Rand Mining Limited

ABN 41 004 669 658

Interim Report - 31 December 2017

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Rand Mining Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2017.

Directors

The following persons were directors of Rand Mining Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Otakar Demis - Chairman
Anthony Billis
Gordon Sklenka

Principal activities

The principal activities of the Group during the financial half-year were exploration, development and production activities at the Group's East Kundana Joint Venture tenements.

Review of operations

The profit for the Group after providing for income tax amounted to $10,329,507 (31 December 2016: $7,579,775).

East Kundana Joint Venture (Rand's Interest 12.25%)

Raleigh - Rand's entitlement is 12.50%
Production at the Raleigh Underground Mine that commenced in December 2004 continues.

Capital development for the half-year totalled 320 m, all secondary development. The depth of the decline is approximately 727 m below the surface.

Operating development in waste and ore recommenced in late 2014 with the development of the Skinners structure. Development associated with the extraction of the Crown Pillar started in October 2015. Operating development for the half-year totalled 2,003 m: 255 m in waste, 1,663 m in ore and 85 m through paste fill.

Mine production during the half-year totalled 123,119 t grading 7.23 g/t containing 28,603 oz of gold, based on grade control estimates. (31 December 2016: 89,943 t grading 9.33 g/t containing 26,989 oz of gold were estimated to be mined).

Rubicon - Rand's entitlement is 12.25%
Production at the Rubicon Underground Mine that commenced in August 2011 continues.

Rubicon and Hornet Ore Bodies
Capital development for the half-year totalled 1,029 m: 304 m for decline development and 725 m for secondary development. At the close of the half-year period, the bottom of the Rubicon Decline is 531 m below the surface, the bottom of the Hornet Decline is 632 m below the surface and the bottom of the Hornet Exploration Decline is 682 m below the surface.

Operating development for the half-year totalled 1,501 m; 95 m in waste, 1,176 m in ore and 229 m through paste fill.

Mine production during the half-year totalled 235,936 t grading 5.40 g/t containing 40,951 oz of gold , based on grade control estimates (31 December 2016: 224,773 t grading 5.55 g/t containing 40,103 oz of gold were estimated to be mined).

Pegasus Ore Body
The Access Decline to the Pegasus ore body from the Rubicon Decline commenced in April 2014 and was completed in early November 2014 when the Pegasus Incline and Decline commenced. In February 2015, the first stope at Pegasus was fired.

Capital development for the half-year totalled 1,777 m, 365 m for decline development and 1,412 m for secondary development. At the close of the half-year period, the top of the Pegasus Incline is 79 m below the surface and the bottom of the Pegasus Decline is 527 m below the surface.

Operating development for the half-year totalled 949 m: 23 m in waste, 774 m in ore and 152 m through paste fill.

Mine production during the half-year totalled 214,467 t grading 7.54 g/t containing 51,970 oz of gold, based on grade control estimates (31 December 2016: 192,867 t grading 9.26 g/t containing 57,391 oz of gold were estimated to be mined).

Processing

Treatment campaigns at the Kanowna Belle Plant processed 416,964 t of EKJV ore from the Raleigh and Rubicon mines during the half-year. A total of 45,929 oz of gold and 7,008 oz of silver were credited to the Rand and Tribune Bullion Accounts. Rand's share of gold bullion was 11,482 oz.

Exploration

Currently, the main drilling programmes are underground resource and exploration drilling at the Rubicon-Hornet- Pegasus complex and the Raleigh South structure. Details of all EKJV exploration activities are contained in the September and December Quarterly EKJV Exploration Reports released to the market on 17 October 2017 and 23 January 2018 and an EKJV Exploration Results Update released to the market on 22 February 2018.

The 30 June 2017 EKJV Summary Resource and Reserve Report was released to the ASX on 3 August 2017. Resource and Reserve upgrades for Raleigh, Rubicon, Hornet and Pegasus are in progress and will be released to ASX when received.

Other projects

Seven Mile Hill (Rand's Interest 50%)

The drilling programme to test various geochemical and structural targets is continuing. Details can be found in the Seven Mile Hill Exploration Update released to the ASX on 24 January 2018.

Tapeta Iron Ore Project, Liberia, West Africa

The site is currently on care and maintenance.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

Anthony Billis
Director

12 March 2018
Perth

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Auditor's Independence Declaration to the Directors of Rand Mining Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Rand Mining Limited for the half-year ended 31 December 2017, 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

P W Warr
Partner - Audit & Assurance

Perth, 12 March 2018

Rand Mining Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2017

	Note	Consolidated 31 Dec 2017 $	Consolidated 31 Dec 2016 $
Revenue	4	24,292,847	15,910,539
Share of profits of associates accounted for using the equity method	5	5,442,598	3,815,355
Other income		14,822	78,873
Expenses			
Changes in inventories		(2,023,088)	3,786,865
Employee benefits expense		(336,007)	(366,023)
Management fees		(249,239)	(236,382)
Depreciation and amortisation expense	6	(1,460,700)	(1,458,480)
Recovery/(impairment) of available-for-sale assets		55,866	(11,198)
Impairment of exploration and evaluation		(625,883)	(697,804)
Administration expenses		(650,530)	(439,846)
Mining expenses		(8,053,921)	(6,365,759)
Processing expenses		(2,100,504)	(2,371,136)
Royalty expenses		(477,327)	(546,444)
Loss on disposal of non-current assets		-	18,375
Foreign currency losses		(9,985)	(11,621)
Finance costs	6	(28,150)	(12,534)
Profit before income tax expense		13,790,799	11,092,780
Income tax expense		(3,461,292)	(3,513,005)
Profit after income tax expense for the half-year attributable to the owners of Rand Mining Limited		10,329,507	7,579,775
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Share of other comprehensive income from associate		(179,080)	(68,299)
Tax on revaluation adjustment in associate		53,724	20,490
Items that may be reclassified subsequently to profit or loss			
Available-for-sale financial assets - current half-year revaluation loss		-	(113,482)
Other comprehensive income for the half-year, net of tax		(125,356)	(161,291)
Total comprehensive income for the half-year attributable to the owners of Rand Mining Limited		10,204,151	7,418,484
		Cents	**Cents**
Basic earnings per share		17.17	12.60
Diluted earnings per share		17.17	12.60

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Rand Mining Limited
Statement of financial position
As at 31 December 2017

	Note	Consolidated 31 Dec 2017 $	30 Jun 2017 $
Assets			
Current assets			
Cash and cash equivalents		2,503,644	3,984,339
Trade and other receivables		450,985	405,315
Inventories		39,241,782	41,269,709
Income tax refund due		1,672,834	-
Prepayments		6,583	-
Total current assets		43,875,828	45,659,363
Non-current assets			
Investments accounted for using the equity method	7	42,588,149	39,956,735
Available-for-sale financial assets	8	-	267,188
Other financial assets	9	323,054	-
Property, plant and equipment		9,465,926	7,259,836
Exploration and evaluation		792,878	754,378
Mine development		8,298,920	6,358,938
Deferred tax		1,689,049	1,461,492
Total non-current assets		63,157,976	56,058,567
Total assets		107,033,804	101,717,930
Liabilities			
Current liabilities			
Trade and other payables		5,301,406	5,645,184
Borrowings		620,661	347,190
Income tax		-	231,295
Provisions		10,147	6,068,816
Total current liabilities		5,932,214	12,292,485
Non-current liabilities			
Borrowings		501,477	82,239
Deferred tax		11,507,647	10,457,725
Provisions		239,927	237,093
Total non-current liabilities		12,249,051	10,777,057
Total liabilities		18,181,265	23,069,542
Net assets		88,852,539	78,648,388
Equity			
Issued capital		16,694,186	16,694,186
Reserves		877,417	1,126,405
Retained profits		71,280,936	60,827,797
Total equity		88,852,539	78,648,388

The above statement of financial position should be read in conjunction with the accompanying notes

Rand Mining Limited
Statement of changes in equity
For the half-year ended 31 December 2017

Consolidated	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2016	16,694,186	1,225,382	50,321,228	68,240,796
Profit after income tax expense for the half-year	-	-	7,579,775	7,579,775
Other comprehensive income for the half-year, net of tax	-	(161,291)	-	(161,291)
Total comprehensive income for the half-year	-	(161,291)	7,579,775	7,418,484
Balance at 31 December 2016	16,694,186	1,064,091	57,901,003	75,659,280

Consolidated	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2017	16,694,186	1,126,405	60,827,797	78,648,388
Profit after income tax expense for the half-year	-	-	10,329,507	10,329,507
Other comprehensive income for the half-year, net of tax	-	(125,356)	-	(125,356)
Total comprehensive income for the half-year	-	(125,356)	10,329,507	10,204,151
Transactions with owners in their capacity as owners:				
Transfers to retained earnings on early adoption of AASB 9 (refer note 2)	-	(123,632)	123,632	-
Balance at 31 December 2017	16,694,186	877,417	71,280,936	88,852,539

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Consolidated	
	31 Dec 2017	31 Dec 2016
	$	$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	24,283,300	15,893,497
Payments to suppliers and employees (inclusive of GST)	(12,736,740)	(9,156,313)
Dividends received	2,632,104	-
Interest received	9,547	17,089
Interest and other finance costs paid	(28,150)	(11,725)
Income taxes paid	(4,053,033)	(3,037,666)
Net cash from operating activities	10,107,028	3,704,882
Cash flows from investing activities		
Payments for property, plant and equipment	(1,920,194)	(1,166,851)
Payments for exploration and evaluation	(673,634)	(806,517)
Payments for mine development	(2,705,003)	(2,314,606)
Proceeds from disposal of property, plant and equipment	14,822	18,375
Net cash used in investing activities	(5,284,009)	(4,269,599)
Cash flows from financing activities		
Repayment of borrowings	(288,866)	(174,029)
Dividends paid	(6,014,848)	-
Cash advances to Tribune Resources Ltd	(830,000)	-
Cash advances from Tribune Resources Ltd	830,000	-
Net cash used in financing activities	(6,303,714)	(174,029)
Net decrease in cash and cash equivalents	(1,480,695)	(738,746)
Cash and cash equivalents at the beginning of the financial half-year	3,984,339	3,751,530
Cash and cash equivalents at the end of the financial half-year	2,503,644	3,012,784

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Rand Mining Limited as a Group consisting of Rand Mining Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Rand Mining Limited's functional and presentation currency.

Rand Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite G1, 49 Melville Parade
South Perth WA 6151

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 March 2018. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2017 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Assets held at fair value through profit and loss ('FVTPL')

Listed shares held by the Group that are traded in an active market are measured at (FVTPL).

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices. Gains and losses arising from changes in fair value are recognised in profit and loss. Dividends are recognised in profit or loss when the Group’s right to receive the dividends is established.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Except for AASB 9 'Financial Instruments', any new or amended Australian Accounting Standards and Interpretations that are issued, but not yet effective, have not been early adopted.

AASB 9 Financial Instruments

Effective as at the reporting date, the Group has early adopted AASB 9 'Financial Instruments' in its entirety, replacing AASB 139 from 1 July 2017. Listed shares held by the Group were previously classified as available for sale ('AFS'), with any movements (excluding impairment) previously being taken through other comprehensive income ('OCI'). They are now measured at fair value through profit or loss ('FVTPL').

The Group did have the irrevocable option to continue to recognise changes in the value of these listed shares through OCI, however this election was not taken. As a result of the change in accounting policy, via the early adoption of AASB 9, the balance of previously recognised movements in listed shares were transferred within equity from the available for sale revaluation reserve to accumulated profits. The instruments continue to be measured at fair value, and therefore adoption of AASB 9 has no impact on the Group’s net assets.

Note 2. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 15 Revenue from Contracts with Customers
AASB 15 establishes a new revenue recognition model and expand and improves disclosures about revenue. When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB 16 Leases
AASB 16 requires all leases, other than short term and low value asset leases to be accounted "on balance sheet". When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.
The directors have also reviewed all other new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2017. 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. These accounting policies are consistent with Australian Accounting Standards and with International Reporting Standards.

Note 3. Operating segments

Identification of reportable operating segments
The Group has one operating segment, based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Operating segment
As the Group only has one segment, being the production of gold, the information relating to this segment is detailed throughout the financial statements.

Note 4. Revenue

	Consolidated	
	31 Dec 2017 $	31 Dec 2016 $
Sales revenue		
Sales of gold	24,283,300	15,893,450
Other revenue		
Interest	9,547	17,089
Revenue	24,292,847	15,910,539

Note 5. Share of profits of associates accounted for using the equity method

	Consolidated	
	31 Dec 2017 $	31 Dec 2016 $
Share of profit - associates	5,442,598	3,815,355

Share of profit - associates relates to the Company's investment in Tribune Resources Limited.

Note 6. Expenses

	Consolidated	
	31 Dec 2017	31 Dec 2016
	$	$
Profit before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	-	7,790
Mining plant and equipment	695,679	679,562
Total depreciation	695,679	687,352
Amortisation		
Mine development	765,021	771,128
Total depreciation and amortisation	1,460,700	1,458,480
Finance costs		
Interest and finance charges paid/payable	28,150	12,534
Rental expense relating to operating leases		
Minimum lease payments	51,278	32,160
Superannuation expense		
Defined contribution superannuation expense	16,314	13,232

Note 7. Non-current assets - investments accounted for using the equity method

	Consolidated	
	31 Dec 2017	30 Jun 2017
	$	$
Investment in associate - Tribune Resources Limited	52,132,023	49,500,609
Less: provision for impairment	(9,543,874)	(9,543,874)
	42,588,149	39,956,735

Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

		Ownership interest	
	Principal place of business /	31 Dec 2017	30 Jun 2017
Name	Country of incorporation	%	%
Tribune Resources Limited	Australia	26.32%	26.32%

Note 8. Non-current assets - available-for-sale financial assets

	Consolidated	
	31 Dec 2017 $	30 Jun 2017 $
Listed securities - at fair value	-	267,188

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:

Opening fair value	267,188	510,167
Revaluation increments	-	(191,521)
Recovery/(impairment) of assets	55,866	(51,458)
Transfer to other financial assets on early adoption of AASB 9	(323,054)	-
Closing fair value	-	267,188

The Group has early adopted AASB 9 'Financial Instruments' in its entirety, replacing AASB 139 from 1 July 2017. Listed shares held by the Group were previously classified as available for sale ('AFS'), with any movements (excluding impairment) previously being taken through other comprehensive income ('OCI'). They are now measured at fair value through profit or loss ('FVTPL').

Refer to note 11 for further information on fair value measurement.

Note 9. Non-current assets - other financial assets

	Consolidated	
	31 Dec 2017 $	30 Jun 2017 $
Listed securities - at fair value through profit or loss	323,054	-

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial half-year are set out below:

Opening carrying amount	-	-
Transfer from available-for-sale financial assets on early adoption of AASB 9	323,054	-
Closing carrying amount	323,054	-

The Group has early adopted AASB 9 'Financial Instruments' in its entirety, replacing AASB 139 from 1 July 2017. Listed shares held by the Group were previously classified as available for sale ('AFS'), with any movements (excluding impairment) previously being taken through other comprehensive income ('OCI'). They are now measured at fair value through profit or loss ('FVTPL').

Note 10. Dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	31 Dec 2017 $	31 Dec 2016 $
Maiden dividend for the year ended 30 June 2017 of 10 cents per ordinary share paid on 31 July 2017	6,014,848	-

Other than the above, there were no dividends recommended or declared during the current financial half-year.

Note 11. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2017	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Listed securities - equity	323,054	-	-	323,054
Total assets	323,054	-	-	323,054

Consolidated - 30 Jun 2017	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Listed securities - equity	267,188	-	-	267,188
Total assets	267,188	-	-	267,188

There were no transfers between levels during the financial half-year.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 12. Commitments

	Consolidated 31 Dec 2017 $	Consolidated 30 Jun 2017 $
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	1,828,527	3,101,378
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	400,323	400,323
One to five years	1,558,855	1,558,855
	1,959,178	1,959,178
Lease commitments - finance		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	653,122	355,248
One to five years	516,374	82,727
Total commitment	1,169,496	437,975
Less: Future finance charges	(47,358)	(8,546)
Net commitment recognised as liabilities	1,122,138	429,429
Representing:		
Lease liability - current	620,661	347,190
Lease liability - non-current	501,477	82,239
	1,122,138	429,429

Note 13. Events after the reporting period

No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Anthony Billis
Director

12 March 2018
Perth

Grant Thornton

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Independent Auditor's Review Report to the Members of Rand Mining Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Rand Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the half-year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of Rand Mining Limited does not give a true and fair view of the financial position of the Group as at 31 December 2017, and of its financial performance and its cash flows for the half-year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial reporting*.

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 Rand Mining 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.*

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P. Warr.

P W Warr
Partner - Audit & Assurance

Perth, 12 March 2018