



## **POZ Minerals Limited**

**ABN 51 129 158 550**

**Interim Financial Report  
31 December 2016**

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# **POZ MINERALS LIMITED**

## **INTERIM FINANCIAL REPORT**

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### **DIRECTORS' REPORT**

Your Directors submit their report for the half-year ended 31 December 2016.

### **DIRECTORS**

The names of the POZ Minerals Ltd (the "Company") Directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr James (Jim) Richards – Non Executive Chairman

Mr Grant Mooney – Non Executive Director and Company Secretary

Mr Mark Thompson – Non Executive Director

### **OPERATING RESULTS**

The loss from ordinary activities after tax of the Company for the half-year ended 31 December 2016 after income tax was \$2,992,376 (2015: \$468,826 loss) which included exploration write-offs totalling \$2,934,130.

### **REVIEW OF OPERATIONS**

POZ Minerals Limited (POZ) is pleased to present its half yearly Review of Operations for the six month period ended 31 December 2016.

#### **1.0 Blina Diamond Project (Western Australia)**

**POZ 100%**

The Blina Diamond Project is 100% owned by POZ and has no private royalty obligations. The project consists of two POZ exploration tenement applications with a combined area of 161km<sup>2</sup>, four Mining Lease Applications with an area of 118 hectares (within the ELA's) and three Miscellaneous Licence applications to facilitate access. The project is situated 100km east of Derby.

The Company has compiled the considerable amount of historical data into a modern database. This data along with previous fauna and flora, groundwater and other studies are now being used to generate applications for permitting of bulk sampling operations, which can be submitted to the mines department once the mining applications are granted. The tenements are currently progressing to grant through the Native Title process; although no particular outcome from this course can be guaranteed by the Company.

#### **2.0 Laverton Gold Project (Western Australia)**

**POZ 100%**

The Laverton gold project is located 10 km southeast of Laverton in the highly-endowed Mount Margaret district of Western Australia. The tenements are granted 4km east of Granny Smith gold mine (plant capacity 3.5 Mtpa). The project was pegged by the Company at minimal cost and has no private royalty obligations. The Laverton Project consists of three tenements with a combined area of 63.5km<sup>2</sup>.

There are a number of target areas within the project under transported cover which could mask any significant gold deposit potentially present. The Company recently conducted a soil sampling program to test some of these areas; analysis of the assay results is pending.

#### **3.0 Mount Monger Gold Project (Western Australia)**

**POZ 100%**

The Mount Monger Gold Project is located in the Bulong district of the East Coolgardie mineral field, Western Australia. The project consists of granted tenement E25/525 (26.6km<sup>2</sup>) which was acquired through pegging; the Company owns 100% of the project with no private royalties or encumbrances.

## **POZ MINERALS LIMITED**

### **INTERIM FINANCIAL REPORT**

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The project is adjacent to excellent infrastructure being 10km east from the currently operating 1.2Mtpa Randalls gold mill, access is via the all-weather Mount Monger Road.

A review of the historic drilling data and an earlier drilling program by POZ has identified a lode gold prospect at the Kiaki Soaks Prospect located on the prospective Bald Hill Shear zone. Further drilling is required in order to assess this mineralisation and the Company is assessing its options to best advance the project.

#### **4.0 Highland Plains Phosphate Project (Northern Territory)**

**POZ 100%**

The Highland Plains Phosphate Project has a JORC compliant Inferred Resource of 53 million tonnes at 16% P<sub>2</sub>O<sub>5</sub><sup>1</sup>. Substantial amounts of drilling and scoping study work have been done at Highland Plains with proposed solutions for beneficiation to higher grades and product transport logistics using a slurry pipeline.

During the period, a previously granted option over the Highland Plains Phosphate lapsed. POZ is currently in communication with interested parties with a view to finding an equity partner for Highland Plains.

#### **5.0 Horse Well Gold Project (Western Australia)**

**POZ 20%**

POZ retains a 20% interest in E69/2820 which is free carried up to the completion of a bankable feasibility study. This tenement is a part of Alloy Resources Limited (ASX: AYR) Horse Well Gold Project which lies approximately 50km north-east of the Jundee gold mine and is managed by AYR <http://www.alloyres.com/projects/horse-well-gold-project>.


### **DIVIDENDS**

No dividends have been paid or declared since the start of the financial period and the Directors do not recommend the payment of a dividend in respect of the financial half-year.

### **AUDITOR'S INDEPENDENCE DECLARATION**

We have obtained an independence declaration from the lead auditor of POZ Minerals Limited, Grant Thornton Audit Pty Ltd, which is included on page 6.

Signed in accordance with a resolution of the Directors



**JAMES RICHARDS**  
Chairman



**GRANT MOONEY**  
Non Executive Director/Company Secretary

Dated: 8 March 2017

Competent Persons Statement

<sup>1</sup> The Company is not aware of any new information or data that materially affects the information included in the previous announcement (JORC 2004) and that all of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

The information in this report that relates to Mineral Resources at the Highland Plains Phosphate Project is based on information compiled by Rick Adams and Ted Hansen who are members of the Australasian Institute of Mining and Metallurgy (AusIMM). Rick Adams and Ted Hansen are directors of Cube Consulting Pty Ltd. And have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a competent Person as defined in the December 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Rick Adams and Ted Hansen consent to the inclusion in this report of the Information, in the form and context in which it appears.

The information in this report that relates to previously reported Exploration is based on information compiled by Mr Jim Richards who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Richards is a Director of POZ. Mr Richards has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Richards consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Level 1  
10 Kings Park Road  
West Perth WA 6005

Correspondence to:  
PO Box 570  
West Perth WA 6872

T +61 8 9480 2000  
F +61 8 9322 7787  
E [info.wa@au.gt.com](mailto:info.wa@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

**Auditor's Independence Declaration  
To The Directors of POZ Minerals Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of POZ Minerals Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

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



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M A Petricevic  
Partner - Audit & Assurance

Perth, 8 March 2017

Grant Thornton Audit Pty Ltd ACN 130 913 594  
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**POZ MINERALS LIMITED**  
**INTERIM FINANCIAL REPORT**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	NOTE	31 December 2016 \$	31 December 2015 \$
Other income from ordinary activities	5	247,753	45,817
<b>Total Revenue</b>		<b>247,753</b>	<b>45,817</b>
Exploration expenses		37,414	39,622
Exploration written off		2,934,130	150,557
Employee benefits expense		73,382	99,419
Accounting and audit		29,859	27,004
Corporate advisory fees		20,000	-
Company secretarial expenses		24,000	24,000
Depreciation expense		4,097	8,309
Rental expenses		34,375	45,873
Administration expenses		61,988	56,334
Share based payments		3,920	66,650
Revaluation of shares		15,625	(3,125)
Loss on disposal of fixed assets		1,339	-
<b>Total Expenses</b>		<b>(3,240,129)</b>	<b>(514,643)</b>
<b>Loss for the period before income tax expense</b>		<b>(2,992,376)</b>	<b>(468,826)</b>
Income tax benefit		-	-
<b>Other Comprehensive Income/(Loss)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Loss for the period</b>		<b>(2,992,376)</b>	<b>(468,826)</b>
		<b>Cents</b>	<b>Cents</b>
Basic loss per share (cents per share)		(1.857)	(0.291)
Diluted loss per share (cents per share)		(1.857)	(0.291)

*The accompanying notes form part of the financial statements.*

**POZ MINERALS LIMITED**  
**INTERIM FINANCIAL REPORT**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	NOTE	31 December 2016 \$	30 June 2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		2,375,133	2,599,917
Trade and other receivables		39,188	30,551
Other		14,896	23,888
<b>Total Current Assets</b>		<b>2,429,217</b>	<b>2,654,356</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		15,024	19,399
Environmental Bond		22,083	22,083
Financial assets	6	21,875	37,500
Exploration and evaluation expenditure	7	1,039,471	3,770,118
<b>Total Non-Current assets</b>		<b>1,098,453</b>	<b>3,849,100</b>
<b>TOTAL ASSETS</b>		<b>3,527,670</b>	<b>6,503,456</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		43,096	35,922
Provisions		30,958	25,462
<b>TOTAL LIABILITIES</b>		<b>74,054</b>	<b>61,384</b>
<b>NET ASSETS</b>		<b>3,453,616</b>	<b>6,442,072</b>
<b>EQUITY</b>			
Issued Capital	8	14,590,606	14,590,606
Reserves	9	116,070	115,390
Accumulated losses		(11,253,060)	(8,263,924)
<b>TOTAL EQUITY</b>		<b>3,453,616</b>	<b>6,442,072</b>

*The accompanying notes form part of the financial statements.*



**POZ MINERALS LIMITED**  
**INTERIM FINANCIAL REPORT**

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**STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	<b>31 December 2016 \$</b>	<b>31 December 2015 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Other income	239,250	-
Payments to suppliers and employees	(283,296)	(271,254)
Interest received	23,911	43,125
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(20,135)</b>	<b>(228,129)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(1,166)	(1,374)
Payments for exploration, evaluation and development expenditure	(203,483)	(393,063)
<b>NET CASH FLOWS USED IN BY INVESTING ACTIVITIES</b>	<b>(204,649)</b>	<b>(394,437)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Share issue expenses	-	-
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS HELD</b>	<b>(224,784)</b>	<b>(622,566)</b>
Cash and cash equivalents at the beginning of the period	2,599,917	3,669,560
<b>Cash and cash equivalents at the end of the period</b>	<b>2,375,133</b>	<b>3,046,994</b>

*The accompanying notes form part of the financial statements.*

**POZ MINERALS LIMITED**  
**INTERIM FINANCIAL REPORT**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Ordinary Shares	Share Option Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	14,590,606	115,390	(8,263,924)	6,442,072
Loss for the period	-	-	(2,992,376)	(2,992,376)
Other comprehensive income	-	-	-	-
<b>Total comprehensive profit for half year</b>	-	-	<b>(2,992,376)</b>	<b>(2,992,376)</b>
Transfer of expired options to accumulated losses	-	(3,240)	3,240	-
Employee options issued	-	3,920	-	3,920
<b>Balance as at 31 December 2016</b>	<b>14,590,606</b>	<b>116,070</b>	<b>(11,253,060)</b>	<b>3,453,616</b>

	Ordinary Shares	Share Option Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2015</b>	14,590,606	204,100	(7,499,114)	7,295,592
Loss for the period	-	-	(468,826)	(468,826)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for half year</b>	-	-	<b>(468,826)</b>	<b>(468,826)</b>
1,300,000 Employee options issued exercisable at \$0.026 each	-	13,000	-	13,000
5,000,000 Directors options issued exercisable at \$0.07 each	-	49,000	-	49,000
500,000 Employee options issued exercisable at \$0.044 each	-	4,650	-	4,650
Write back expired options	-	(153,120)	153,120	-
<b>Balance as at 31 December 2015</b>	<b>14,590,606</b>	<b>117,630</b>	<b>(7,814,820)</b>	<b>6,893,416</b>

*The accompanying notes form part of the financial statements.*

# **POZ MINERALS LIMITED**

## **INTERIM FINANCIAL REPORT**

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

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#### **1. CORPORATE INFORMATION**

The financial report of POZ Minerals Limited (the “Company”) for the half-year ended 31 December 2016 was authorised for issue in accordance with a resolution of the directors on 8 March 2017.

POZ Minerals Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange (ASX Code: POZ).

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **(a) Statement of compliance**

These interim financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 ‘Interim Financial Reporting’, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (‘AASB’). Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by POZ Minerals Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

##### ***Financial assets***

Financial assets include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

##### **(b) Basis of preparation**

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

# **POZ MINERALS LIMITED**

## **INTERIM FINANCIAL REPORT**

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

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#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **(c) Significant accounting judgements and key estimates**

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

In preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2016.

##### **(d) Adoption of new and revised Accounting Standards**

In the half-year ended 31 December 2016, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2016.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and therefore no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2016. 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 its business and therefore no change is necessary to Company accounting policies.

##### **(e) Estimates**

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2016. The only exception is the estimate of the provision for income taxes which is determined in the interim financial statements using the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

#### **3. FINANCIAL RISK MANAGEMENT**

Other aspects of the Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial report as at and for the year ended 30 June 2016.

#### **4. SEGMENT INFORMATION**

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company operates solely in the natural resources exploration industry in Australia, and has determined that there are no operating segments. The Company is predominantly involved in exploration for diamonds, gold and phosphate.

**POZ MINERALS LIMITED**  
**INTERIM FINANCIAL REPORT**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**5. OTHER INCOME FROM ORDINARY ACTIVITIES**

	<b>31 December 2016 \$</b>	<b>31 December 2015 \$</b>
Interest received from financial institutions	30,253	45,817
Other income	217,500	-
<b>Total other income</b>	<b>247,753</b>	<b>45,817</b>

**6. FINANCIAL ASSETS**

	<b>31 December 2016 \$</b>	<b>30 June 2016 \$</b>
Investment in listed entities	21,875	37,500
<b>Total Financial Assets</b>	<b>21,875</b>	<b>37,500</b>

Financial assets relate to shares held in listed entities and the fair value is therefore determined by reference to active market transactions.

**7. EXPLORATION AND EVALUATION EXPENDITURE**

	<b>31 December 2016 \$</b>	<b>30 June 2016 \$</b>
Opening balance	3,770,118	3,503,956
Exploration and evaluation capitalised during period	203,483	671,682
Less written off <sup>(1)</sup>	(2,934,130)	(405,520)
<b>Closing balance</b>	<b>1,039,471</b>	<b>3,770,118</b>

<sup>(1)</sup> During the period the Company undertook a rationalisation of its areas of interest. A number of tenements were relinquished during the period. In line with the Company's accounting policy where a tenement is no longer held, previously capitalised exploration and evaluation expenditure is written off.

**8. ISSUED CAPITAL**

	<b>31 December 2016 Shares</b>	<b>31 December 2016 \$</b>	<b>30 June 2016 Shares</b>	<b>30 June 2016 \$</b>
Opening balance	161,168,333	14,590,606	161,168,333	14,590,606
Movements	-	-	-	-
<b>Closing balance</b>	<b>161,168,333</b>	<b>14,590,606</b>	<b>161,168,333</b>	<b>14,590,606</b>

**POZ MINERALS LIMITED**  
**INTERIM FINANCIAL REPORT**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**9. RESERVES**

<b>Share option reserve</b>	<b>31 December 2016 Shares</b>	<b>31 December 2016 \$</b>	<b>30 June 2016 Shares</b>	<b>30 June 2016 \$</b>
Opening balance	12,200,000	115,390	12,100,000	204,100
Employee & consultant options issued 29/7/15	-	-	1,300,000	13,000
Directors options issued 3/11/15	-	-	5,000,000	49,000
Employee options issued 3/11/15	-	-	500,000	4,650
Employee options issued 13/12/16	400,000	3,920	-	-
Less – expired options	(400,000)	(3,240)	(6,700,000)	(155,360)
<b>Closing balance</b>	<b>12,200,000</b>	<b>116,070</b>	<b>12,200,000</b>	<b>115,390</b>

The share option reserve arises as the share options granted vest over the vesting period. Amounts are transferred out of the reserve and into issued capital when the options are exercised.

Using the Black & Scholes options valuation and methodology, the fair value of the options were calculated. The following inputs were used:

<b>INPUT</b>	<b>EMPLOYEE &amp; CONSULTANT OPTIONS</b>	<b>DIRECTORS' OPTIONS</b>	<b>EMPLOYEE OPTIONS</b>	<b>EMPLOYEE OPTIONS</b>
Exercise Price	\$0.026	\$0.07	\$0.044	\$0.035
Share price	\$0.018	\$0.024	\$0.024	\$0.023
Grant date	29/7/15	3/11/15	3/11/15	13/12/16
Expected volatility (i)	100%	100%	100%	100%
Expiry date	29/7/18	3/11/18	9/11/17	13/12/18
Expected dividends	Nil	Nil	Nil	Nil
Risk free interest rate	2.0%	2.0%	2.0%	1.5%
Value per option	\$0.01	\$0.0098	\$0.0093	\$0.0098
Number of options	1,300,000	5,000,000	500,000	400,000
Value of options	\$13,000	\$49,000	\$4,650	\$3,920

- (i) The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to public available information.

# POZ MINERALS LIMITED

## INTERIM FINANCIAL REPORT

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

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#### 10. COMMITMENTS AND CONTINGENCIES

In June 1992 the High Court of Australia held in the Mabo case that the common law of Australia recognises a form of native title. The full impact that the Mabo decision may have on tenements held by the Company is not yet known. The Company is aware of native title claims that have been lodged with the National Native Title Tribunal ("the Tribunal") over several areas in the Northern Territory in which the Company holds interests. The native title claims have been accepted by the Tribunal for determination under section 63(1) of the Native Title Act 1993 (Commonwealth).

##### ***Operating Lease Commitment:***

The Company entered into a rental agreement commencing 16 May 2016 for a period of 24 months, with a 2 month rent free period.

<u>Office Rental</u>	<b>31 December 2016 \$</b>	<b>31 December 2015 \$</b>
Due within 1 year	55,313	13,475
Due 2 to 5 years	21,420	-
<b>Total other income</b>	<b>76,733</b>	<b>13,475</b>

##### ***Exploration Expenditure Commitments***

The Company has minimum statutory commitments as conditions of tenure of certain mining tenements. Whilst these obligations may vary, a reasonable estimate of the minimum commitments if it is to retain all of its present interests in mining and exploration properties is \$206,000 (30 June 2016: \$176,000).

#### 11. RELATED PARTY TRANSACTIONS WITH DIRECTOR RELATED ENTITIES

During the half year, a company associated with Grant Mooney were paid for company secretarial services provided to the Company totalling \$24,000 (2015: \$28,000). An amount of \$4,000 (30 June 2016: \$Nil) was owing as at 31 December 2016.

Arrangements with other related parties continue to be in place. For details of these arrangements, refer to the 30 June 2016 annual financial report.

#### 12. EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the half year which have significantly affected or may significantly affect the operations or the state of affairs of the Company in the future financial years.

## POZ MINERALS LIMITED INTERIM FINANCIAL REPORT

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### DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of POZ Minerals Limited, we declare that:

- (a) the financial statements and notes of the entity are in accordance with the *Corporations Act 2001*, including:
  - i. give a true and fair view of the Company's financial position as at the 31 December 2016 and of its performance for the half-year ended; and
  - ii. comply with Australian Accounting Standards (AASB 134 *Interim Financial Reporting*);
- (b) 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.

On behalf of the Board



**JAMES RICHARDS**  
Chairman



**GRANT MOONEY**  
Non Executive Director/Company Secretary

Perth, 8 March 2017



Level 1  
10 Kings Park Road  
West Perth WA 6005

Correspondence to:  
PO Box 570  
West Perth WA 6872

T +61 8 9480 2000  
F +61 8 9322 7787  
E [info.wa@au.gt.com](mailto:info.wa@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF POZ MINERALS LIMITED**

We have reviewed the accompanying half-year financial report of POZ Minerals Limited (the Company), which comprises the statement of financial position as at 31 December 2016, and 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 statement or description of accounting policies, other explanatory information and the directors' declaration.

### **Directors' Responsibility for the Half-year Financial Report**

The Directors of POZ Minerals 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 and the *Corporations Act 2001* and for such controls 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 the 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 Company'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*.

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As the auditor of POZ Minerals 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 complied with the independence requirements of the *Corporations Act 2001*.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of POZ Minerals Limited is not in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company'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*.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M A Petricevic  
Partner - Audit & Assurance

Perth, 8 March 2017