



**INTERIM CONSOLIDATED FINANCIAL REPORT**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2018**  
**ASX CODE: AUR**

CORPORATE INFORMATION	1
DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	11
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	12
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	13
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	14
CONSOLIDATED STATEMENT OF CASH FLOWS	15
NOTES TO THE CONSOLIDATED FINANCIAL REPORTS	16
DIRECTORS' DECLARATION	20
INDEPENDENT AUDITOR'S REVIEW REPORT	21
COMPETENT PERSON'S STATEMENT	23
SCHEDULE OF MINING TENEMENTS	24

ABN 77 085 806 284

**Directors**

Neville Bassett	Non-Executive Chair
Robert Martin	Non-Executive Director
Brian Thomas	Non-Executive Director
Craig Hall	Non-Executive Director

**Chief Operations Officer**

Mike Hendriks

**Company Secretary**

Mark Clements

**Registered Office and Principal Place of Business**

Level 3, 18 Richardson Street

West Perth WA 6005

Tel: +61 8 6109 4333

Email: [general@aurisminerals.com.au](mailto:general@aurisminerals.com.au)

Web: [www.aurisminerals.com.au](http://www.aurisminerals.com.au)

**Share Registry**

Security Transfer Australia Pty Ltd

Suite 511, The Trust Building

155 King Street

Sydney NSW 2000

Tel: 1300 992 916/+61 3 9628 220

Fax: +61 8 9315 2233

Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

**Auditors**

Greenwich & Co Audit Pty Ltd

Level 2, 35 Outram Street

West Perth WA 6005

**Australian Securities Exchange**

Level 40, Central Park, 152-158 St Georges

Terrace, Perth WA 6000

**ASX Code**

Ordinary fully paid shares: AUR

## DIRECTORS' REPORT

The directors present their report together with the interim financial report of Auris Minerals Limited and its controlled entities for the six months ended 31 December 2018 and the independent auditor's review report thereon.

### 1. Directors

The directors of the Company at any time during or since the end of the interim period are set out below. Directors were in office for the entire period unless otherwise stated.

Name	Position	Changes
Mr Neville Bassett	Non-Executive Chair	Appointed 20 April 2018
Mr Robert Martin	Non- Executive Director	Appointed 2 November 2016
Mr Brian Thomas	Non-Executive Director	Appointed 20 April 2018
Mr Craig Hall	Non-Executive Director	Appointed 1 August 2018
Ms Bronwyn Barnes	Non-Executive Director	Appointed 25 November 2016 Held position of Non-Executive Chair to 20 April 2018 Removed 1 August 2018

### 2. Review and results of operations

#### Operating Review

The consolidated loss of the Group for the half-year ended 31 December 2018 after providing for income tax amounted to \$615,788 (2017: loss of \$958,849).

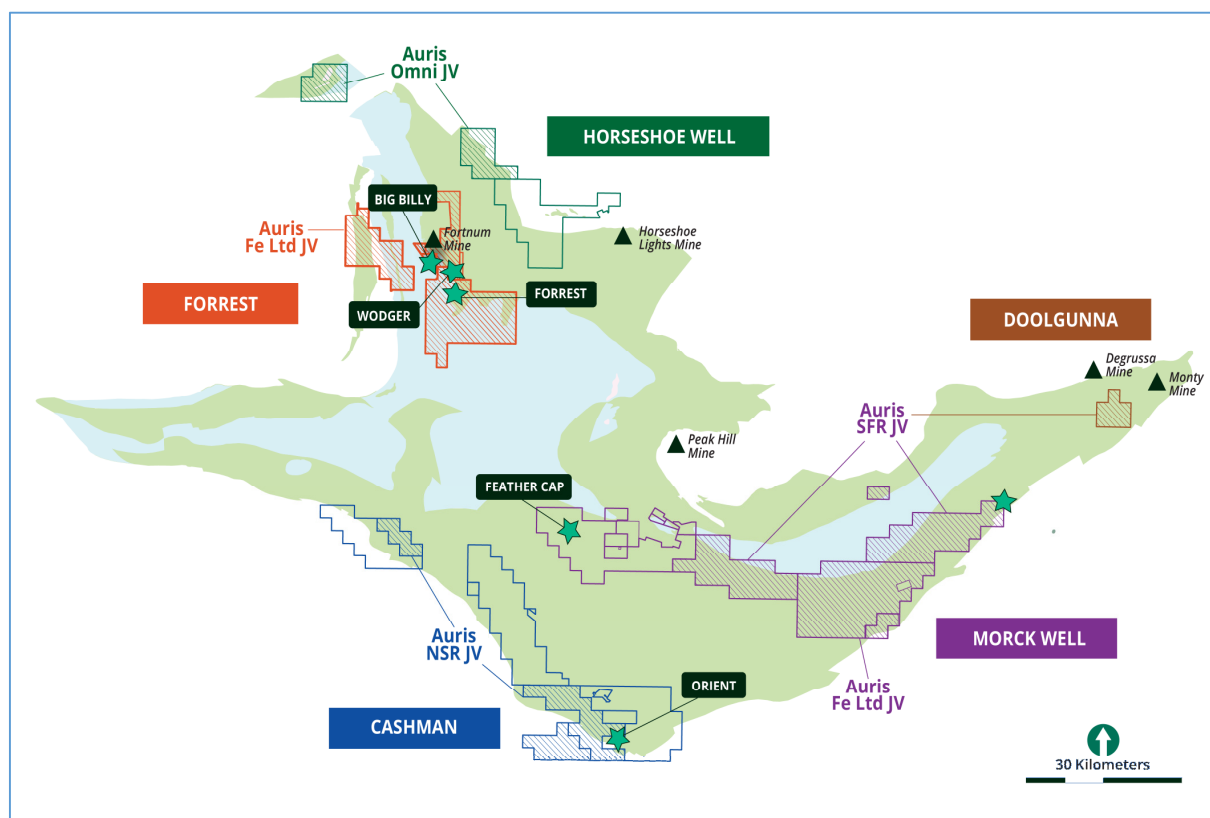
#### Review of Operations

##### Overview – Bryah Basin

Auris is exploring for high-grade copper-gold discoveries in Western Australia's highly-prospective Bryah Basin region and the Chunderloo area. Auris has consolidated a ~1,350km<sup>2</sup> copper-gold exploration portfolio in the Bryah Basin divided into five well-defined project areas – Forrest, Doolgunna, Morck Well, Cashman and Horseshoe Well.

In February 2018, Auris entered a Farm-in Agreement with Sandfire Resources NL in relation to the Morck Well East and Doolgunna Projects which covers ~430km<sup>2</sup>. Sandfire has the right to earn a 70% interest in the projects upon completion of a Feasibility Study on a discovery of not less than 50,000t contained copper (or metal equivalent).

## DIRECTORS' REPORT (CONTINUED)



**Figure 1: Auris' copper-gold exploration tenement portfolio in the Bryah Basin, with Sandfire, Northern Star, Fe and OmniGeoX JV areas indicated.**

### Forrest Project

- E52/1659, E52/1671 & P52/1494-6: Auris 80%, Fe Ltd 20% (ASX:FEL) free carried until Decision to Mine
- E52/1659, E52/1671 & P52/1493: Westgold Resources Ltd (ASX:WGX) own the gold rights

### Cashman Project

- E51/1391, E51/1837-38 & E52/2509: Auris 51% earning to 70%, Northern Star 49% (ASX:NST)

### Horseshoe Well Project

- E52/3248 & E52/3291: Auris 85%, OMNI Projects Pty Ltd 15% free carried until Decision to Mine

### Morck Well JV

- E52/2438 & ELA51/1883: Auris 100%, Sandfire Resources (ASX: SFR) earning to 70%
- E52/1613, E51/1033 & E52/1672: Auris 80%, Fe Ltd 20% (ASX: FEL), Sandfire Resources (ASX: SFR) earning to 70%.

## Auris 100% Projects

### *New Copper-Gold Targets defined at Wodger and Big Billy*

Following the completion of an 83-hole aircore drilling program (for 7,328m) in October 2018, three additional copper-gold targets were defined between Wodger and Big Billy. These three areas -Wodger North, Big Billy South and VTEM 12 - will be targeted for further work.

Results for the prospects include;

#### Wodger North

- 4m @ 0.18% Cu, from 56m (WRAC193)
- 14m @ 0.29% Cu, from 28m to EOH (WRAC194)
- 8m @ 0.13% Cu, from 24m; and 12m @ 0.52% Cu, from 36m; and 8m @ 0.12% Cu, from 68m (WRAC203); and
- 4m @ 0.22% Cu, from 64m (WRAC191)

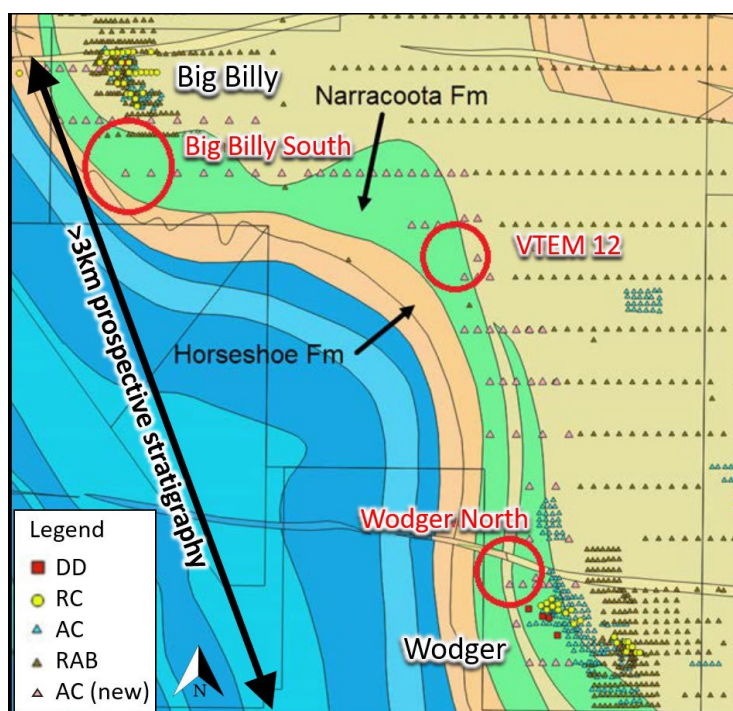
## DIRECTORS' REPORT (CONTINUED)

### Big Billy South

- 4m @ 1.63g/t Au, from 24m (WRAC165)
- 8m @ 1.02g/t Au, from 20m (WRAC161)
- 4m @ 0.98g/t Au, from 40m (WRAC160)
- 4m @ 0.49g/t Au & 0.8% Cu, from 16m (WRAC155); and
- 4m @ 0.60g/t Au, from 16m (WRAC154)

### VTEM 12

- 8m @ 0.20% Cu, from 44m (WRAC182); and
- 7m @ 0.50g/t Au, from 48m (WRAC182)



**Figure 2: Aircore drill coverage of the Wodger-Big Billy Trend targeting mineralisation associated with the Narracoota Formation. New drill holes are shown as pink triangles, with new prospects locations in red.**

### Western Bryah Basin Geological Interpretations Completed

The new regional (1:100,000-scale) geological interpretation of the entire western Bryah Basin was completed during the September Quarter, which also included two more detailed (1:25,000-scale) interpretations of the Forrest and Cashman Project areas. These maps represent the best geological maps ever produced over the western Bryah Basin and they will provide context for all future exploration activities.

The Company completed the new geological interpretation of the Cashman Project during the December Quarter. The new geological interpretation has been complemented by a more detailed interpretation at 1:25,000 scale over the southern part of the Cashman Project. The Karalundi Formation is interpreted to be thicker than previously mapped by the Geological Survey of Western Australia (GSWA) and a distinct unit has been interpreted at the base of the Narracoota Formation.

### Cashman Project Soil Sampling

A soil sampling program totalling 3,938 samples, was completed across the interpreted Karalundi Formation trend (including the basal unit of the Narracoota Formation) which extends across the southern part of the Cashman Project. The sample area was extended beyond the Karalundi/Narracoota Formation contact in places to ensure that previously defined VTEM targets (see ASX announcement, dated 27 July 2018) were sampled.

## DIRECTORS' REPORT (CONTINUED)

Conventional -80# soil samples were collected on a 200 x 100m spaced grid pattern. Three anomalous copper anomalies stand out (relative to the lithological signature):

- The Orient Prospect
- A 3.5km-long stratigraphic anomaly, located 5km to the northeast and
- A cluster of anomalous samples, 3.5km to the northwest

### *Feather Cap Prospect Aircore Drilling*

Assays for a 40-hole aircore drill programme (2,281m) were reported for the Feather Cap prospect, Morck Well West Project. The programme was designed to test a new geological model, in which the prospect is interpreted to occur at the top of the prospective Narracoota Formation (where the Horseshoe Lights deposit is located), on a northwest-trending synclinal fold axis. Bottom-of-hole samples in almost half of the holes drilled were logged as mafic volcanic, but the best copper values were only 622 and 638ppm, which are not considered to be anomalous for the Narracoota Formation. The best gold values reported were 0.55 and 0.44g/t from contiguous samples at the top of FCAC072. Further evaluation of the Feather Cap Prospect and the area south of Peak Hill is required before further work is planned.

### Morck Well JV (Managed by Sandfire Resources NL 70% Interest)

#### *Diamond Drilling*

Two DD tails were completed during Q4 2018, for a total advance of 1,135m. Both holes were pre-collared by RC drilling. Four DD holes have been drilled by Sandfire Resources (ASX: SFR, 'Sandfire') on the Morck Well JV to date (for 2,465m).

MWDD0002 (1,084m total depth) was drilled to test the down-dip continuity of the target sedimentary horizon, approximately 350m below MWRC0001 and 550m below the deepest massive sulphide intercept, in MWAC0112. A mixed package of exhalative sediments and peperitic pillow basalts was intersected at the target depth, with minor pyrrhotite, sphalerite and trace pyrite disseminated in the sediments and close to peperitic contacts. Massive dolerites cross-cut the entire sequence.

MWDD0003A (313m total depth) was drilled to test a subtle EM anomaly, identified in a downhole EM survey of MWDD0001. MWDD0003A intersected two zones (1.6m and 10.7m thick) of semi-massive and stringer-style pyrite and chalcopyrite, at the modelled conductor depth within the target exhalative sediment horizon which features chlorite alteration. The hole ended in dolerite. The horizon is now considered fully tested at this target location and at this stage no more work is anticipated.

#### *Reverse Circulation Drilling*

A total of 16 holes have been drilled by Sandfire on the Morck Well JV to date for 7,455m – 13 of which were drilled during the half-year period for a total of 6,111m.

Seven RC holes were completed during the September Quarter for a total of 3,177m. Four holes, MWRC0003, 0004, 0005 & 0006a (MWRC0006a was a redrill of MWRC0006), were drilled to test the southwest strike extension of the sediment horizon with sulphides, which was intersected by previous aircore drilling.

All four drill holes advanced to depth and intersected a package of hematite- and magnetite-bearing exhalative sediments, with jasper, strong chlorite alteration zones and varying quantities of disseminated sulphides (pyrite and lesser chalcopyrite).

Drill holes MWRC0008, MWRC0009 and MWRC0010 were designed to test anomalous geochemistry (Cu, Zn, Bi & Sn) in aircore drilling west of MWRC0007. MWRC0008 intersected a package of hematite-rich exhalate, with minor jasper and magnetite. MWRC0010 intersected two packages of chlorite-altered siltstone and basalt, with minor disseminated pyrite and lesser chalcopyrite. All RC holes will provide deep platforms for DHEM surveys, to assist with developing the geological interpretation and targeting.

Six RC holes were drilled in the December Quarter for a total RC advance of 2,934m. Five of the six exploration RC holes drilled (MWRC0012-0016) were drilled at 400m intervals along strike, to test the southwestern extension of the Morck Well sedimentary package. Four of the holes intersected magnetite-rich exhalative sediments, associated with strong hematite and chlorite altered siltstones.

Five of the six exploration RC holes drilled (MWRC0012-0016) were drilled at 400m intervals along strike, to test the southwestern extension of the Morck Well sedimentary package (see ASX announcement, dated 15 May 2018). Four of the holes intersected magnetite-rich exhalative sediments, associated with strong hematite and chlorite altered siltstones.



## **DIRECTORS' REPORT (CONTINUED)**

### *Aircore Drilling*

784 aircore holes were drilled during the September Quarter (MWAC0431 – MWAC1197 and MWAC1201 – MWAC1292), for a total 56,429m. After first pass drilling on an 800x100m grid to locate the prospective stratigraphy (Karatundi and Narracoota Formations), drilling proceeded on a 400x100m grid. Significant assays returned from the aircore drilling this quarter included 1m @ 1,250ppm Cu (MWAC0424) and 10m @ 1,630ppm Cu (MWAC0758) (see ASX Announcement 17 October 2018).

513 aircore holes (MWAC1198-1200, MWAC1293-1773, MWAC1801-1825) were drilled on the Morck Well JV Project during the December quarter, for a total advance of 39,802m. In total, Sandfire Resources have drilled 1,803 aircore holes on the Morck Well JV to date (for 131,681m).

Aircore drilling is planned on a 400x100m grid, to test the entire area of prospective Karatundi and Narracoota Formation geology. Drill coverage extended to the boundary of the historic "Frenchy's Patch" mining lease.

### *Geophysics*

During the September Quarter, moving loop electromagnetic (MLEM) survey over the prospective stratigraphy began in the northeast of the JV project area, with approximately 10km of strike. In addition, a single DHEM survey of MWRC003 was completed, after the hole was deepened by diamond drilling.

As reported above, diamond hole MWDD0003A was drilled to test a downhole EM anomaly and intersected semi-massive to stringer-style sulphides – confirming downhole EM as a reliable exploration tool. Further work is ongoing to identify possible extensions and/or offsets to the conductive source.

The Moving Loop ground EM survey is progressing to the southwest, to cover all prospective stratigraphy across the Morck Well JV area. Bedrock conductors, like those recognised at the Homestead and Vulcan West Prospects to the northeast, are the target. Three crews are on constant rotation (with two EM systems) to complete the surveying as quickly as possible.

A first phase of high-resolution ground gravity data was acquired across the Karatundi Formation on a part of the Morck Well JV tenure.

## **Planned 2019 Activities**

### *Morck Well JV*

The significant geology and mineralised intersections made in RC and diamond drilling further confirm the prospectivity of the immediate Morck Well Project area. Drilling intersected host sediment horizons in positions approximate to the modelled interpretation. This provides higher confidence to planning and results going forward. The significant geology, coinciding with moderate to significant mineralisation intersected in RC and Diamond drilling, highlights the prospectivity of the wider Morck Well Project area.

Deep RC drilling will continue to test the Morck Well sediment package (host to the massive sulphide intercepts of May 2018) to the southwest. At least two RC holes are planned to test specific geochemical targets in favourable geology, identified from the aircore drilling program.

The Company will also commence a follow up DD program at Forrest and Wodger in March 2019. All DD and RC holes will be surveyed for downhole EM. Regional aircore drilling will continue to target the Karatundi and Narracoota Formations across the southwestern part of the Morck Well JV Project area, to provide data for geological mapping and high-quality geochemistry.

An additional aircore program will start on the Doolgunna tenement (E52/2438), located 3.5km southeast of the DeGrussa Cu-Au Mine, after completion of a comprehensive data compilation including relogging and interpretation of historic drill holes. Both aircore programs are expected to continue into Q1 2019. Further aircore drilling is planned and will begin when the necessary approvals are acquired.

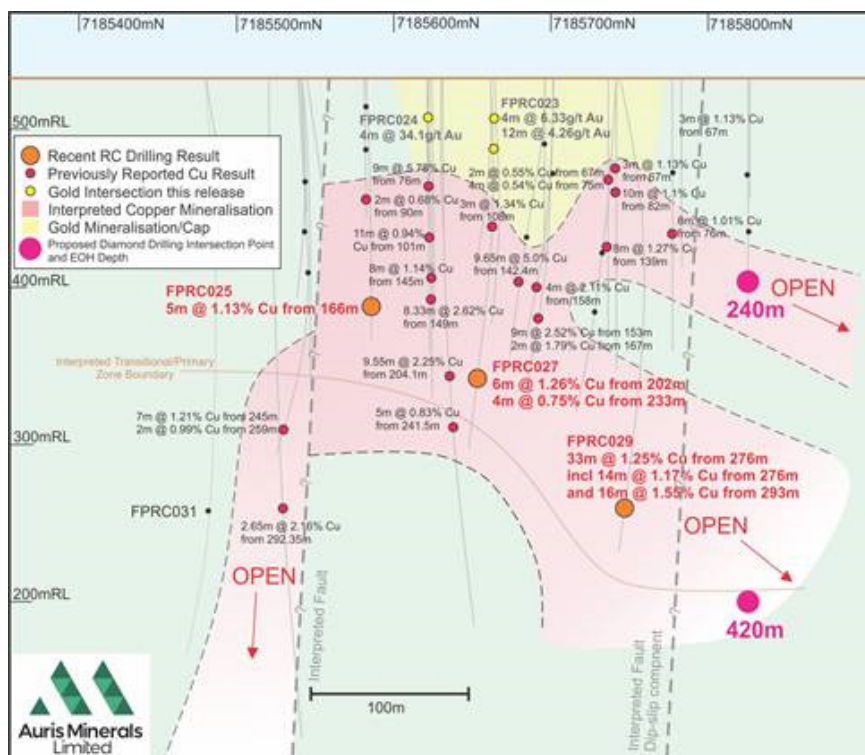
Moving loop EM and ground gravity surveys will continue. All drilling (DD, RC and aircore), downhole EM results, and geological interpretations will be formally reviewed next quarter.

### *Forrest and Wodger*

A diamond drilling programme is expected to commence at the Forrest and Wodger Prospects in early March. The programme will comprise approximately 1,220 metres over 4 holes.

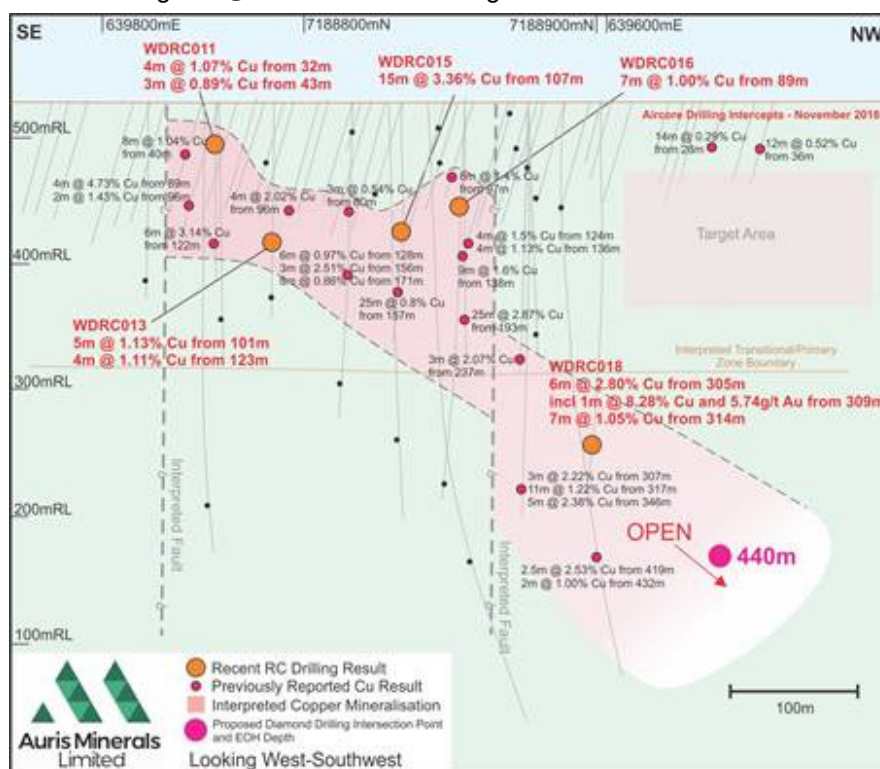
A total of two diamond holes for 660m are planned at the Forrest Prospect, designed to further evaluate the revised interpretation of a northern plunge to copper mineralisation highlighted by recent RC drill results, including 33m @ 1.25% Cu from 276m including 14m @ 1.17% Cu from 276m and 16m @ 1.54% Cu from 293m returned from FPRC029, (see ASX announcement dated 4 February 2019).

## DIRECTORS' REPORT (CONTINUED)



**Figure 3 : Forrest Prospect Longitudinal Projection showing planned diamond drilling intersection point**

The planned diamond drilling at the Wodger Prospect of a single hole designed to further evaluate copper mineralisation down the interpreted plunge, to the north-north west, from the recently reported result of 6m @ 2.80% Cu from 305m including 1m @ 8.28% Cu and 5.74g/t Au from 309m within WDRC018, (Figures 4).



**Figure 4 : Wodger Prospect Longitudinal Projection showing planned diamond drilling intersection point**



## DIRECTORS' REPORT (CONTINUED)

A diamond tail for approximately 120m is planned on WDRC020 to intersect a moving loop EM anomaly. Drill hole WDRC020 was drilled late in 2018, south of the Wodger Prospect, however the hole was abandoned short of the moving loop EM anomaly due to drilling difficulties due to water ingress.

### Other

The Company is reviewing its exploration program for all tenements, including proposed aircore and RC drilling programs of selected targets.

### 3. Events subsequent to reporting date

#### High Grade Copper Hits at Forrest and Wodger

Post-period end, the Company reported significant copper and gold results following the completion of Reverse Circulation drilling in late December 2018. Ten holes were drilled at Wodger (2,182m) and nine holes at Forrest (1,742m) for a total of 3,924m. The completed drilling program at Forrest was the first drilling at the prospect for 4 years.

#### Forrest RC Drilling Summary

In February 2019 results were received for seven RC drill holes (FPRC023-031) at Forrest. RC drilling at Forrest was designed to provide further information down dip from previously returned significant RC and diamond drill intersections and to further define the geology and mineralisation to the south where a fault has been previously inferred to offset mineralisation.

Results for Forrest included:

- 33m @ 1.25% Cu from 276m,
  - incl. 14m @ 1.17% Cu from 276m; and
  - 16m @ 1.54% Cu from 293m
- 4m @ 6.33 g/t Au from 12m; and 12m at 4.26 g/t Au from 36m
  - Incl. 4m at 9.12g/t Au from 44m
- 4m at 34.1 g/t Au from 12m



**Figure 5: Sieved chip sample from FPRC029, 298-299m. Abundant malachite mineralisation associated with quartz veining and foliated Narracoota Formation. Assay result – 3.62% Cu and 0.42g/t Au.**

## **DIRECTORS' REPORT (CONTINUED)**

### Wodger RC Drilling Summary

Results have been received for the 10 RC drill holes (WDRC011-020) drilled at the Wodger Prospect in late 2018, which were designed to further define and extend mineralisation identified to date, and to gain a better understanding of the geometry of mineralisation.

Results for Wodger included:

- 15m @ 3.36% Cu & 1.86g/t Au from 107m
  - Incl. 2m @ 6.24% Cu & 1.03g/t Au & 1m at 4.50% Cu & 21.5g/t Au
- 6m @ 2.8% Cu and 1.51g/t Au from 305m
  - Incl. 1m @ 8.28% Cu & 5.74g/t Au



*Figure 6: RC Drilling at Wodger Prospect.*

### Corporate Overview

On 2 July 2018, the Company allotted 896,000 fully paid ordinary shares to a noteholder following the conversion of 2 Convertible Notes approved by shareholders at the general meeting held 17 July 2015.

In October 2018, the Company offered eligible shareholders the opportunity to subscribe for 1 New Option for every 4 fully paid ordinary shares in the Company at an issue price of \$0.01 through an underwritten pro rata non-renounceable entitlement issue to raise up to \$1,021,703 (see ASX Announcement dated 17 October 2018).

Subsequent to the period end, the Company sold 106,006 SFR shares adding approximately \$852,000 in cash reserves.

### Key Appointments

On 6 July 2018, the Company announced that Mr Wade Evans had ceased employment as the Company's CEO. The Company also announced the appointment of highly experienced finance executive, Mr Mike Hendriks, to oversee day to day management of the Company as Chief Operations Officer.

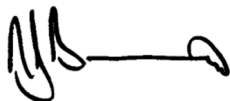
During the December quarter, the Company appointed Dr Margaret Hawke as Consulting Geologist.

**DIRECTORS' REPORT (CONTINUED)**

**4. Auditor's independence declaration**

The auditor's independence declaration is set out on page 11 and forms part of the Directors' Report for the six months ended 31 December 2018.

This report is made with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'NB', followed by a horizontal line and a small flourish at the end.

**NEVILLE BASSETT**

**NON-EXECUTIVE CHAIR**

Dated at West Perth this 14<sup>th</sup> day of March 2019.

## Auditor's Independence Declaration

To those charged with the governance of Auris Minerals Limited,

As auditor for the review of Auris Minerals Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

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

*Greenwich & Co Audit Pty Ltd*

**Greenwich & Co Audit Pty Ltd**

*Nicholas Hollens*

**Nicholas Hollens**  
Managing Director

14 March 2019  
Perth

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		<b>31 Dec 2018</b>	<b>31 Dec 2017</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Finance income		29,928	21,654
Dividend income		31,541	-
Grant income		13,464	-
Profit on disposal of assets		-	(222)
Administrative expenses		(604,566)	(619,307)
Finance costs		(1,809)	(83)
Share based payments expense	6	148,000	(704,000)
Write off exploration assets	5	(232,346)	(364,747)
<b>(Loss) before income tax</b>		<b>(615,788)</b>	<b>(1,666,705)</b>
Income tax benefit		-	707,856
<b>(Loss) from continuing operations</b>		<b>(615,788)</b>	<b>(958,849)</b>
Other comprehensive income for the period, net of tax		(411,695)	1,100
<b>Total comprehensive income for the period</b>		<b>(1,027,483)</b>	<b>(957,749)</b>
<b>(Loss) per share</b>			
Basic (loss) per share attributable to ordinary equity holders		(0.251)	(0.248)
Diluted (loss) per share attributable to ordinary equity holders		(0.251)	(0.248)

The interim consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 Dec 2018 \$	30 Jun 2018 (Restated) <sup>1</sup> \$
<b>ASSETS</b>			
Cash and cash equivalents		2,101,880	3,178,861
Trade and other receivables		33,145	31,532
Financial assets	7	1,108,920	1,520,615
<b>Total current assets</b>		<b>3,243,945</b>	<b>4,731,008</b>
Property, plant and equipment		172,875	188,613
Exploration assets	5	18,325,614	16,883,568
<b>Total non-current assets</b>		<b>18,498,489</b>	<b>17,072,181</b>
<b>TOTAL ASSETS</b>		<b>21,742,434</b>	<b>21,803,189</b>
<b>LIABILITIES</b>			
Trade and other payables		421,905	263,797
Borrowings	8	-	40,000
Provisions		126,196	134,778
<b>Total current liabilities</b>		<b>548,101</b>	<b>438,575</b>
Provisions		129,880	129,880
<b>Total non-current liabilities</b>		<b>129,880</b>	<b>129,880</b>
<b>TOTAL LIABILITIES</b>		<b>677,981</b>	<b>568,455</b>
<b>NET ASSETS</b>		<b>21,064,453</b>	<b>21,234,734</b>
<b>EQUITY</b>			
Issued capital	9	123,874,785	123,829,985
Reserves	10	1,962,447	1,561,740
Accumulated losses		(104,772,779)	(104,156,991)
<b>TOTAL EQUITY</b>		<b>21,064,453</b>	<b>21,234,734</b>

<sup>1</sup> Restatement due to changes to AASB 9 Financial Instruments (see note 2).

The interim consolidated statement of financial position is to be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Issued capital \$	Accumulated losses \$	Reserves \$	Total equity \$
<b>For the six months ended 31 December 2018</b>					
<b>Opening balance at 1 July 2018</b>		<b>123,829,985</b>	<b>(104,156,991)</b>	<b>1,561,740</b>	<b>21,234,734</b>
Loss for the period		-	(615,788)	-	(615,788)
Other comprehensive income	10	-	-	(411,695)	(411,695)
Total comprehensive income for the period		-	(615,788)	(411,695)	(1,027,483)
Transactions with owners and other transfers					
Shares issued	9	44,800	-	-	44,800
Options issued for cash consideration	10	-	-	1,021,704	1,021,704
Options issue costs	10	-	-	(61,302)	(61,302)
Share based payments	6	-	-	(148,000)	(148,000)
<b>Balance as at 31 December 2018</b>		<b>123,874,785</b>	<b>(104,772,779)</b>	<b>1,962,447</b>	<b>21,064,453</b>
<b>For the six months ended 31 December 2017</b>					
<b>Opening balance at 1 July 2017</b>		<b>119,866,311</b>	<b>(104,532,324)</b>	<b>2,317,493</b>	<b>17,651,480</b>
Loss for the period		-	(957,749)	-	(957,749)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	(957,749)	-	(957,749)
Transactions with owners and other transfers					
Shares issued		4,119,078	-	-	4,119,078
Share issue costs		(164,251)	-	-	(164,251)
Share based payments		-	-	704,000	704,000
Expiry of options		-	492,308	(492,308)	-
<b>Balance as at 31 December 2017</b>		<b>123,821,138</b>	<b>(104,997,765)</b>	<b>2,529,185</b>	<b>21,352,558</b>

The interim consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CASH FLOWS

	31 Dec 2018 \$	31 Dec 2017 \$
<b>Cash flows from operating activities</b>		
Cash paid to suppliers and employees	(579,964)	(663,893)
Research and development tax benefit	-	702,852
Interest received	29,928	25,917
Dividends received	31,541	-
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(518,495)</b>	<b>64,876</b>
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	(1,513,036)	(2,020,090)
Payments for acquisition of investments	-	(300,000)
Proceeds on disposal of property, plant and equipment	-	153
Payments for property, plant and equipment	(4,295)	(1,020)
<b>Net cash outflow from investing activities</b>	<b>(1,517,331)</b>	<b>(2,320,957)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	3,712,018
Proceeds from issue of options	959,380	-
Share issue costs	-	(164,251)
Money held in trust for shareholders	(535)	-
<b>Net cash inflow from financing activities</b>	<b>958,845</b>	<b>3,547,767</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,076,981)</b>	<b>1,291,686</b>
Cash and cash equivalents at the beginning of the period	3,178,861	3,223,776
<b>Cash and cash equivalents at the end of the period</b>	<b>2,101,880</b>	<b>4,515,462</b>

The interim consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

## NOTES TO THE CONSOLIDATED FINANCIAL REPORTS (*CONTINUED*)

### 1. Basis of preparation

Auris Minerals Limited (the Company or Auris Minerals) is a company domiciled and incorporated in Australia. The address of the Company's registered office is Level 3, 18 Richardson Street, West Perth WA 6005. The interim consolidated financial report of the Company as at and for the six months ended 31 December 2018 comprises the Company and its wholly owned subsidiaries (together referred to as the "Group").

The interim consolidated report has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report. It is recommended that the interim consolidated financial report be read in conjunction with the annual report for the year ended 30 June 2018 and considered together with any public announcements made by the Company during the six months ended 31 December 2018 in accordance with the continuous disclosure obligations of the ASX listing rules. The annual report of the Company as at and for the year ended 30 June 2018 is available on request from the Company's registered office or at [www.aurisminerals.com.au](http://www.aurisminerals.com.au).

This interim consolidated financial report was approved by the Board of Directors on 14 March 2019.

### 2. Accounting policies

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

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board 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.

The following Accounting Standard is most relevant to the consolidated entity:

#### *AASB 9 Financial Instruments*

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

There was no material impact on adoption of the new standards and no adjustment made to current or prior period amounts.

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

## NOTES TO THE CONSOLIDATED FINANCIAL REPORTS (CONTINUED)

### 3. Estimates

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

In preparing this interim financial report, the significant judgements 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 annual financial report as at and for the year ended 30 June 2018.

### 4. Operating segments

The Group operates within one reportable segment, being the exploration and evaluation of mineral tenements in Western Australia. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

### 5. Exploration assets

	\$
Carrying amount at 1 July 2018	16,883,568
Costs incurred during the period	1,674,392
Costs written off during the period	(232,346)
<b>Carrying amount at 31 December 2018</b>	<b>18,325,614</b>

### 6. Share based payments

	\$
Issue of options	380,000
Cancellation of performance rights	(528,000)
<b>Total share based payment expense</b>	<b>(148,000)</b>

#### *Issue of options*

On 28 November 2018, the Company issued 20,000,000 unquoted options to directors and KMPs as consideration for services. Each option will convert into one AUR share upon vesting. The options were valued using the Black Scholes option pricing model. Details for the options are tabled below:

Number of options	Valuation date	Exercise price	Volatility	Expiration date	Fair value per option	Total fair value
20,000,000	27 Nov 18	\$0.08	110%	30 Nov 20	\$0.019	\$380,000

#### *Cancellation of performance rights*

In the prior financial year, 16,000,000 performance rights were issued to employees and KMPs 2,000,000 of which were cancelled on the removal of Dr Susan Vearncombe as Non-Executive Director.

During the period 8,000,000 performance rights were cancelled due to the removal of Ms Bronwyn Barnes as Non-Executive Director and Wade Evans resignation as CEO. Consequently an adjustment of \$352,000 arose in the share based payments reserve.



## NOTES TO THE CONSOLIDATED FINANCIAL REPORTS (CONTINUED)

### 6. Share based payments (continued)

Subsequent to the end of the reporting period, 4,000,000 performance rights were cancelled due to the resignation of the General Manager Geology, Mr Nick Franey. As a result a subsequent event adjustment occurred in the share based payments reserve of \$176,000.

The movement of rights during the reporting period are set out in the table below.

	Tranche 1		Tranche 2	
	No.	Fair Value	No.	Fair Value
Balance at 1 July	7,000,000	329,000	7,000,000	287,000
Granted during the period	-	-	-	-
Cancelled during the period	(4,000,000)	(188,000)	(4,000,000)	(164,000)
Cancelled subsequent to the end of the period	(2,000,000)	(94,000)	(2,000,000)	(82,000)
<b>Balance at 31 December</b>	<b>1,000,000</b>	<b>47,000</b>	<b>1,000,000</b>	<b>41,000</b>

### 7. Financial assets

	\$
Fair value at 1 July 2018	1,520,615
Movement in fair value	(411,695)
<b>Fair value at 31 Dec 2018</b>	<b>1,108,920</b>

During the period Auris Minerals held 166,006 Sandfire Resources NL shares. At 31 December 2018 the shares were valued at their fair value of \$6.68.

### 8. Borrowings

	\$
Convertible Notes	
Opening balance 1 July 2018	40,000
Convertible notes converted	(40,000)
<b>Closing balance 31 December 2018</b>	<b>-</b>

During the period, two convertible notes having a face value of \$20,000 each matured on 1 July 2018. Interest, at a rate of 12% per annum, was paid in shares converted at a 30 day VWAP. The notes together with accrued interest were converted into shares at an issue price of \$0.05 per share at the election of the noteholder.

### 9. Issued capital

	Number	\$
Movement in ordinary shares		
Issued capital at 1 July 2018	407,785,340	123,829,985
Issue of shares on conversion of convertible notes	800,000	40,000
Issue of shares for interest on convertible notes	96,000	4,800
<b>Issued capital at 31 December 2018</b>	<b>408,681,340</b>	<b>123,874,785</b>

## NOTES TO THE CONSOLIDATED FINANCIAL REPORTS (CONTINUED)

### 9. Issued capital (continued)

#### Movement in unlisted options

Options expiring on or before	Exercise price	On issue 1 Jul 2018	Issued	Exercised	Expired	On issue 31 Dec 2018
3 Oct 2018	\$0.60	1,480,000	-	-	(1,480,000)	-
20 Sep 2018	\$0.12	5,000,000	-	-	(5,000,000)	-
20 Sep 2018	\$0.12	1,000,000	-	-	(1,000,000)	-
8 Oct 2019	\$1.30	2,500,000	-	-	-	2,500,000
30 Nov 2020	\$0.08	-	20,000,000	-	-	20,000,000
		<b>9,980,000</b>	<b>20,000,000</b>	<b>-</b>	<b>(7,480,000)</b>	<b>22,500,000</b>

#### Movement in listed options

Options expiring on or before	Exercise price	On issue 1 Jul 2018	Issued	Exercised	Expired	On issue 31 Dec 2018
30 Nov 2020	\$0.08	-	107,170,335	-	-	107,170,335

### 10. Reserves

	Note	\$
Reserves at 1 July 2018		1,561,740
<i>Movement in reserves:</i>		
Fair value of investment		(411,695)
Share based payments	6	(148,000)
Option reserve		960,402
<b>Reserves at 31 December 2018</b>		<b>1,962,447</b>

### 11. Events subsequent to reporting date

The directors are not aware of any significant events since the end of the interim period, other than these announced subsequent to the end of the December 2018 Half Year:

- Cashman Project Update, Bryah Basin (see announcement on 24 January 2019)
- Morck Well JV Update (see announcement on 29 January 2019)
- High Grade Copper Hits at Forrest and Wodger (see announcement on 4 February 2019)
- Cancellation of Performance Rights (see announcement on 18 February 2019)
- Follow-up on High Grade Copper Hits at Forrest and Wodger (see announcement on 25 February 2019)
- During February the Company sold 106,006 Sandfire Resources Ltd (ASX: SFR) shares raising \$852,126.78 net of brokerage.
- Commences Diamond Drilling at Forrest/Wodger (see announcement on 8 March 2019)

### 12. Contingent Liabilities

There has been no change in contingent liabilities since 30 June 2018.

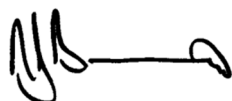
## **DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Auris Minerals Limited (the Company), I state that:

In the opinion of the directors of Auris Minerals Limited:

- a. The consolidated financial statements and notes are in accordance with the Corporations Act 2001, including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2018 and the performance for the half-year ended on that date;
  - ii. complying with Accounting Standard 134: Interim Financial Reporting and the Corporations Regulations 2001.
- b. There are reasonable grounds to believe that the Company will be able to pay its debts and when they become due and payable.

Signed in accordance with a resolution of the directors



**NEVILLE BASSETT**

**NON-EXECUTIVE CHAIR**

Dated at West Perth this 14<sup>th</sup> day of March 2019.

## Independent Auditor's Review Report

To the members of Auris Minerals Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Auris Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated 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.

#### *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 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 2018 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 Auris 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 have 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 Auris Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Auris Minerals Limited's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Greenwich & Co Audit Pty Ltd

**Greenwich & Co Audit Pty Ltd**

Nicholas Hollens

**Nicholas Hollens**  
Managing Director

14<sup>th</sup> March 2019  
Perth



## COMPETENT PERSON'S STATEMENT

### Competent Person's Statement

Information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared and compiled by Mr Matthew Svensson, who is a Member of the Australian Institute of Geoscientists.

Mr Svensson is the Exploration Manager for Auris Minerals Limited. Mr Svensson 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 a Competent Person, as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Svensson consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

### No New Information

Except where explicitly stated, this report contains references to prior exploration results and Mineral Resource estimates, all of which have been cross referenced to previous market reports made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the results and/or estimates in the relevant market report continue to apply and have not materially changed.

### Forward-Looking Statements

This report has been prepared by Auris Minerals Limited. This document contains background information about Auris Minerals Limited and its related entities current at the date of this report. This is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this report. This report is for information purposes only. Neither this document nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

This report may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted. This document does include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Auris Minerals Limited. Actual values, results, outcomes or events may be materially different to those expressed or implied in this report. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements.

Any forward-looking statements in this report speak only at the date of issue of this report. Subject to any continuing obligations under applicable law and ASX Listing Rules, Auris Minerals Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

## SCHEDULE OF MINING TENEMENTS

Schedule of Mining Tenements as at 31 December 2018					
Tenement Number	Registered Holder	Date Granted	Area Graticular blocks(bk) / Hectares (ha)	Area Sq km	Notes
<b>Doolgunna Project</b>					
E52/2438	Auris Minerals Limited	11/02/2010	7bk	21.68	1,8
<b>Morck's Well Project</b>					
E51/1033	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	22/09/2005	53bk	161.84	3,8
E51/1883	Auris Exploration Pty Ltd	Application	4bk	12.21	8
E52/1613	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	29/03/2006	30bk	92.77	3,8
E52/1672	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	22/09/2005	35bk	108.02	3,8
E52/1910	Auris Exploration Pty Ltd	10/08/2006	41bk	124.21	4
E52/2472	Auris Exploration Pty Ltd	19/11/2009	2bk	6.1	
E52/3275	Auris Exploration Pty Ltd	01/06/2016	2bk	6.1	
E52/3327	Auris Exploration Pty Ltd	15/10/2015	2bk	6.1	
E52/3350	Auris Exploration Pty Ltd	02/03/2016	3bk	9.2	
E52/3351	Auris Exploration Pty Ltd	02/03/2016	2bk	6.1	
P52/1497	Auris Exploration Pty Ltd	6/3/2015	155.90ha	1.56	
P52/1503	Auris Exploration Pty Ltd	6/3/2015	172.86ha	1.73	
P52/1504	Auris Exploration Pty Ltd	6/3/2015	191.81ha	1.92	
<b>Cashmans Project</b>					
E51/1053	Auris Exploration Pty Ltd	22/09/2005	35bk	105.26	
E51/1120	Auris Exploration Pty Ltd	10/08/2006	40bk	122.46	
E51/1391	Northern Star Resources Ltd	11/11/2010	21bk	64.82	5
E51/1641	Auris Exploration Pty Ltd	5/02/2015	20bk	61.86	
E51/1837	Auris Exploration Pty Ltd 51%; Northern Star Resources Ltd 49%	19/01/2018	3bk	9.2	5
E51/1838	Auris Exploration Pty Ltd 51%; Northern Star Resources Ltd 49%	19/01/2018	11bk	33.62	5
E52/2509	Northern Star Resources Ltd	16/06/2011	6bk	18.56	5
<b>Forrest Project</b>					
E52/1659	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	27/01/2004	13bk	34.09	2,6
E52/1671	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	23/11/2004	61bk	185.26	2,6
P52/1493	Auris Exploration Pty Ltd	6/3/2015	191.66ha	1.92	6
P52/1494	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	6/3/2015	179.33ha	1.79	2

## SCHEDULE OF MINING TENEMENTS

<b>Forrest Project (continued)</b>					
P52/1495	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	6/3/2015	181.09ha	1.81	2
P52/1496	Auris Exploration Pty Ltd 80%; Jackson Minerals Pty Ltd 20%	6/3/2015	183.70ha	1.83	2
<b>Horseshoe West Project</b>					
E52/3248	Auris Exploration Pty Ltd 85%; Omni Projects Pty Ltd 15%	31/03/2015	11bk	33.62	7
E52/3291	Auris Exploration Pty Ltd 85%; Omni Projects Pty Ltd 15%	02/03/2016	13bk	39.73	7
E52/3166	Auris Exploration Pty Ltd	18/12/2014	34bk	103.92	
<b>Chunderloo Project</b>					
M51/79	Auris Exploration Pty Ltd	26/06/1986	240.05 ha	2.43	
<p>Notes:</p> <p>Auris Exploration Pty Ltd (formerly Grosvenor Gold Pty Ltd) (AE) is a wholly owned subsidiary of Auris Minerals Limited (formerly RNI NL).</p> <ol style="list-style-type: none"> <li>1. Ascidian Prospecting Pty Ltd hold a 1% gross revenue royalty from the sale of all minerals</li> <li>2. Peak Hill Sale Agreement: AE 80%, Jackson Minerals Pty Ltd 20% &amp; free carried to a decision to mine.</li> <li>3. PepinNini Robinson Range Pty Ltd (PRR) hold a 0.8% gross revenue royalty from the sale or disposal of iron ore.</li> <li>4. PRR hold a 1.0% gross revenue royalty from the sale or disposal of iron ore.</li> <li>5. Earning 70% JV interest.</li> <li>6. Westgold Resources Limited owns gold mineral rights over the AE interest.</li> <li>7. AE 85% beneficial interest, Omni Projects Pty Ltd 15% beneficial interest.</li> <li>8. Sandfire Resources NL – Earn-in Agreement with rights to earn 70% interest.</li> </ol>					