Mayan Iron Corporation Limited

(ACN 136 636 005)

Half-Year Report

31 December 2014

COMPANY DIRECTORY

Directors

Mr Bruce McLeod
Non-Executive Chairman

Mr Bruce Richardson
Managing Director

Mr Peter Gregory Knox
Non-Executive Director

Auditors

Stantons International
Level 2, 1 Walker Avenue
West Perth, WA 6005

Company Secretary

Michael van Uffelen

Solicitors

Bennett + Co
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28 The Esplanade
Perth, WA 6000

Registered and Principal Office

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Share Registry

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ASX Code:

MYN

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DIRECTORS' REPORT

Your Directors submit the financial report of the Company being Mayan Iron Corporation Limited and the entity it controlled, 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:

Directors

The names of Directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Bruce McLeod	Non Executive Chairman
Bruce Richardson	Managing Director
Peter (Greg) Knox	Non Executive Director

Review of Operations

- Work continued on the Company's Gidgee tenements near Wiluna in Western Australia. On review, it has been decided to focus on both gold and iron ore exploration in the area.
- The Company continues to complete the withdrawal from its project in Guatemala. As at 31 December 2014, the carrying value of this project was nil.
- The Company continued to investigate additional domestic and international exploration opportunities.

The Gidgee Project, Western Australia

Site visits and compilation of historical data continued and the first portion of a planned drilling program was completed targeting prospective gold and iron targets determined from historical drilling and geophysical data and earlier sampling. The drilling did not intersect significant gold mineralisation, but produced anomalous geochemical results for copper, lead and zinc and nickel mineralisation.

There are numerous other target zones for both gold and iron to be followed up in the next drilling program.

Corporate

As at 31 December 2014, the Company had cash on hand of $1,799,006 and is endeavouring to keep expenses to a minimum while it concludes the withdrawal from its Guatemalan project and investigates new project opportunities elsewhere.

To incentivise directors and management to source a new project, 5,885,000 performance rights and 5,000,000 loan funded shares were issued.

DIRECTORS' REPORT (continued)

AUDITOR'S INDEPENDENCE DECLARATION

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

Mr Bruce Richardson
Managing Director

Dated this 9th day of March 2015

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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9 March 2015

The Directors
Mayan Iron Corporation Limited
Level 1
8 Outram Street
West Perth WA 6005

Dear Sirs

RE: MAYAN IRON CORPORATION LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Mayan Iron Corporation Limited.

As Audit Director for the review of the financial statements of Mayan Iron Corporation Limited for the period ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

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

	Note	31 December 2014 $	31 December 2013 $
Continuing operations			
Interest income		3,255	12,583
Foreign exchange gain / (loss)		229,357	40,408
		232,612	**52,991**
Depreciation expense		(735)	(882)
Directors fees		(152,389)	(143,711)
Employee benefit expenses		(17,377)	(17,129)
Exploration expense		(23,875)	(91,713)
Office expenses		(26,011)	(27,227)
Other expenses		(104,923)	(89,170)
Share-based payments		(52,342)	-
Travel and accommodation		(7,611)	(29,545)
Total Expenses		**(385,263)**	**(399,377)**
(Loss) before income tax	3	**(152,651)**	**(346,386)**
Income tax benefit / (expense)		-	-
(Loss) for the period from continuing operations		**(152,651)**	**(346,386)**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive income for the period		-	-
Total comprehensive (loss) for the period		**(152,651)**	**(346,386)**
(Loss) attributable to:			
Owners of the parent		(152,651)	(346,386)
Non-controlling interest		-	-
Total comprehensive (loss) attributable to:			
Owners of the parent		(152,651)	(346,386)
Non-controlling interest		-	-
Net (loss) per share (in cents)			
Basic and diluted for the period		(0.17)	(0.40)

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	As at 31 December 2014 $	As at 30 June 2014 $
ASSETS		
Current assets		
Cash and cash equivalents	1,799,006	1,900,763
Trade and other receivables	25,995	15,528
Total current assets	**1,825,001**	**1,916,291**
Non-current assets		
Plant and equipment	74	809
Total non-current assets	**74**	**809**
TOTAL ASSETS	**1,825,075**	**1,917,100**
LIABILITIES		
Current liabilities		
Trade and other payables	27,011	18,727
Total current liabilities	**27,011**	**18,727**
TOTAL LIABILITIES	**27,011**	**18,727**
NET ASSETS	**1,798,064**	**1,898,373**
EQUITY		
Issued Capital	6,626,195	6,626,195
Reserves	977,523	925,181
Accumulated Losses	(5,805,654)	(5,653,003)
TOTAL EQUITY	**1,798,064**	**1,898,373**

The accompanying notes form part of this financial report

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

	Ordinary Shares	Reserves	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2014	6,626,195	925,181	(5,653,003)	1,898,373
(Loss) for the period	-	-	(152,651)	(152,651)
Total comprehensive loss for the period	-	-	(152,651)	(152,651)
Shares issued under a loan funded share plan	-	51,617	-	51,617
Performance rights issued	-	725	-	725
Balance at 31 December 2014	**6,626,195**	**977,523**	**(5,805,654)**	**1,798,064**
Balance at 1 July 2013	6,626,195	886,838	(4,897,871)	2,615,162
(Loss) for the period	-	-	(346,386)	(346,386)
Total comprehensive loss for the period	-	-	(346,386)	(346,386)
Balance at 31 December 2013	**6,626,195**	**886,838**	**(5,244,257)**	**2,268,776**

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	31 December 2014 $	31 December 2013 $
OPERATING ACTIVITIES		
Payments to suppliers and employees	(335,044)	(333,880)
Interest received	3,930	16,668
Net cash (used by) operating activities	(331,114)	(317,212)
INVESTING ACTIVITIES		
Payments for plant and equipment	-	-
Net cash (used by) investing activities	-	-
FINANCING ACTIVITIES		
Proceeds from issue of equity	-	-
Net cash provided by financing activities	-	-
Net (decrease) in cash and cash equivalents	**(331,114)**	**(317,212)**
Foreign currency gain	229,357	-
Cash and cash equivalents at beginning of the period	1,900,763	2,606,052
Cash and cash equivalents at end of the period	**1,799,006**	**2,288,840**

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

1. CORPORATE INFORMATION

The financial report of Mayan Iron Corporation Limited (the "Company") for the half-year ended 31 December 2014 was authorised for issue in accordance with a resolution of the directors on 9 March 2015.

Mayan Iron Corporation Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activity of the Company during the half-year was exploration and evaluation of mineral licences.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

These general purpose condensed consolidated financial statements for the half-year ended 31 December 2014 have been prepared in accordance with AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The half-year financial report does not include all of the 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 Company as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of the Company as at 30 June 2014.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 31 December 2014 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

Adoption of new or revised accounting standards and interpretations

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Mayan Iron Corporation Limited) and its subsidiary. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 6.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

3. SEGMENT REPORTING

The Company operates predominately in the mineral exploration industry. For management purposes, the Company is organised into one main operating segment, which involves the exploration for minerals. All of the Company activities are inter-related and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial results of the Company as a whole.

4. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

5. EVENTS SUBSEQUENT TO REPORTING DATE

There are no significant events subsequent to reporting date which may affect the financial position for the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

6. INTEREST IN SUBSIDIARY

		Ownership Held by the Group	
Name of Subsidiary	**Principal Place of Business**	**31 Dec 2014**	**30 Jun 2014**
Tikal Minerals SA	Guatemala	100%	100%

7. SHARE BASED PAYMENTS

(a) Loan Funded Share Plan Shares

The following shares were issued under the Loan Funded Share Plan.

	31 December 2014 (No.)	**30 June 2014 (No.)**
Opening balance	**3,000,000**	**-**
Issued during the period:		
Bruce Richardson	2,000,000	1,000,000
Michael van Uffelen	750,000	500,000
Greg Knox	1,500,000	750,000
Bruce McLeod	750,000	750,000
Closing balance	**8,000,000**	**3,000,000**

The shares were issued under the Company's Employee Share Plan and the participants were also provided with a loan on the following terms:

(a) the repayment term of each loan shall be 10 years. The loan must be repaid in full by the expiry of the repayment term, but a Director may elect to repay the loan at any time prior to the repayment date;

(b) the loan shall bear interest at the rate of 8% per annum;

(c) the loan shall be applied by the Company directly towards payment of the issue price of the Incentive Shares;

(d) the Company shall have a lien over the Incentive Shares in respect of which a loan is outstanding and the Company shall be entitled to sell those Incentive Shares in accordance with the terms of the Plan if the loan is not repaid when due; and

(e) the loan is non-recourse except against the Incentive Shares held by the Director to which the loan relates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

7. SHARE BASED PAYMENTS (continued)

(b) Options and Performance Rights

No options were granted to employees and consultants during the period.

The following performance rights were issued under the Performance Rights Plan.

	31 December 2014 (No.)	30 June 2014 (No.)
Opening balance	**-**	**-**
Issued during the period:		
Bruce Richardson	2,350,000	-
Michael van Uffelen	885,000	-
Greg Knox	1,765,000	-
Bruce McLeod	885,000	-
Closing balance	**5,885,000**	**-**

The Performance Rights were issued for nil cash consideration and in two equal tranches, Tranche A and Tranche B.

The vesting of the Performance Rights is subject to the following performance hurdles:

(i) Tranche A - the Company completing the acquisition of a mining exploration or development project with the approval of Shareholders.

(ii) Tranche B – the earlier of any of the following events occurring in relation to the project referred to in the Tranche A Performance Rights Performance Hurdle:

A. The sale by the Company of the project or a majority interest in the project where the sale consideration values the project at a higher value than the sum of the acquisition cost of the project and all money spent by the Company in developing the project.

B. The farm-out by the Company of the project where the sum of any consideration received by the Company in consideration of the farm-out and the value of the retained interest of the Company in the project is higher than the sum of the acquisition cost of the project and all money spent by the Company in developing the project.

C. The Company delineating a JORC compliant resource in relation to a mining exploration project.

D. The Company commencing the commercial extraction of minerals from a mining development project.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

7. SHARE BASED PAYMENTS (continued)

(b) Options and Performance Rights (continued)

The shares to be issued in the event of vesting of the Performance Rights shall rank pari-passu in all respects with other fully paid ordinary shares in the Company.

Any unvested Performance Rights will lapse 7 years after their date of issue.

(c) Valuation of Options, Performance Rights and Share Plan Shares

The fair value of the equity-settled share options granted under the loan funded share plan is estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the options and shares were granted. The initial undiscounted value of the performance rights is the value of an underlying share in the Company as traded on ASX at the date of deemed date of grant of the performance right. As the performance conditions are not market based performance conditions, no discount is applied.

The fair value of performance rights and share plan shares are recognised as an expense over the period from grant to vesting date.

The amount recognised as part of employee benefits expense for Loan Funded Share Plan shares issued during the period was $51,617 and performance rights was $725. No options were issued during the period.

The Black Scholes Option Pricing Model assumes that the Securities the subject of the valuation can be sold on a secondary market. The terms and conditions of the Options and Share Plan shares state that no application will be made for the Shares to be listed for official quotation on ASX, until certain milestones are met. Accordingly a discount for lack of marketability is required to determine an indicative fair value of the Plan Shares and for the Options.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The following table lists the assumptions to the model used for the period ended 31 December 2014.

	Issue Date	Vesting Date	Number Issued	Grant Date	Stock Price at Grant Date (cents)	Issue Price (cents)	Risk Free Rate (%)	Volatility (%)	Value Per Share / Right (cents)
Performance rights	10/12/2014	10/12/2021	5,885,000	10/12/2014	0.015	nil	n/a	n/a	0.0150
Loan funded shares	10/12/2014	10/12/2024	5,000,000	10/12/2014	0.015	Up to 0.028	2.93%	70.16%	Up to 0.0103

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes thereto, as set out on pages 6 to 14:
   a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
   b. give a true and fair view of the Company's financial position as at 31 December 2014 and of its performance for the half-year then ended.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to S303 (5) of the Corporations Act 2001.

Bruce Richardson
Managing Director

Dated this 9th day of March 2015

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MAYAN IRON CORPORATION LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mayan Iron Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Mayan Iron Corporation Limited (the consolidated entity). The consolidated entity comprises both Mayan Iron Corporation Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 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 Mayan Iron Corporation 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Mayan Iron Corporation Limited on 9 March 2015.

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 Mayan Iron Corporation Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
9 March 2015