived from prices); or

Level 3: a valuation technique is used using inputs that are not based on observable market data (unobservable inputs).

As at 30 June 2014	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Current Financial assets				
Financial Assets at Fair Value Through Profit and Loss				
-Listed Shares	480,000	-	-	480,000
-Unlisted Options	-	307,792	-	307,792

The fair value of financial instruments traded in active markets is based upon quoted market price at the end of the reporting period. The quoted market price is the quoted bid prices that are included in Level 1. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group makes a number of assumptions based upon observable market data existing at each reporting period. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The level 2 financial assets have been valued using a black-scholes option pricing model.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Select Exploration Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Select Exploration Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's 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 consolidated entity's financial position as at 30 June 2014 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 Select Exploration 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.

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*, which has been given to the directors of Select Exploration Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



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 Select Exploration 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 30 June 2014 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*.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Peter Toll', with the BDO logo written above it.

Peter Toll

Director

Perth, 12 September 2014