



INTERIM FINANCIAL REPORT

31 December 2016

CORPORATE DIRECTORY

DIRECTORS

Mr Phillip Jackson	Non-executive Chairman
Mr Martin Pyle	Managing Director
Mr Peter Cordin	Non-executive Director
Mr Tim Markwell	Non-executive Director

AUDITOR

RSM Australia Partners
8 St Georges Terrace
PERTH WA 6000

COMPANY SECRETARY

Mr Eric Moore

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DIRECTORS' REPORT

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

DIRECTORS

The names of the Directors of Aurora during the whole of the financial period and up to the date of this report are:

Mr Phillip Jackson (Chairman)
Mr Martin Pyle (Managing Director)
Mr Peter Cordin (Director)
Mr Tim Markwell (Director)

PRINCIPAL ACTIVITIES

The principal activities of the group are mineral exploration and assessing, and if appropriate, acquiring either directly or indirectly exploration and mine development projects worldwide.

OPERATING RESULTS

The operating loss after tax after minority interests for the half-year ended 31 December 2016 was \$480,065 (2015: \$982,130). A total of \$523,555 (2015: \$468,797) related to exploration expenditure written off.

DIVIDENDS

No dividends were paid during the period and the directors do not recommend the payment of a dividend.

REVIEW OF OPERATIONS

Aurora Minerals Limited and its subsidiary and associate companies conduct exploration across three continents with a focus on South Korea (**Peninsula Mines Limited**), West Africa (**Predictive Discovery Limited**) and Western Australia.

Corporate

During the half year, Aurora continued to focus on business development. Aurora's investment in One Asia Resources further diversified the Company's portfolio to include advanced gold exploration projects – Awak Mas and Pani, in Sulawesi, Indonesia, which have a combined JORC Mineral Resource of 5.2 million ounces of gold. Definitive Feasibility Studies are planned to progress the development of these resources.^{A1}

Post-placement in October 2016, Aurora's equity holding in Peninsula was 29.34%.^{D1}

Aurora retained a 39.64% interest in Predictive Discovery after that company's capital raising was completed also in October 2016.^{P1}

Peninsula Mines Limited (Aurora 29.34%)

With the support of Aurora Minerals, Peninsula continued to develop a strong exploration project portfolio in South Korea, where the mining industry has been largely dormant for decades.

During the second half of 2016, Peninsula discovered a major zinc skarn district at Ubeong, which it has secured under tenure applications. Trial geophysical and soil sampling grids over historical workings (where **2m @ 29% Zn** was sampled in a gossanous stope) will be extended during the forthcoming 2017 field season.^{D2}

Peninsula has progressed exploration of its three main graphite deposits with petrographic and metallurgical testing, as well as channel sampling and ground geophysics (electromagnetics) at Yongwon, where excellent results (trenching **9.7 metres grading 11.7%**) warrant diamond drilling.^{D3}

Channel sampling at Osu Gold-Polymetallic Project has confirmed a mineralised width of over 30m at surface (including **5.7m @ 3.14 g/t Au**, with **1.25m @ 7.73 g/t Au**), open along strike, which also warrants diamond drilling to penetrate the mineralisation below historical underground workings. ^{D4}

In 2017, Peninsula's planned diamond drilling will advance these key projects, while mapping and ridge-and-spur sampling are planned for the two lithium projects, and further soil sampling and ground geophysics will aid target definition and geological interpretation at Ubeong Zinc Project. ^{D5}

The rapid project development taking place can be credited to the assertive leadership of Jon Dugdale, appointed CEO in August 2016 and MD in January 2017. Jon's experience and vision will ensure the ongoing advancement of Peninsula's worthy projects to resource development stage. ^{D6}

Predictive Discovery Limited (Aurora 39.64%)

During the half year to December 2016, Predictive has focussed on their joint ventures in Côte D'Ivoire. Here, Toro Gold Limited have completed the geochemical analysis of drilling at Boundiali, highlights of which included **4m at 5.4g/t Au from 4m, including 1m at 15.2g/t Au** (hole number BRC010), extending the main mineralised zone over at least 1.2km, with best intercepts of **20m at 10.5g/t Au** and **28m at 4.0g/t Au**. ^{P2}

Other projects that Toro have progressed on Predictive's behalf during the half-year include Beriaboukro, along strike of Newcrest's Bonikro Gold Mine. Reconnaissance soil sampling has defined a number of gold-in-soil anomalies which extend the known mineralisation of the adjoining Kokoumbo Project, where diamond drilling has intersected **7.5m at 16 g/t Au**. Rock chip sampling at artisanal mine sites generated up to 726 g/t Au. ^{P3}

Predictive have raised over \$3M which will contribute towards advancing the above-named Ivorian Projects, as well as developing the historically explored and highly promising Bobosso Project through a JV with Ivorian company, XMI, along with new project generation in West Africa. ^{P1}

Aurora Minerals' Western Australian Projects

Camel Hills Project:

Peninsula has a 49.4% participating interest in the Camel Hills JV from Aurora Minerals Limited (50.6%). No field work was carried out during the half-year.

Glenburgh Project:

No field work was carried out during the half-year.

Summary List of all previous ASX releases referenced in this report

Aurora Minerals Limited

A1. *Aurora Invests in Gold Exploration and Development via One Asia Resources, 20 December 2016*

Peninsula Mines Limited

D1. *Peninsula Completes \$1.68 Million Placement to Accelerate South Korean Exploration, 6 October 2016*

D2. *Major Zinc Skarn District Identified at Ubeong Project in South Korea, 13 December 2016*

D3. *Excellent Metallurgy and High Grade Trenching results for Yongwon Graphite Project, South Korea, 12 January 2017*

D4. *High Grade Gold Channel Sampling Results from Osu Gold Project, South Korea, 12 December 2016*

D5. *Quarterly Report to 31 December 2016, 31 January 2016*

D6. *Appointment of Managing Director, 31 January 2017*

DIRECTORS' REPORT

Predictive Discovery Limited

- P1. Predictive Completes Capital Raising to Assist Funding of Exploration in West Africa, 6 October 2016*
- P2. More Drill Results from Boundiali in Cote D'Ivoire, 13 October 2016*
- P3. New Soil Anomalies and High Grade Rock Chip Samples, Cote d'Ivoire, 21 September 2016*

Competent Person Statement

The information in this report that relates to the exploration results and Mineral Resources of Aurora, Peninsula and Predictive is summarised from publicly available reports as released to the ASX of the respective companies. The results are duly referenced in the text of this report and the source documents are listed in the Summary.

All the information in this half yearly report has been compiled under the guidelines for reporting as set down under the 2012ed. JORC code. The information summarised herein has not changed materially from the greater detail that was originally disclosed in earlier public releases and which has been duly referenced in this report. The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the lead auditor's independence declaration as required by Section 307c of the Corporations Act 2001 is included within the Financial Report.

Signed in accordance with a resolution of Directors:



DIRECTOR

Perth, 14 March 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

		Consolidated	
		31 December 2016	31 December 2015
	Note	\$	\$
Revenue	2(i)	930,904	57,143
Administration expenses	2(ii)	(1,278,352)	(1,055,051)
Share of loss of associates accounted for using the equity method		(328,875)	-
Exploration and evaluation expenditure		(523,555)	(468,797)
Loss before tax		(1,199,878)	(1,466,705)
Income tax expense		-	-
Loss for the period from continuing operations		(1,199,878)	(1,466,705)
Other comprehensive income/(expenses)			
<i>Item that may be reclassified subsequently to operating result</i>			
Exchange differences on translating foreign controlled entities		7,254	66,758
Change in fair value of investment		(2,773)	(580,050)
Income tax relating to components of other comprehensive income		-	-
Total comprehensive loss for the period		(1,195,397)	(1,979,997)
Loss attributable to:			
Non-controlling interest		(719,813)	(484,575)
Owners of the parent entity		(480,065)	(982,130)
		(1,199,878)	(1,466,705)
Total comprehensive loss for the period is attributable to:			
Non-controlling interest		(715,434)	(446,681)
Owners of the parent entity		(479,963)	(1,533,316)
		(1,195,397)	(1,979,997)
Basic loss per share (cents per share)		(0.41)	(0.84)
Diluted loss per share (cents per share)		(0.41)	(0.84)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

		Consolidated	
		31 December	30 June
		2016	2016
	Note	\$	\$
Current Assets			
Cash and cash equivalents		6,125,075	3,800,369
Trade and other receivables		219,603	226,083
Other current assets		23,856	8,490
Total current assets		<u>6,368,534</u>	<u>4,034,942</u>
Non-Current Assets			
Available-for-sale financial assets	3	235,757	1,010,530
Investments accounted for using the equity method		4,692,669	4,771,544
Plant and equipment		121,861	142,193
Exploration and evaluation expenditure		-	-
Total non-current assets		<u>5,050,287</u>	<u>5,924,267</u>
Total assets		<u>11,418,821</u>	<u>9,959,209</u>
Current Liabilities			
Trade and other payables		231,941	194,865
Total current liabilities		<u>231,941</u>	<u>194,865</u>
Total liabilities		<u>231,941</u>	<u>194,865</u>
Net Assets		<u>11,186,880</u>	<u>9,764,344</u>
Equity			
Issued capital	4	37,317,961	37,317,961
Reserves		6,233,601	5,591,846
Accumulated losses		(34,095,276)	(33,615,211)
Parent entity interest		9,456,286	9,294,596
Non-controlling interest		1,730,594	469,748
Total Equity		<u>11,186,880</u>	<u>9,764,344</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Issued Capital	Change in ownership interest	Accumulated Losses	Revaluation Reserve	Foreign Currency Reserve	Share- based Payments	Non- controlling Interests	Total
	\$	\$	\$	\$	\$	\$	\$	\$
CONSOLIDATED								
At 1 July 2015	37,317,961	5,570,216	(42,223,771)	-	(16,509)	6,559,650	(716,182)	6,491,365
Loss for the year	-	-	(982,130)	-	-	-	(484,575)	(1,466,705)
Other comprehensive income	-	-	-	(580,050)	28,863	-	37,895	(513,292)
Total comprehensive loss for the year	-	-	(982,130)	(580,050)	28,863	-	(446,680)	(1,979,997)
Transactions with owners in their capacity as owners:								
Share based payments	-	-	-	-	-	37,583	67,514	105,097
Issue of share capital	-	742,273	-	-	-	-	1,056,096	1,798,369
Expense of share issue	-	(58,060)	-	-	-	-	(77,558)	(135,618)
Change due to acquisition of subsidiary	-	-	-	-	-	-	-	-
Change due to issue of shares by subsidiary	-	(418,798)	-	-	-	-	(294,240)	(713,038)
At 31 December 2015	<u>37,317,961</u>	<u>5,835,631</u>	<u>(43,205,901)</u>	<u>(580,050)</u>	<u>12,354</u>	<u>6,597,233</u>	<u>(411,050)</u>	<u>5,566,178</u>
At 1 July 2016	37,317,961	72,872	(33,615,211)	101,780	5,675	5,411,519	469,748	9,764,344
Loss for the year	-	-	(480,065)	-	-	-	(719,813)	(1,199,878)
Other comprehensive income	-	-	-	(2,773)	2,874	-	4,379	4,480
Total comprehensive loss for the year	-	-	(480,065)	(2,773)	2,874	-	(715,434)	(1,195,397)
Transactions with owners in their capacity as owners:								
Share based payments	-	-	-	-	-	287,999	223,680	511,679
Issue of share capital	-	458,802	-	-	-	-	1,840,648	2,299,450
Expense of share issue	-	(76,582)	-	-	-	-	(116,613)	(193,195)
Change due to issue of shares by subsidiary	-	(28,565)	-	-	-	-	28,565	-
At 31 December 2016	<u>37,317,961</u>	<u>426,527</u>	<u>(34,095,276)</u>	<u>99,007</u>	<u>8,549</u>	<u>5,699,518</u>	<u>1,730,594</u>	<u>11,186,880</u>

The accompanying notes form part of these financial statements.

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

	Consolidated	
	31 December 2016	31 December 2015
	\$	\$
Cash flows from operating activities		
Other payments to suppliers and employees	(825,158)	(828,620)
Payments for exploration expenditure	(422,959)	(614,570)
Payments for security deposits and bonds	(975)	-
Other revenue	3,050	10,267
Interest received	43,945	56,416
Net cash outflow from operating activities	<u>(1,202,097)</u>	<u>(1,376,507)</u>
Cash flows from investing activities		
Proceeds from sale of plant and equipment	232	6,637
Payments for purchases of plant and equipment	(9,391)	-
Payments for purchase of shares	(250,000)	-
Receipts from sale of investment	1,633,719	-
Net cash inflow from investing activities	<u>1,374,560</u>	<u>6,637</u>
Cash flows from financing activities		
Proceeds from issue of shares	2,299,450	1,035,332
Share issue transaction costs	(148,193)	(85,928)
Share buyback transaction costs	-	-
Net cash inflow from financing activities	<u>2,151,257</u>	<u>949,404</u>
Net increase/(decrease) in cash held	2,323,720	(420,466)
Cash at the beginning of the financial year	3,800,369	5,547,036
Effects of exchange rate changes on balances held in foreign currency	986	34,299
Cash at the end of the financial year	<u>6,125,075</u>	<u>5,160,869</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2016 have 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 30 June 2016 and any public announcements made by Aurora Minerals 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.

New and Revised Accounting Standards

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.

	Consolidated	
	31 December 2016	31 December 2015
	\$	\$
NOTE 2 - REVENUE AND EXPENSES		
(i) Revenue		
Interest received	57,351	56,575
Gain on sale of investment	861,719	-
Other revenue	11,834	568
	<u>930,904</u>	<u>57,143</u>
(ii) Administration expenditure		
Depreciation	26,912	52,639
Less: capitalised to exploration	(21,717)	(48,071)
	<u>5,195</u>	<u>4,568</u>
Consulting fees	354,358	347,290
Salaries and wages (administration)	131,638	158,961
ASX, ASIC and related fees	48,894	49,822
Equity based compensation	511,678	105,097
Rent and outgoings	54,215	50,980
Insurance and legal	33,194	17,152
Loss on disposal of assets	637	-
Foreign exchange (gain)/loss	(43,911)	27,501
Other expenses	182,454	293,680
	<u>1,278,352</u>	<u>1,055,051</u>

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

NOTE 3 - INVESTMENTS

	Consolidated	
	31 December 2016	30 June 2016
	\$	\$
Shares in Golden Rim Resources Ltd at balance date ⁽¹⁾	<u>235,757</u>	<u>1,010,530</u>

⁽¹⁾ Shares are valued using a 20 day Volume Weighted Average Price (VWAP, based on closing ASX share prices centred on 31 December 2016.

NOTE 4 - EQUITY SECURITIES ISSUED

(a) (i) Details of Equity – the Company

	Consolidated		
	31 December 2016	30 June 2016	
	\$	\$	
116,808,609 (June 2016: 116,808,609) fully paid ordinary shares	<u>37,317,961</u>	<u>37,317,961</u>	
	Shares	Listed Options	Unlisted Options
At 1 July 2015	116,808,609	-	14,750,000
Shares issued	-	-	-
Issue of options	-	-	-
Options expired/cancelled	-	-	(9,000,000)
At 31 December 2015	<u>116,808,609</u>	<u>-</u>	<u>5,750,000</u>
At 1 July 2016	116,808,609	-	5,750,000
Shares issued	-	-	-
Issue of options	-	-	9,300,000
Options expired/cancelled	-	-	-
At 31 December 2016	<u>116,808,609</u>	<u>-</u>	<u>15,050,000</u>

(a) (ii) Details of Movements in Equity – The Company

Date	Action	Type	Quantity	Issued To	Ex/Issue Price	Expiry Date
01 Dec 16	Issue	Options A – unlisted	1,700,000	Directors	\$0.0984	29 Nov 2018
01 Dec 16	Issue	Options A – unlisted	400,000	Consultants	\$0.0984	29 Nov 2018
01 Dec 16	Issue	Options B – unlisted	1,700,000	Directors	\$0.1406	29 Nov 2019
01 Dec 16	Issue	Options B – unlisted	400,000	Consultants	\$0.1406	29 Nov 2019
01 Dec 16	Issue	Options C – unlisted	1,700,000	Directors	\$0.2109	29 Nov 2020
01 Dec 16	Issue	Options C – unlisted	400,000	Consultants	\$0.2109	29 Nov 2020
01 Dec 16	Issue	Options D - unlisted	3,000,000	Director	\$0.0882	29 Nov 2019

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

NOTE 4 - EQUITY SECURITIES ISSUED (continued)

(b) (i) Details of Equity – Predictive Discovery Limited

	Shares No.	Listed Options No.	Unlisted Options No.
At 1 July 2015	650,584,343	-	16,500,000
Issue of shares in rights issue	650,584,343	-	-
Issue of shares for underwriting services	22,500,000	-	-
Issue of shares for other services	2,500,000	-	-
Options cancelled/expired	-	-	(8,500,000)
At 31 December 2015	1,326,168,686	-	8,000,000
At 1 July 2016	1,326,168,686	-	8,000,000
Issue of shares in placement and share purchase plan	304,945,000	-	-
Options issued	-	-	58,575,000
At 31 December 2016	1,631,113,686	-	66,575,000

(b) (ii) Details of Movements in Equity – Predictive Discovery Limited

Date	Action	Type	Quantity	Issued To	Ex/Issue Price	Expiry Date
25 Aug 16	Issue	Shares – fully paid	45,000,000	Various	\$0.01	-
04 Oct 16	Issue	Shares – fully paid	83,000,000	Various	\$0.01	-
12 Oct 16	Issue	Shares – fully paid	75,000,000	Aurora Minerals	\$0.01	-
12 Oct 16	Issue	Shares – fully paid	101,945,000	Various	\$0.01	-
30 Nov 16	Issue	Options A – unlisted	16,500,000	Directors	\$0.01805	29 Nov 2018
30 Nov 16	Issue	Options A – unlisted	3,025,000	Consultants	\$0.01805	29 Nov 2018
30 Nov 16	Issue	Options B – unlisted	16,500,000	Directors	\$0.02578	29 Nov 2019
30 Nov 16	Issue	Options B – unlisted	3,025,000	Consultants	\$0.02578	29 Nov 2019
30 Nov 16	Issue	Options C – unlisted	16,500,000	Directors	\$0.03868	29 Nov 2020
30 Nov 16	Issue	Options C – unlisted	3,025,000	Consultants	\$0.03868	29 Nov 2020

NOTE 5 - SEGMENT INFORMATION

The group 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 group operates as four segments, which are mineral exploration and evaluation within Australia, South Korea, Burkina Faso and Cote d'Ivoire.

The group is domiciled in Australia. Segment revenues are allocated based on the country in which the customer is located. Segment assets are allocation to countries based on where the assets are located.

No operating revenue was derived during the year (2015: nil).

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

NOTE 5 - SEGMENT INFORMATION (continued)

	Australia \$	South Korea \$	Burkina Faso \$	Cote d'Ivoire \$	Consolidated \$
Half Year Ended 31 December 2016					
Sales to external customers	-	-	-	-	-
Other revenue/income	930,904	-	-	-	930,904
Total segment revenue	930,904	-	-	-	930,904
Segment result from continuing operations before tax	(753,856)	-	(388,568)	(7,973)	(1,150,397)
As At 31 December 2016					
Segment assets	11,041,706	-	290,482	86,633	11,418,821
Total assets of the consolidated entity					11,418,821
Segment liabilities	179,153	-	47,753	5,035	231,941
Total liabilities of the consolidated entity					231,941
Half Year Ended 31 December 2015					
Sales to external customers	-	-	-	-	-
Other revenue/income	56,575	568	-	-	57,143
Total segment revenue	56,575	568	-	-	57,143
Segment result from continuing operations before tax	(1,067,604)	(127,139)	(210,169)	(61,793)	(1,466,705)
As At 31 December 2015					
Segment assets	5,645,291	27,667	222,957	11,112	5,907,027
Total assets of the consolidated entity					5,907,027
Segment liabilities	288,500	17,221	31,958	3,170	340,849
Total liabilities of the consolidated entity					340,849

NOTE 6 - COMMITMENTS FOR EXPENDITURE

Consultancy Agreements

In the event that the Company or its subsidiaries terminates all of the Directors' and Executives' consultancy agreements, there is a requirement to continue payment of their fees for a period of time. Should the services of the Directors and Executives not be required during the respective periods the cost to the group would be \$239,233 (2015: \$237,050).

Mineral Tenements

In order to maintain the mineral tenements in which the group and other parties are involved, the group is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. The minimum estimated expenditure requirements in accordance with the requirements of the Western Australian Department of Mines and Petroleum for the next financial year are:

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

NOTE 6 - COMMITMENTS FOR EXPENDITURE (continued)

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
Minimum estimated expenditure requirements	45,180	45,180
	<u>45,180</u>	<u>45,180</u>

These requirements are expected to be fulfilled in the normal course of operations and may be varied from time to time subject to approval by the grantor of titles. The estimated expenditure represents potential expenditure which may be avoided by relinquishment of tenure. Exploration expenditure commitments beyond twelve months cannot be reliably determined.

NOTE 7 - CONTINGENT LIABILITIES

Since the last annual reporting date there has been no material change of any contingent liabilities or contingent assets.

NOTE 8 - EVENTS OCCURRING AFTER REPORTING DATE

As announced to ASX on 20 December 2016, Aurora Minerals Limited agreed to subscribe for 5,555,556 shares at \$0.18 per share for total consideration of \$1,000,000 in One Asia Resources Limited ("One Asia"). On 17 January 2017, the transaction was finalised and the subscribed shares were issued.

Other than as stated above, there have been no material items, transactions or events subsequent to 31 December 2016 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

NOTE 9 – DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the half-year.

DIRECTORS' DECLARATION

The directors of the Company declare that the financial statements and notes are in accordance with the *Corporations Act 2001* and:

- a. comply with Australian Accounting Standards, International Financial Reporting Standards and *Corporations Regulations 2001*; and
- b. give a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the year ended on that date.

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.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

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



DIRECTOR

Perth, 14 March 2017

RSM Australia Partners

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

We have reviewed the accompanying half-year financial report of Aurora Minerals Limited which comprises the statement of financial position as at 31 December 2016, and the statement of 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 of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the 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 Aurora 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.

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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 Aurora Minerals 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 Aurora Minerals 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 the *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

AL Whyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 14 March 2017

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Aurora Minerals 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.

RSM
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Al Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 14 March 2017