



# NEXUSMINERALS

NEXUS MINERALS LIMITED

ABN: 96 122 074 006

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED  
31 DECEMBER 2014

## NEXUS MINERALS LIMITED

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## **NEXUS MINERALS LIMITED**

### **CORPORATE INFORMATION**

#### **Directors**

Paul Boyatzis (Non-Executive Chairman)  
Dr. Mark Elliott (Non-Executive Director)  
Phillip MacLeod (Non-Executive Director)

#### **Company Secretary**

Phillip MacLeod

#### **Registered office**

Suite 7, 29 The Avenue  
Nedlands Perth WA 6009  
Australia

#### **Principal place of business**

41-47 Colin Street  
West Perth WA 6005  
Australia  
Telephone: +61 8 9481 1749  
Facsimile: +61 8 9481 1756  
Website: [www.nexusminerals.com.au](http://www.nexusminerals.com.au)

#### **Auditors**

Nexia Perth Audit Services Pty Ltd  
Level 3  
88 William Street  
Perth WA 6000  
Australia

#### **Solicitors**

Fairweather Corporate  
595 Stirling Highway  
Cottesloe WA 6011  
Australia

#### **Share Register**

Advanced Share Registry Services  
110 Stirling Highway  
Nedlands WA 6009  
Australia

## **NEXUS MINERALS LIMITED**

### **DIRECTORS' REPORT**

The directors of Nexus Minerals Limited submit herewith the interim financial report of Nexus Minerals Limited ("Nexus" or "the Company") and its subsidiaries ("Consolidated entity" or "Group") for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the Company during or since the end of the half-year are:

Mr. P. Boyatzis	Non-Executive Chairman
Dr. M. Elliott	Non-Executive Director
Mr. P. MacLeod	Non-Executive Director

Directors were in office for the entire period unless otherwise stated.

#### **REVIEW OF OPERATIONS**

##### **(a) Overview**

During the half-year the Company undertook a number of due diligence project investigations in regards to gold and copper opportunities in Western Australia, other states of Australia and overseas. This resulted in the identification and subsequent farm-in/JV agreement being signed for the Triumph Gold Project.

Investigations and discussions were held with numerous third parties with regard to commercialisation of the Company's Pilbara iron tenements, and the Gardiner Range gold tenements.

Nexus Minerals is a well-funded, diversified resources company with a portfolio of projects in Western Australia. With a capable and well-credentialed board, assisted by an experienced management team, the Company is well placed to capitalise on opportunities as they emerge in the resource sector.

The Group incurred an after tax loss for the half-year ended 31 December 2014 of \$585,760 (2013: \$481,411).

## NEXUS MINERALS LIMITED

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS

##### (b) Exploration

##### Western Australia

Detailed due diligence on the Triumph Gold Project culminated in the farm-in and joint venture agreement being finalised and the agreement announced on 15 October 2014 (see ASX release). The Triumph Project is located in the Eastern Goldfields of Western Australia, some 145km northeast of Kalgoorlie (figures 1 and 2).



Figure 1. Triumph Project location, Western Australia.

## NEXUS MINERALS LIMITED

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS

##### Western Australia

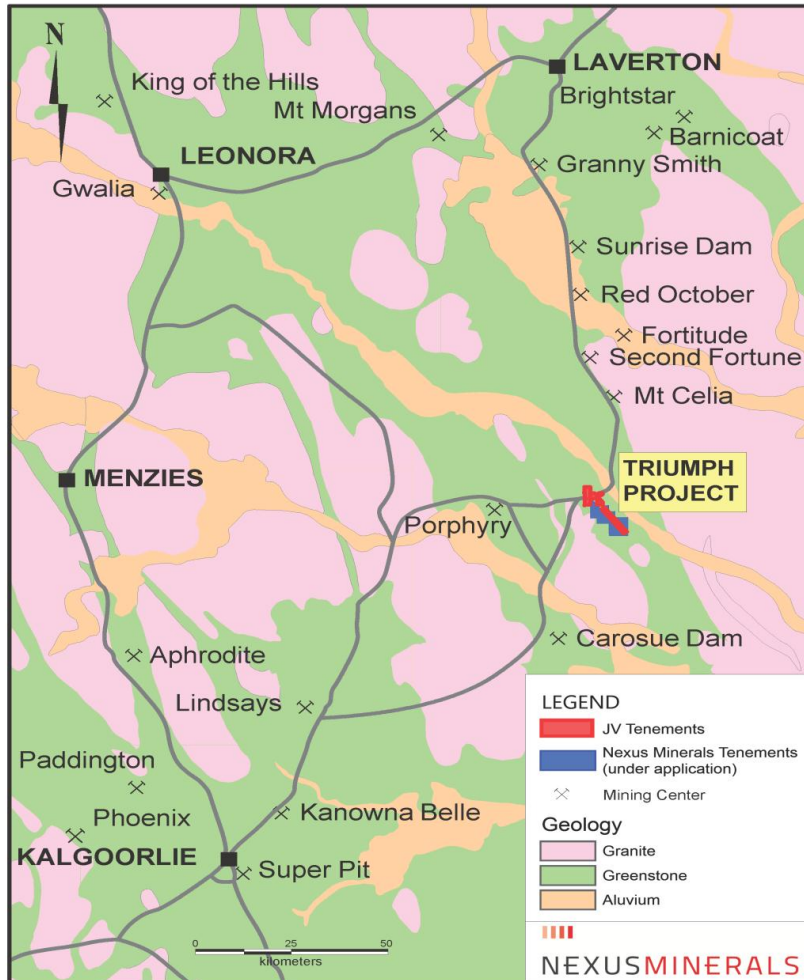


Figure 2. Triumph Project location, Eastern Goldfields.

The Triumph Project tenements provide a semi-continuous strike length of historic gold mine workings and shafts over a mineralised structure of 16km. The joint venture tenement package covers approximately 24km<sup>2</sup>.

The Triumph Project area covers part of a highly deformed greenstone sequence intruded by narrow porphyry units and characterised by sheared banded iron units, sediments and mafic rocks extensively sheared. A feature of the project area is the extensive strike of the mineralised shear zone and multiple quartz veins which have been mined for gold at the turn of the century by underground methods.

The area was principally mined between 1897 and 1921, with recorded production of 8,100t @ 24.5g/t gold from one section of the workings and 22,168t @ 46.4g/t gold from another.

## NEXUS MINERALS LIMITED

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS

##### Western Australia

Nexus entered into a farm-in/joint venture agreement on the Triumph Gold Project announced on 15 October 2014 (see ASX release). The key terms of the agreement are:

- Nexus is the sole manager of the Farm-In and Joint Venture (JV) from the commencement date.
- Year 1 - \$50,000 cash deposit to be paid to the vendor 14 days from the date of the JV agreement being signed by both parties (75% of deposit funds to be spent in the ground by the vendor).
- Year 1 – Nexus to spend \$200,000 on the project to earn 40% interest.
- Year 2 – Nexus to spend \$250,000 on the project to earn a further 20% interest (60%).
- Year 3/4 - Nexus to spend \$250,000 on the project over a 2 year period to earn a further 20% interest (80%).
- Year 5 – The Vendor can elect to contribute to the JV expenditure in proportion to its interest. If the vendor elects not to contribute to JV expenditure, then Nexus can sole fund \$150,000 of expenditure to earn a further 15% interest (95%). Nexus will retain an option to acquire the remaining 5% in consideration of granting the vendor a 1% net smelter royalty capped at \$2,000,000.

Nexus has the right to elect to exit the JV after a minimum spend of \$100,000 (excluding deposit).

Detailed geological assessment on the Triumph Gold Project has resulted in a 4000m RC drill program plan being finalised and Program of Work (POW) approval received from the Department of Mines and Petroleum (DMP). The Triumph Project tenements provide a semi-continuous strike length of historic gold mine workings and shafts over a mineralised structure of 16km. The joint venture tenement package covers approximately 24km<sup>2</sup>. Nexus has also applied for an exploration license and 3 prospecting licenses (100% Nexus) of a further approximately 46km<sup>2</sup> that surrounds the area covered by the joint venture tenements providing a total tenement package area of approximately 70km<sup>2</sup>.

##### Other Company Tenements

Nexus continued to undertake geological assessments and maintain its commitments on all Company tenements and project areas.

##### Gardner Range Gold Project

The Company's Gardner Range tenements are considered prospective for gold, uranium and rare earth elements. Predictive modeling, allowing a prospectivity ranking to be assigned, has been completed generating untested targets for potential future assessment. The tenements are part of the Company's asset commercialization program with discussions being held with a number of interested parties.

##### Pilbara Iron Ore Project

A comprehensive desktop review of all data under new Nexus Minerals management has been undertaken. The identified resource on tenement E47/1904 is constrained topographically, following erosion of a relatively extensive blanket of CID to a modest remnant mesa. The mineralisation is moderately attractive in grade, and displays good metallurgical properties. Financial modeling shows the current deposit to be marginal to sub-marginal. Exploration opportunities continue to exist on the tenement package. No bedrock mineralisation has been identified to date on the tenement group, and the mapped extent of CID does not currently support a standalone mining operation. Nexus Minerals will continue to seek a commercial outcome for the tenements, and review financial models as iron ore prices and exchange rate metrics change.

## **NEXUS MINERALS LIMITED**

### **DIRECTORS' REPORT**

#### **REVIEW OF OPERATIONS**

##### **Corporate**

In July 2014 the Company appointed Andy Tudor as Chief Executive Officer. Mr Tudor previously held the role of General Manager – Project and Corporate Development since February 2014. On his appointment Mr Tudor was issued 600,000 unlisted options. The options have an exercise price of 10.5 cents and an expiry date of 30 June 2017.

#### **EVENTS AFTER THE BALANCE DATE**

Subsequent to the balance date no matter or circumstance has arisen which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

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

Section 307C of the Corporations Act 2001 requires our auditors, Nexia Perth Audit Services Pty Ltd, 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 8 of the directors' report for the half-year ended 31 December 2014.

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

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'P Boyatzis', enclosed within a large, loopy circular flourish.

---

P Boyatzis  
Director  
Perth, 24 February 2015



**Auditor's independence declaration under section 307C of the Corporations Act 2001**

To the directors of Nexus Minerals Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the period ended 31 December 2014, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in 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.

NPAS

**Nexia Perth Audit Services Pty Ltd**

Amar Nathwani

**Amar Nathwani CA, B. ENG**  
Director

Perth  
24 February 2015

**NEXUS MINERALS LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	<b>Half-year ended 31 December 2014</b>	<b>Half-year ended 31 December 2013</b>
	<b>\$</b>	<b>\$</b>
Revenue from continuing operations	12,829	5,666
Exploration and evaluation expenditure expensed as incurred	(361,204)	(88,900)
Employee benefits	(15,191)	(44,378)
ASX and regulatory expenses	(34,314)	(36,326)
Depreciation	(6,481)	(24,137)
Directors' fees	(62,000)	(133,668)
Impairment of available-for-sale financial assets	(93,751)	(85,000)
Impairment of exploration assets	-	(16,281)
Insurance	(11,069)	(12,716)
Legal and professional fees	(33,138)	(4,368)
Occupancy expenses	(24,885)	(52,633)
Share-based compensation	(12,980)	(50,230)
Travel expenses	(3,670)	(13,344)
Other expenses	(63,511)	(77,059)
<b>Loss from operating activities</b>	<b>(709,365)</b>	<b>(633,374)</b>
Financial income	123,605	152,035
Financial expenses	-	(72)
<b>Net financing income</b>	<b>123,605</b>	<b>151,963</b>
<b>Loss before income tax benefit/(expense)</b>	<b>(585,760)</b>	<b>(481,411)</b>
Income tax benefit/(expense)	-	-
<b>Loss for the period</b>	<b>(585,760)</b>	<b>(481,411)</b>
<b>Other comprehensive income/(expenses)</b>		
Items that may be reclassified subsequently to profit or loss:		
Net change in fair value of available-for-sale financial assets	(41,249)	1,249
Foreign exchange reserve	-	6,332
Other comprehensive income/(expenses) for the period	(41,249)	7,581
<b>Total comprehensive loss for the period</b>	<b>(627,009)</b>	<b>(473,830)</b>
<b>Loss per share</b>		
Basic and diluted loss per share (cents per share)	(0.83) cents	(0.68) cents

The accompanying notes form part of these financial statements.

**NEXUS MINERALS LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

		<b>CONSOLIDATED</b>	<b>CONSOLIDATED</b>
		<b>31 December 2014</b>	<b>30 June 2014</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents		6,811,747	7,170,885
Trade and other receivables		96,307	181,456
Other assets		38,945	44,001
<b>Total current assets</b>		6,946,999	7,396,342
<b>Non-current assets</b>			
Available-for-sale financial assets		66,563	201,563
Plant and equipment		16,992	16,183
<b>Total non-current assets</b>		83,555	217,746
<b>Total assets</b>		7,030,554	7,614,088
<b>Current liabilities</b>			
Trade and other payables		125,397	98,017
Provisions		9,131	6,016
<b>Total current liabilities</b>		134,528	104,033
<b>Total liabilities</b>		134,528	104,033
<b>Net assets</b>		<b>6,896,026</b>	<b>7,510,055</b>
<b>Equity</b>			
Issued capital	2	17,182,333	17,182,333
Reserves	3	530,296	558,565
Accumulated losses		(10,816,603)	(10,230,843)
<b>Total equity</b>		<b>6,896,026</b>	<b>7,510,055</b>

The accompanying notes form part of these financial statements.

**NEXUS MINERALS LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	<b>CONSOLIDATED</b>	<b>CONSOLIDATED</b>
	<b>Half-year ended</b>	<b>Half-year ended</b>
	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	12,829	5,666
Interest received	204,185	114,532
Finance costs	-	(72)
Exploration expenditure	(332,474)	(142,866)
Payments to suppliers and employees	(236,388)	(457,590)
<b>Net cash used in operating activities</b>	<b>(351,848)</b>	<b>(480,330)</b>
<b>Cash flows from investing activities</b>		
Proceeds from/(payments to) term deposit investments	-	(800,086)
Payments for purchases of plant and equipment	(7,290)	-
<b>Net cash used in investing activities</b>	<b>(7,290)</b>	<b>(800,086)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(359,138)</b>	<b>(1,280,416)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>7,170,885</b>	<b>3,490,334</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>6,811,747</b>	<b>2,209,918</b>

The accompanying notes form part of these financial statements.

**NEXUS MINERALS LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Issued Capital	Share based Payment Reserve	Available for sale Reserve	Foreign currency translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2013</b>	17,182,333	620,007	-	23,717	(9,716,337)	8,109,720
<i>Total comprehensive loss for the period</i>						
Loss for the period	-	-	-	-	(481,411)	(481,411)
<i>Other comprehensive income/(expenses)</i>						
Change in the fair value of available-for-sale financial assets	-	-	1,249	-	-	1,249
Movement in foreign exchange on translation	-	-	-	6,332	-	6,332
Total comprehensive loss for the period	-	-	1,249	6,332	(481,411)	(473,830)
Share based payment transaction	-	50,230	-	-	-	50,230
Changes in equity due to cancellation of options	-	(152,921)	-	-	152,921	-
<b>Balance at 31 December 2013</b>	17,182,333	517,316	1,249	30,049	(10,044,827)	7,686,120
<b>Balance at 1 July 2014</b>	17,182,333	517,316	41,249	-	(10,230,843)	7,510,055
<i>Total comprehensive loss for the period</i>						
Loss for the period	-	-	-	-	(585,760)	(585,760)
<i>Other comprehensive income/(expenses)</i>						
Change in the fair value of available-for-sale financial assets	-	-	(41,249)	-	-	(41,249)
Total comprehensive loss for the period	-	-	(41,249)	-	(585,760)	(627,009)
Share based payment transaction	-	12,980	-	-	-	12,980
<b>Balance at 31 December 2014</b>	17,182,333	530,296	-	-	(10,816,603)	6,896,026

The accompanying notes form part of these financial statements.

## NEXUS MINERALS LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 1. Significant Accounting Policies

##### Statement of compliance

The interim financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The condensed consolidated interim financial report does not include full disclosure of the type normally included in an annual financial report, and accordingly this report should be read in conjunction with the most recent annual financial report 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* and the ASX listing rules.

##### Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. The consolidated entity, comprising Nexus Minerals Limited, Nexus Minerals Australia Pty Ltd, Nexus Minerals Africa Pty Ltd, Transformation Minerals Africa Pty Ltd and Nexus Triumph Pty Ltd, is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise indicated. Nexus Minerals Uganda Limited and Transformation Minerals Limited are domiciled in Tanzania and all amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Company's financial report for the financial year ended 30 June 2014. For the purpose of preparing the report the half-year has been treated as a discrete reporting period.

##### Amendments to AASBs and the new Interpretation that are mandatory for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1031 'Materiality' (2013)
- AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'
- AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'
- AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'
- AASB 2014-1 'Amendments to Australian Accounting Standards'
  - Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycles'
  - Part C: 'Materiality'

## NEXUS MINERALS LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 1. Significant Accounting Policies (continued)

##### **Impact of the application of AASB 1031 'Materiality' (2013)**

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

##### **Impact of the application of AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'**

The Group has applied the amendments to AASB 132 for the first time in the current year. The amendments to AASB 132 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. As the Group does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments does not have any material impact on the amounts recognised in the Group's condensed consolidated financial statements.

##### **Impact of the application of AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'**

The Group has applied the amendments to AASB 136 for the first time in the current year. The amendments to AASB 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by AASB 13 'Fair Value Measurements'.

The application of these amendments does not have any material impact on the disclosures in the Group's condensed consolidated financial statements.

##### **Impact of the application of AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'**

This amending standard makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, at the same time it makes various editorial corrections to Australian Accounting Standards as well. The adoption of this amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

## NEXUS MINERALS LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 1. Significant Accounting Policies (continued)

##### Impact of the application of AASB 2014-1 'Amendments to Australian Accounting Standards'

##### Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycle'

The Annual Improvements 2010-2012 Cycle include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to AASB 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to AASB 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of AASB 9 or AASB 139 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to AASB 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to AASB 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of AASB 13 clarify that the issue of AASB 13 and consequential amendments to AASB 139 and AASB 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to AASB 116 and AASB 138 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to AASB 124 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The 'Annual Improvements 2011-2013 Cycle' include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.



# NEXUS MINERALS LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Significant Accounting Policies (continued)

The amendments to AASB 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, AASB 139 or AASB 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within AASB 132.

The amendments to AASB 140 clarify that AASB 140 and AASB 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

- (a) the property meets the definition of investment property in terms of AASB 140; and
- (b) the transaction meets the definition of a business combination under AASB 3.

### Part C – 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard. The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

### Significant Accounting Judgements and Key Estimates

The preparation of this interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, 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 consolidated entity's accounting policies and key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2014.

### 2. Issued capital

	<b>31 December 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	<b>\$</b>
<i>Issued and paid up capital</i>		
Fully paid ordinary shares	17,182,333	17,182,333
	<b>31 December 2014</b>	<b>30 June 2014</b>
	<b>Number</b>	<b>Number</b>
<i>Movements in fully paid shares on issue</i>		
At beginning of period	70,383,575	70,383,575
Balance at end of period	70,383,575	70,383,575

**NEXUS MINERALS LIMITED**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**3. Reserves**

	<b>31 December 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	<b>\$</b>
Share based payment reserve		
Balance at beginning of period	517,316	620,007
Cancellation of options	-	(152,921)
Share based payments	12,980	50,230
Balance at end of period	<u>530,296</u>	<u>517,316</u>
Foreign currency translation reserve		
Balance at beginning of period	-	23,717
Eliminate reserve on disposal of overseas subsidiary	-	(23,717)
Balance at end of period	<u>-</u>	<u>-</u>
Available for sale asset reserve		
Balance at beginning of period	41,249	-
Decrease in fair value taken to profit and loss	(41,249)	-
Increase in fair value taken to reserve	-	41,249
Balance at end of period	<u>-</u>	<u>41,249</u>
<b>Total reserves</b>	<b><u>530,296</u></b>	<b><u>558,565</u></b>

**4. Contingencies and Commitments**

	<b>31 December 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	<b>\$</b>
<b>Commitments</b>		
Operating lease commitments		
not later than 1 year	49,421	12,152
Later than 1 year but not later than 5 years	27,030	48,608
	<u>76,451</u>	<u>60,760</u>
<b>Exploration expenditure commitments</b>		
Minimum exploration expenditure:		
not later than 1 year	608,320	275,000
Later than 1 year but not later than 5 years	2,383,280	1,100,000
	<u>2,991,600</u>	<u>1,375,000</u>

Exploration expenditure commitments are only mandatory to the extent the Group wishes to retain tenure to the underlying tenements.

In the opinion of the directors, other than the matter disclosed above, there were no contingent liabilities at the date of this report.

# NEXUS MINERALS LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 5. Segment Information

The consolidated entity's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the consolidated entity's operations and allocation of working capital.

Due to the size and nature of the Company, the Board as a whole has been determined as the chief operating decision maker.

The Group operates in one business segment and one geographical segment, namely the mineral exploration industry in Western Australia following the disposal of its subsidiary in Tanzania on 12 June 2014.

No separate segment note was prepared for the current period however comparative information for 2013 is disclosed below.

	Exploration WA*	Exploration Tz*	Unallocated	Total
	\$	\$	\$	\$
<b>Consolidated</b>				
<b>Period ended 31 Dec 2013</b>				
Segment revenue	-	-	5,666	5,666
Segment finance revenue	-	-	152,035	152,035
Segment exploration expenditure	(66,098)	(22,802)	-	(88,900)
Segment depreciation	(505)	(11,284)	(12,348)	(24,137)
Impairment of segment assets	-	(16,281)	(85,000)	(101,281)
Share based payments	-	-	(50,230)	(50,230)
Other segment expenses	-	(23,142)	(351,422)	(374,564)
<b>Segment result</b>	<b>(66,603)</b>	<b>(73,509)</b>	<b>(341,299)</b>	<b>(481,411)</b>
Included within segment result:				
Interest revenue	-	-	152,035	152,035
<b>Segment assets</b>				
Cash and term deposits	-	58,822	7,246,464	7,305,286
Trade and other receivables	-	-	144,460	144,460
Other current assets	-	282	38,199	38,481
Financial assets	-	-	76,563	76,563
Exploration assets	-	122,483	-	122,483
Plant and equipment	3,711	34,759	22,061	60,531
<b>Total segment assets</b>	<b>3,711</b>	<b>216,346</b>	<b>7,527,747</b>	<b>7,747,804</b>
<b>Segment liabilities</b>				
Trade and other payables	(1,803)	-	(54,578)	(56,381)
Provisions	-	-	(5,303)	(5,303)
<b>Total segment liabilities</b>	<b>(1,803)</b>	<b>-</b>	<b>(59,881)</b>	<b>(61,684)</b>
<b>NET SEGMENT ASSETS</b>	<b>1,908</b>	<b>216,346</b>	<b>7,467,866</b>	<b>7,686,120</b>

\*WA -Western Australia, Tz – Tanzania

## **NEXUS MINERALS LIMITED**

### **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

#### **6. Events after the balance date**

Subsequent to the balance date no matter or circumstance has arisen which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

#### **7. Related Parties**

Transactions with directors and director-related entities continue to be in place. For details on these arrangements, please refer to the 30 June 2014 annual financial report. No other related party transactions were entered into during the half year ended 31 December 2014.

Key management personnel continue to receive compensation in the form of short term employee benefits, post-employment benefits and share based payments.

**NEXUS MINERALS LIMITED**

**DIRECTORS' DECLARATION**

In the opinion of the directors:

- 1 the financial statements and notes set out on pages 9 to 19 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standards, AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date of the consolidated entity; and
- 2 there are reasonable grounds to believe that Nexus Minerals Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'P Boyatzis', enclosed within a large, loopy oval shape.

P Boyatzis  
Director

Perth, 24 February 2015

## **Independent Auditor's Review Report to the members of Nexus Minerals Limited**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Nexus Minerals Limited (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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

The directors of the Group 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*. This responsibility includes: establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **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 Group's financial position as at 31 December 2014 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Nexus 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*.

#### **Nexia Perth Audit Services Pty Ltd**

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## **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim financial report of Nexus Minerals Limited and its controlled entities 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 2014 and of its performance for the period ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

NPAS

**Nexia Perth Audit Services Pty Ltd**

Amar Nathwani

**Amar Nathwani CA, B. ENG**  
Director

Perth  
24 February 2015