Appendix 4D

Resource Development Group Limited

ABN 33 149 028 142

FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

Results for announcement to the market

Extracts of the Resource Development Group Limited results for the half year ended 31 December 2017

Revenues from continuing activities	Down	34%	to	$4,681,800
Loss from ordinary activities after tax attributable to members	Down	195%	to	($260,373)
Comprehensive loss for the period attributable to members	Down	195%	To	($260,373)

Dividends	Amount per share	Franked amount per share
Interim dividend	Nil	Nil
Final dividend	Nil	Nil

Record date for determining entitlements to the dividend: N/A

Other information

Net asset backing per ordinary share	$0.028 per share (2016:$0.031 per share)
Net tangible asset backing per ordinary share	$0.028 per share (2016:$0.031 per share)

Additional Appendix 4D disclosure requirements can be found in the Directors' Report and the 31 December 2017 half-year financial statements.

Resource Development Group Limited

ABN 33 149 028 142

Interim Financial Report
31 December 2017

Resource Development Group Limited

ABN 33 149 028 142

Half-Year Financial Report
31 December 2017

Contents

CORPORATE INFORMATION

ABN 33 149 028 142

Directors

Mr. Andrew Ellison, Chairman
Mr. Gary Reid, Executive Director
Mr. Richard Eden, Non-Executive Director

Company secretary

Mr. Michael Kenyon

Registered office

Level 1, 46 Edward Street
OSBORNE PARK WA 6017
Telephone: +61 8 9443 2928
Facsimile: +61 8 9443 2926

Principal place of business

Level 1, 46 Edward Street
OSBORNE PARK WA 6017
Telephone: +61 8 9443 2928
Facsimile: +61 8 9443 2926
Website: www.resdevgroup.com.au

Share registry

Security Transfer Registrars Pty Ltd
770 Canning Highway, APPLECROSS WA 6153
Telephone: +61 8 9315 2333
Facsimile: +61 8 9315 2233

Solicitors

Gilbert & Tobin
1202 Hay Street, WEST PERTH WA 6005

Bankers

ANZ Banking Group Limited
Level 10, 77 St Georges Terrace PERTH WA 6000

Auditors

HLB Mann Judd
Level 4, 130 Stirling Street, PERTH WA 6000

Securities exchange listing

Resource Development Group Limited shares are listed
on the Australian Securities Exchange (ASX: RDG)

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity (or "Group") consisting of Resource Development Group Limited ("Company" or "RDG") and the entities it controlled during the period for the half year ended 31 December 2017. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office throughout the period and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Mr Andrew Ellison	(Chairman)
Mr Gary Reid	(Executive Director)
Mr Richard Eden	(Non-Executive Director)

Principal Activities

The principal activities of the entities within the consolidated entity during the half year were the provision of contracting services to the mining sector within Australia.

Review of operations

The half year ended 31 December 2017 continued to provide continuing difficult trading conditions however the Group was able to limit its after tax loss to $260,373 (2016: $274,235 profit) on a lower revenue base of $4,681,800 (2016: $7,101,639). The Group continued to focus on smaller projects as well as the residential development in South Beach, Western Australia. The Group has an order book of approximately $30m as at the date of this report.

Tendering activity was undertaken during the period in its traditional mining services space, however both competition and pricing on projects were extremely aggressive. The Board continued to focus on keeping overheads low and conserving cash until improved signs of a recovery are evident in the market.

Significant Events

There were no significant events during the period.

Operations

Headquartered in Perth, Western Australia, RDG through its wholly-owned subsidiary Central Systems Pty Ltd provides diversified services to the resource, infrastructure, energy, government, utilities, defence, residential housing and commercial sectors within Australia. RDG has offices in Perth, Newman and Townsville.

Centrals continued to undertake some minor projects for BHP during the period. The contract with the Department of Housing in Secret Harbour has been challenging, with a slow-down in pre-sales being the main impediment to proceeding further with this contract. Civil and earthworks were also undertaken during the period on the Company's residential construction contract at South Beach in Western Australia. On 2 January 2018, the Company announced a contract award for a concrete and civil works package by Crushing Services International Pty Ltd, a subsidiary of Mineral Resources Limited.

Workforce Capacity and Capability

There were approximately 20 staff at the end of the reporting period, although a recent contract award in the new year has seen those numbers rise sharply. At the time of this report, RDG employed approximately 50 personnel.

RDG has continued to retain various key personnel during the period which have enabled it to mobilise quickly and commence works under the recent contract awarded at the Wodgina mine site.

Strategy and Outlook

The award of the recent contract at the Wodgina mine site for concrete placement and civil works has enabled the Group to re-focus its energies on where it is best suited to be able to drive value. There has been an increase in tendering opportunities in recent weeks, with several opportunities having been tendered of which we are awaiting the outcome.

The Group has continued to review potential acquisition opportunities in the mining services sector and with our desire to diversify away from our traditional construction focus, until now there have been none that the Board believe will deliver value. The opportunities reviewed have lacked a forward order book and have not been appealing enough for the Board to take the risk on acquiring. However, we are starting to see signs of this changing and have some interesting opportunities currently under discussion with various parties. The Board continues to be committed to growing our current business to both deliver value and growth.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 5 and forms part of this directors' report for the half year ended 31 December 2017.

Signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

Mr Andrew Ellison
Chairman
Perth, Western Australia
28 February 2018

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the half-year financial report of Resource Development Group Limited for the year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**L Di Giallonardo**
28 February 2018	**Partner**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

		Consolidated	
	Notes	31 December 2017 $	31 December 2016 $
Revenue	2(a)	4,681,800	7,101,639
Other income	2(b)	53,329	6,306
(Loss)/profit on sale of assets		(13,197)	196,885
Cost of sales		(1,845,512)	(2,858,048)
Employee benefits expense		(1,885,504)	(2,185,715)
Depreciation and amortisation expense	2(c)	(583,460)	(815,674)
Finance (costs)/income		(14,332)	10,765
Share-based payments	2(c)	(23,968)	(6,914)
Other expenses	2(c)	(687,254)	(1,349,428)
(Loss)/profit before income tax		(318,098)	99,816
Income tax benefit		57,725	174,419
(Loss)/profit after income tax		(260,373)	274,235
Other comprehensive (loss)/income for the period, net of income tax		-	-
Total comprehensive (loss)/income for the period		(260,373)	274,235
Basic (loss)/earnings per share (cents per share)		(0.04)	0.04
Diluted (loss)/earnings per share (cents per share)		(0.04)	0.04

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

		Consolidated	
Assets	Notes	31 December 2017 $	30 June 2017 $
Current assets			
Cash and cash equivalents	3	9,039,211	10,131,801
Trade and other receivables	4	2,359,987	1,187,233
Current tax assets		14,907	8,287
Inventories	5	1,077,096	747,482
Total current assets		12,491,201	12,074,803
Non-current assets			
Property, plant and equipment		6,253,466	6,945,123
Deferred tax assets		868,916	892,709
Total non-current assets		7,122,382	7,837,832
Total assets		19,613,583	19,912,635
Liabilities			
Current liabilities			
Trade and other payables		582,361	603,415
Provisions		267,643	198,946
Total current liabilities		850,004	802,361
Non-current liabilities			
Deferred tax liabilities		1,017,940	1,098,269
Provisions		15,053	45,014
Total non-current liabilities		1,032,993	1,143,283
Total liabilities		1,882,997	1,945,644
Net assets		17,730,586	17,966,991
Equity			
Issued capital	6	7,836,308	7,836,308
Share-based payments reserve		109,242	186,295
Retained earnings		9,785,036	9,944,388
Total equity		17,730,586	17,966,991

The accompanying notes form part of these financial statements

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

Consolidated	Notes	Issued capital	Retained earnings	Share-based payments reserve	Total equity
		$	$	$	$
Balance as at 1 July 2016		7,836,308	11,111,443	179,380	19,127,131
Profit for the period		-	274,235	-	274,235
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the year		-	274,235	-	274,235
Share-based payments		-	-	6,914	6,914
Balance at 31 December 2016		7,836,308	11,385,678	186,294	19,408,280
Balance as at 1 July 2017		7,836,308	9,944,388	186,295	17,966,991
Loss for the period		-	(260,373)	-	(260,373)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the year		-	(260,373)	**-**	(260,373)
Share-based payments		-	-	23,968	23,968
Transfer of lapsed options		-	101,021	(101,021)	-
Balance at 31 December 2017		7,836,308	9,785,036	109,242	17,730,586

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Consolidated	
	31 December 2017 $	31 December 2016 $
	Inflows/(Outflows)	
Cash flows from operating activities		
Receipts from customers	3,854,122	6,859,601
Payments to suppliers and employees	(4,946,412)	(8,269,535)
Interest received	69,721	119,563
Finance costs	(14,332)	11,155
Income tax paid	(5,431)	-
GST paid	(198,583)	(136,354)
Net cash outflows from operating activities	(1,240,915)	(1,415,570)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	94,996	795,397
Receipts from recovery from prior year impairment	53,329	-
Payments for investment in Joint Venture	-	(114,025)
Net cash inflow from investing activities	148,325	681,372
Net decrease in cash held	(1,092,590)	(734,198)
Cash and cash equivalents at the beginning of the period	10,131,801	13,192,429
Cash and cash equivalents at the end of the period	9,039,211	12,458,231

The accompanying notes form part of these financial statements

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Reporting entity

Resource Development Group Limited ("RDG" or "Company") is a company domiciled in Australia. The consolidated balances of the Company for the half-year ended 31 December 2017 include the Company and its subsidiaries, including Central Systems Pty Limited ("Centrals").

b) Statement of compliance

These half-year consolidated financial statements are general purpose financial statements 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 Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the consolidated financial statements of Resource Development Group Limited for the year ended 30 June 2017 and any public announcements made by Resource Development Group Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

c) Basis of preparation

This half-year report has been prepared as described in Note 1(a). Cost is based on the fair value of the consideration given in exchange for assets and all amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing this report, the half-year has been treated as a discrete reporting period.

d) Accounting policies and methods of computation

The accounting policies and methods of computation are consistent with those adopted by Resource Development Group Limited for the previous financial year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

e) Significant accounting judgements and key estimates

The preparation of half-year financial reports requires management to make judgements, 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 half-year report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2017.

f) Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2017
In the period ended 31 December 2017, the Directors reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2017 reporting periods. Those which may have a significant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 9 Financial Instruments (2014)

AASB 9 (2014), published in December 2014, replaces the existing guidance AASB 9 (2009), AASB 9 (2010) and AASB 139 *Financial Instruments: Recognition and Measurement* and is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

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

f) Adoption of new and revised Accounting Standards

The new standard results in changes to accounting policies for financial assets and liabilities covering classification and measurement, hedge accounting and impairment. The Group has assessed these changes and determined that based on the current financial assets and liabilities held at reporting date, the Group will need to reconsider its accounting policies surrounding impairment recognition. The new impairment requirements for financial assets are based on a forward looking 'expected loss model' (rather than the current 'incurred loss model').

The Group does not expect a significant effect on the financial statements resulting from the change of this standard however the Group is in the process of evaluating the impact of the new financial instrument standard. The changes in the Group's accounting policies from the adoption of AASB 9 will be applied from 1 July 2018 onwards.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised, including in respect of multiple element arrangements. It replaces existing revenue recognition guidance, AASB 111 *Construction Contracts*, AASB 118 *Revenue* and AASB 1004 *Contributions*. AASB 15 is effective from annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The core principle of AASB 15 is that it requires identification of discrete performance obligations within a transaction and associated transaction price allocation to these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of goods or services is transferred, rather than on transfer of risks and rewards. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable component may occur when the uncertainties around its measurement are removed.

The Group has commenced the process of evaluating the impact of the new standard on existing revenue streams and will first apply AASB 15 in the financial year beginning 1 July 2018. At this stage the Group has not yet determined the likely financial effect.

AASB 16 Leases

AASB 16 replaces the current AASB 17 *Leases standard*. AASB 16 removes the classification of leases as either operating leases or finance leases- for the lessee - effectively treating all leases as finance leases. Most leases will be capitalised on the balance sheet by recognising a 'right-of-use' asset and a lease liability for the present value obligation. This will result in an increase in the recognised assets and liabilities in the statement of financial position as well as a change in expense recognition, with interest and deprecation replacing operating lease expense.

Lessor accounting remains similar to current practice, i.e. lessors continue to classify leases as finance and operating leases.

AASB 16 is effective from annual reporting periods beginning on or after 1 January 2019, with early adoption permitted for entities that also adopt AASB 15.

This standard will primarily affect the accounting for the Group's operating lease. As at 31 December 2017, the Group has $574,474 of non-cancellable operating lease commitments, predominantly relating to property lease. The Group is considering the available options to account for this transition but the Group expects a change in reported earnings before interest, tax, depreciation and amortisation (EBITDA) and increase in lease assets and liabilities recognition. This will however be dependent on the lease arrangements in place when the new standard is effective. The Group has commenced the process of evaluating the impact of the new lease standard.

No other new standards, amendments to standards and interpretations are expected to affect the Group's consolidated financial statements.

g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Resource Development Group Limited.

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

NOTE 2: REVENUE AND EXPENSES

	Consolidated 31 December 2017 $	Consolidated 31 December 2016 $
(a) Revenue		
Rendering of services	4,613,245	6,994,582
Interest income	68,555	107,057
	4,681,800	7,101,639
(b) Other income		
Other income	53,329	6,306
(c) Expenses		
Depreciation of non-current assets	(583,460)	(815,674)
Operating lease rental expense	(202,505)	(452,082)
Share based payments expense	(23,968)	(6,914)

NOTE 3: CASH AND CASH EQUIVALENTS

	Consolidated 31 December 2017 $	Consolidated 30 June 2017 $
Cash at bank and on hand	9,039,211	10,131,801

NOTE 4: CURRENT TRADE AND OTHER RECEIVABLES

	Consolidated 31 December 2017 $	Consolidated 30 June 2017 $
Trade receivables	422,074	962,863
Loan receivable[1]	1,851,272	-
Other receivables	473	20,721
Prepayments	86,168	203,649
	2,359,987	1,187,233

[1] A loan agreement exists between Central Systems Pty Ltd (Centrals) and Blue Ocean Enterprises Pty Ltd, the developer of the Ocean View Townhouse Development in North Coogee, Western Australia. The loan agreement is intended to fund the cost of the site development works by Centrals in order for the developer to obtain the titles for the proposed 24 new lots. The key terms of the agreement are as follows:

- The funding is capped at $1.864m plus GST;
- Interest is calculated daily at a rate of 7%;
- The term of the agreement is for a maximum period of 26 weeks, noting that this period has already been extended in writing as required under the agreement; and
- The loan is secured by a second ranked security over the land known as 25 Ocean Drive, North Coogee.

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

NOTE 5: INVENTORIES

	Consolidated	
	31 December 2017 $	30 June 2017 $
At cost:		
Raw materials and stores	17,375	20,896
Work in progress (i)	1,059,721	726,590
	1,077,096	747,482
(i) Work in progress		
Contract costs incurred	25,891,744	107,049,436
Recognised profits	2,933,971	18,751,918
	28,825,715	125,801,354
Progress billings	(27,765,994)	(125,074,764)
Work in progress	1,059,721	726,590

NOTE 6: ISSUED CAPITAL

	31 December 2017		30 June 2017	
	Number of shares	$	Number of shares	$
(a) Paid up capital:	631,404,067	7,836,308	631,404,067	7,836,308

(b) Movements in ordinary share capital:

	Six months to 31 December 2017		Year to 30 June 2017	
	Number of shares	$	Number of shares	$
Balance at beginning of financial period	631,404,067	7,836,308	631,404,067	7,836,308
Balance at end of financial period	631,404,067	7,836,308	631,404,067	7,836,308

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Options

On 3 October 2014 the Company issued 6,000,000 Options exercisable at 4 cents on or before 28 July 2017. The Options were issued to an adviser in relation to the Company's acquisition of 100% of the share capital in Central Systems Pty Ltd, and were issued under the Company's 15% placement capacity. These options were not exercised and lapsed on 28 July 2017.

Incentives

There were no incentives issued during the half-year ended 31 December 2017.

No incentives were forfeited (30 June 2017: 500,000 incentives forfeited) during the financial period as a result of termination of employment. There are currently 2,250,000 incentives on issue. The incentives vest on 16 January 2019.

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

NOTE 6: ISSUED CAPITAL (continued)

	Consolidated	
	Six months ended 31 December 2017	Year ended 30 June 2017
Movement in employee incentives	Number	Number
Balance at beginning of financial period	2,250,000	2,750,000
Forfeited on termination of employment	-	(500,000)
Balance at end of financial period	2,250,000	2,250,000

NOTE 7: CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or contingent liabilities at or subsequent to balance date.

NOTE 8: FINANCIAL INSTRUMENTS

The directors consider that the carrying value of financial assets and financial liabilities as recognised in the consolidated financial statements approximate their fair values.

NOTE 9: EVENTS AFTER THE REPORTING PERIOD

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

NOTE 10: COMMITMENTS

Operating lease commitments – Group as lessee

Future minimum rentals payable under non-cancellable operating leases are as follows:

	Consolidated	
	31 December 2017	30 June 2017
	$	$
Within one year	358,788	352,997
After one year but not more than five years	215,686	396,715
Greater than 5 years	-	-
	574,474	749,712

Capital commitments

No capital expenditure commitments have been made for items of plant and machinery as at 31 December 2017.

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

NOTE 11: SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating decision maker in order to allocate resources to the segment and to assess its performance.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

The following tables are an analysis of the Group's revenue, results, assets and liabilities by reportable segment provided to the Board for the half years ended 31 December 2017 and 31 December 2016.

31 December 2017	Construction $	Other $	Corporate $	Consolidated $
Revenue	4,613,245	-	-	4,613,245
Profit/(Loss) before income tax	1,058,019	(569,326)	(806,791)	(318,098)
Interest revenue	-	-	68,555	68,555
Interest expense	-	-	-	-
Depreciation & amortisation	-	-	583,460	583,460
Segment assets	3,330,042	-	16,283,541	19,613,583
Segment liabilities	266,769	-	1,616,228	1,882,997

31 December 2016	Construction $	Other $	Corporate $	Consolidated $
Revenue	6,994,582	-	-	6,994,582
Profit/(Loss) before income tax	2,567,696	(1,073,137)	(1,394,743)	99,816
Interest revenue	-	-	107,057	107,057
Interest expense	-	-	6,103	6,103
Depreciation & amortisation	-	-	815,674	815,674
Segment assets	1,029,063	-	21,268,043	22,297,106
Segment liabilities	393,425	-	2,494,855	2,888,280

Major Customers

The Group has three customers to whom it provides services where the revenue from each customer was in excess of 10% of the Group's revenue. These customers generated 79% (31 December 2016: 77%) of the Group's revenue for the period.

DIRECTORS' DECLARATION

In the opinion of the directors of Resource Development Group Limited (the 'Company'):

1. the attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:

    a. giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the half-year then ended; and

    b. complying with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

2. 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 signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Andrew Ellison
Chairman

Dated this 28th day of February 2018

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Resource Development Group Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Resource Development Group Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2017, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Resource Development Group Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2017 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*.

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 gives a true and fair view and 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 Group's financial position as at 31 December 2017 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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

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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*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
28 February 2018