



(Formerly Australia Minerals & Mining Group Ltd)

ABN 45 125 301 206

**INTERIM REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

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CORPORATE DIRECTORY

DIRECTORS

Luke Atkins (Chairman)
Ignatius Tan (Managing Director)
Daniel Tenardi (Non-Executive Director)
Peter Bailey (Non-Executive Director)

COMPANY SECRETARY

Shane Volk

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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AUDITORS

Moore Stephens
Level 3, 12 St Georges Terrace,
PERTH WA 6000

SHARE REGISTRY

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153
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STOCK EXCHANGE LISTING

The Company is listed on Australian Securities
Exchange Limited

Home Exchange: Perth

ASX Codes: ATC
ATCO
ATCOA

The Directors present their report on Altech Chemicals Ltd (formerly Australian Minerals & Mining Group Limited) for the half-year ended 31 December 2014.

BOARD OF DIRECTORS

The names and details of the Altech Chemicals Ltd ("Company") directors in office during the financial period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Luke Atkins	Chairman
Ignatius Tan	Managing Director (commenced 25 August 2014)
Daniel Tenardi	Non-Executive Director
Peter Bailey	Non-Executive Director
Ric Dawson	Managing Director (ceased 9 July 2014)

COMPANY SECRETARY

Shane Volk	(commenced 12 November 2014)
Piers Lewis	(ceased 12 November 2014)

REVIEW OF OPERATIONS

During the half-year ended 31 December 2014, the Company focussed on its goal of becoming a leading supplier of 99.99% (4N) high purity alumina (HPA), key developments during the half-year included:

- Mr Iggy Tan was appointed as managing director, effective 25 August 2014. Iggy is a highly experienced and effective executive with over 30 years in the chemicals and mining industries, specialising in project development, chemical plant operations, and management. His leadership, vision, experience and expertise will be invaluable for the Company as it moves through project evaluation, construction and ultimately to HPA production.
- a bankable feasibility study (BFS) commenced to evaluate the commercial and technical viability of constructing and operating a HPA production plant, with feed stock to come from the Company's aluminous clay (kaolin) deposit at Meckering, Western Australia. When initially announced the BFS was to consider a 3,000 tonne per annum HPA plant, this was later upgraded to 4,000 tonnes per annum. Johor Bahru, Malaysia announced as the preferred location for the plant following an extensive evaluations process. The BFS is targeted for completion in Q3-2015 and at the date of this report is progressing as planned.
- following approval from shareholders at the Company's 2014 annual general meeting, the name of the Company was changed from Australia Minerals and Mining Group Ltd to Altech Chemicals Ltd, effective 12 November 2014. The ASX code for the Company's shares has consequently changed to "ATC".
- Mr Shane Volk was appointed as chief financial officer (CFO) and company secretary, effective 12 November 2014. Mr Volk has significant international mining industry experience and is a key addition to the Company's management team.
- a 1:4 pro-rata, non-renounceable entitlement offer at \$0.10 per new share with one free attaching listed option for each new share subscribed (exercise price \$0.10, expiry 15 December 2015) was announced on 24 November 2014. The offer closed on 19 December 2014 and raised approximately \$402,000 before costs, the funds raised will be applied to the BFS.

During the half year the Company continued to rationalise its exploration mineral tenement holdings as it consolidated its focus on the HPA project. Of note was the finalisation of a Farm-In and Joint Venture Agreement with Midas Engineering Group Pty Ltd (Midas) for the Company's South West Titanium Project (formerly called the Glenarty Project). Under the terms of the agreement, Midas has the right to earn an initial 20% interest following the completion of a feasibility study (to be sole funded by Midas), and a further 30% interest on the completion and verification of a preliminary feasibility study, also to be sole funded by Midas.

RESULTS OF OPERATIONS

The operating profit after income tax of the Company for the half-year ended 31 December 2014 was \$70,131 (2013: loss \$524,985). The Company's basic profit per share for the period was 0.001 cents (2013: loss of 0.49 cents).

No dividend has been paid during or is recommended for the financial period ended 31 December 2014.

FINANCIAL POSITION

The Company's working capital, being current assets less current liabilities at 31 December 2014 was \$1,336,579 (30 June 2014: \$1,732,148).

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.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

EVENTS SINCE 31 DECEMBER 2014

There have been no significant developments for the Company since 31 December 2014.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the half-year ended 31 December 2014 has been received and immediately follows the Directors' Report.

This report has been made in accordance with a resolution of the Board of Directors.



Ignatius Tan
Managing Director

Dated at Perth this 10th day of March 2015

AUDITORS INDEPENDENCE DECLARATION

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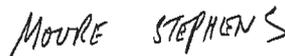
AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF ALTECH CHEMICALS LIMITED

As lead auditor for the review of Altech Chemicals Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

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



Suan-Lee Tan
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 10th day of March 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2014

	Notes	31-Dec-14 \$	30-Jun-14 \$
Current Assets			
Cash and cash equivalents	5	1,174,246	1,784,404
Trade and other receivables	6	414,954	182,800
Total Current Assets		1,589,200	1,967,204
Non-Current Assets			
Property, plant and equipment		15,396	6,830
Exploration and evaluation expenditure	7	308,025	234,222
Development expenditure	8	2,504,321	1,660,604
Total Non-Current Assets		2,827,742	1,901,656
TOTAL ASSETS		4,416,942	3,868,860
Current Liabilities			
Trade and other payables	9	238,547	235,056
Provisions	10	14,074	-
TOTAL LIABILITIES		252,621	235,056
NET ASSETS		4,164,321	3,633,804
Equity			
Contributed equity	11	9,770,585	9,422,571
Reserves	12	1,335,261	1,480,474
Accumulated losses	13	(6,941,525)	(7,269,241)
TOTAL EQUITY		4,164,321	3,633,804

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Half-Year Ended 31 December 2014

	Notes	31-Dec-14 \$	31-Dec-13 \$
Revenue from ordinary activities			
Interest Income		17,271	51,778
Research and Development tax off-set refund		462,173	117,739
Other income		5,127	7,178
Total Income		484,571	176,695
Expenses			
Accounting and audit fees		(12,811)	(10,888)
ASX and share registry fees		(32,001)	(30,108)
Company Secretarial fees		(34,518)	(27,168)
Directors' fees		(10,000)	(4,889)
Depreciation		(3,004)	(8,352)
Employee benefit expense		4,438	(69,621)
Insurance expense		(29,311)	(28,174)
Rent expense		(43,049)	(26,251)
Office and administration		(104,625)	(85,177)
Exploration Expenditure		(37,187)	(389,056)
Share-based payments	4	(112,372)	(21,996)
Profit (Loss) before income tax expense		70,131	(524,985)
Income tax expense		-	-
Net profit (loss) from continuing operations		70,131	(524,985)
Other comprehensive loss			
Items that will not be reclassified to profit and loss		-	-
Items that may be reclassified subsequently to profit and loss		-	-
Total comprehensive loss attributable to members of the parent entity		70,131	(524,985)
Basic profit (loss) per share (cents per share)	3	0.001	(0.488)
Diluted profit (loss) per share (cents per share)		0.001	(0.488)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Half-Year Ended 31 December 2014

	Contributed Equity \$	Accumulated losses \$	Reserves \$	Total \$
At 1 July 2013	9,403,181	(3,648,553)	1,405,881	7,160,509
Profit (Loss) after income tax for the half year	-	(524,985)	-	(524,985)
Total comprehensive profit (loss) for the half-year	-	(524,985)	-	(524,985)
Transactions with owners in their capacity as owners:				
Employee rights converted into shares	19,390	-	(19,390)	-
Share based payments	-	-	21,996	21,996
At 31 December 2013	9,422,571	(4,173,538)	1,408,487	6,657,520

	Contributed Equity \$	Accumulated losses \$	Reserves \$	Total \$
At 1 July 2014	9,422,571	(7,269,241)	1,480,474	3,633,804
Profit (Loss) after income tax for the half year	-	70,131	-	70,131
Total comprehensive profit (loss) for the half-year	-	70,131	-	70,131
Transactions with owners in their capacity as owners:				
Issue of share capital	348,014	-	-	348,014
Share based payments	-	-	112,372	112,372
Transferred to accumulated losses/reserves	-	257,585	(257,585)	-
At 31 December 2014	9,770,585	(6,941,525)	1,335,261	4,164,321

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

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half-Year Ended 31 December 2014

	Notes	31-Dec-14 \$	31-Dec-13 \$
Cash Flows from Operating Activities			
Receipts from customers		-	7,500
Payments to suppliers, contractors and employees		(261,801)	(295,829)
Payments for exploration and evaluation		(54,086)	(128,403)
Interest received		17,271	51,778
Payments for research and development		(947,701)	(417,235)
Research and development tax refund		462,173	406,936
Net cash flows used in operating activities	5(b)	(784,144)	(375,253)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(11,570)	-
Sale of property, plant and equipment		5,000	-
Net cash used in investing activities		(6,570)	-
Cash Flows from Financing Activities			
Proceeds from issue of shares		180,555	-
Net cash flows from financing activities		180,555	-
Net decrease in cash and cash equivalents		(610,159)	(375,253)
Cash and cash equivalents at the beginning of the financial period		1,784,404	2,827,198
Cash and cash equivalents at the end of the financial period	5(a)	1,174,246	2,451,945

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

CONDENSED NOTES TO THE HALF YEAR FINANCIAL STATEMENTS

1. Corporate Information

The financial report of Altech Chemicals Ltd (the Company) for the half-year ended 31 December 2014 was authorised for issue in accordance with a resolution of the directors on 10th March 2015. Altech Chemicals Ltd is a limited company incorporated in Australia and its shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company are described on page 4 of this report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2014 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Altech Chemicals Ltd and its controlled entities (referred to as the consolidated group or the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2014, together with any public announcements made during the following half-year.

Accounting Policies

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, except in relation to the matters discussed below.

Critical Accounting Estimates and Judgments

The critical estimates and judgments are consistent with those applied and disclosed in the June 2014 annual report.

Going concern

This report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The company has incurred net cash outflow from operating and investing activities for the half year ended 31 December 2014 of \$790,714 (2013: \$375,253). As at 31 December 2014, the consolidated entity had net current assets of \$1,336,579 (30 June 2014: 1,732,148).

The Directors recognise that the ability of the company to continue as a going concern is dependent on the ability of the company being able to secure additional funding through either the issue of further shares and/or options or convertible notes or a combination thereof as required to fund ongoing project development, test work and for additional working capital.

Based on the above, the company is confident that it will successfully raise additional funds, if required, to meet its financial obligations in future periods. As a result the financial report has been prepared on a going concern basis. However should the consolidated entity be unsuccessful in securing further working capital the consolidated entity may not be able to continue as a going concern.

The financial statements do not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the company not be able to continue as a going concern.

New and revised accounting requirements applicable to the current interim period

Interpretation 21: Levies is mandatorily applicable for annual financial reporting periods commencing 1 January 2014 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2014 to 31 December 2014. The Interpretation clarifies that a liability to pay a government levy should be recognised when the activity triggering the payment has occurred.

The Group pays land utilisation taxes with respect to certain operations which it has recognised in the prior period when the tax invoice has been received from the relevant authority. The Group will now adopt a policy of recognising a liability for such taxes based on the passage of time, since the land occupation is the activity triggering the payment pursuant to the Interpretation.

Altech Chemicals Ltd
ABN 45 125 301 206

CONDENSED NOTES TO THE HALF YEAR FINANCIAL STATEMENTS

3. Earnings per share	31-Dec-14	31-Dec-13
	\$	\$
Basic profit (loss) per share	0.001	(0.488)
Diluted profit (loss) per share	0.001	(0.488)
	Number	Number
The weighted average number of ordinary shares used in the calculation of basic earnings per share was:	107,799,564	107,620,002

Options or rights to purchase ordinary shares not exercised at 31 December 2014 have not been included in the determination of basic earnings per share.

4. Share based payments

On 18 November 2014 the Company awarded 15,000,000 performance rights to Managing Director Mr Iggy Tan, shareholder approval for the award of the rights was received at the Company's Annual General Meeting on 5 November 2014.

The Performance Rights were issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights on the achievement of the specified performance criteria.

The vesting conditions attributable to the Performance Rights are as follows:

- i) Tranche 1 – 5,000,000 Performance Rights that will vest upon completion of \$1.9 million capital raising, delivery of a bankable feasibility study and 1 year continuous service
 - ii) Tranche 2 – 5,000,000 Performance Rights that will vest upon successful funding of the HPA project and 2 years of continuous service
 - iii) Tranche 3 – 5,000,000 Performance Rights that will vest upon first tonne of HPA product sold and plant is at a steady state of production (plant is stable and producing at a constant and consistent rate) within specification quality and 3 years of continuous service.
- The Performance Rights will convert to fully paid ordinary shares in the capital of the Company upon attainment of the vesting conditions.

Value of Performance Rights issued during the period

The fair value of the Performance Rights issued to Mr Tan during the period was calculated using the Black Scholes pricing model that took into account the term, the underlying value of the shares of the Company, the exercise price of the rights, the expected dividend yield, the impact of dilution and the risk-free interest rate. The assessed fair value at grant date was \$0.10 for each of the Performance Rights, with a probability of vesting allocated to each tranche being Tranche 1 75%, Tranche 2 90% and Tranche 3 90%.

Inputs used to value the rights granted included:

- exercise price for the shares: \$0.00
- market price for the shares at date the rights were issued: \$0.10
- volatility of company share price: 81.76%
- dividend yield: 0%
- risk free rate: 2.57%

The expected volatility during the term of the rights is based around assessments of the historical volatility of the Company share price and the dividend yield of 0% is on the basis that the Company does not anticipate paying dividends in the period between the issue date and the final vesting date for the rights.

The value of the Performance Rights has been expensed on a proportionate basis for each period from grant date to vesting date. The proportion of the value of the rights that has been expensed during the 6 months to 31 December 2014 and accounted for in the share based payments reserve - \$106,682.

Vesting of the Performance Rights is subject to the three performance milestones (described above).

5. Cash and cash equivalents	31-Dec-14	30-Jun-14
	\$	\$
Cash at bank and on hand	674,246	272,404
Deposits at call	500,000	1,512,000
	1,174,246	1,784,404

Altech Chemicals Ltd
ABN 45 125 301 206

CONDENSED NOTES TO THE HALF YEAR FINANCIAL STATEMENTS

	31-Dec-14	30-Jun-14
	\$	\$
6. Trade and other receivables		
CURRENT RECEIVABLES		
Sundry debtors	209,347	148,961
Prepayments	122,934	-
GST Receivable	79,673	30,839
Other receivable	3,000	3,000
	414,954	182,800
7. Exploration and Evaluation expenditure		
	31-Dec-14	30-Jun-14
	\$	\$
Carrying amount at the beginning of period	234,222	3,160,887
Exploration and evaluation expenditure incurred during the period (at cost)	73,803	405,977
Exploration expenditure transferred to profit and loss during the period	-	(3,332,642)
Carrying amount at the end of the year	308,025	234,222
8. Development expenditure		
	31-Dec-14	30-Jun-14
	\$	\$
Carrying amount at the beginning of the period	1,660,604	720,024
Development expenditure incurred during the period (at cost)	843,717	940,580
Carrying amount at the end of the year	2,504,321	1,660,604
9. Trade and other payables		
	31-Dec-14	30-Jun-14
	\$	\$
CURRENT PAYABLES (Unsecured)		
Trade creditors	(166,865)	(168,872)
PAYG payable	(21,309)	(26,199)
Other creditors and accruals	(50,373)	(39,985)
Total trade and other payables	(238,547)	(235,056)
10. Provisions		
	31-Dec-14	30-Jun-14
	\$	\$
CURRENT		
Provision for annual leave	(14,074)	-
Total provisions	(14,074)	-

Altech Chemicals Ltd
ABN 45 125 301 206

CONDENSED NOTES TO THE HALF YEAR FINANCIAL STATEMENTS

11. Contributed Equity	31-Dec-14	30-Jun-14
(a) Ordinary shares	\$	\$
Contributed equity at the beginning of the period	10,198,509	10,198,509
shares issued during the period	377,774	-
transaction costs relating to shares issued	(805,698)	(775,938)
Contributed Equity at the end of the reporting period	9,770,585	9,422,571
Movements in ordinary share capital		
	31-Dec-14	30-Jun-14
Ordinary shares on issue at the beginning of reporting period	107,758,502	107,620,002
Shares issued during the period:		
26-Aug-2013 at \$0.14 per share	-	105,200
3-Dec-2013 at \$0.14 per share	-	33,300
29-Dec-2014 at \$0.10 per share	3,777,735	-
Ordinary shares on issue at the end of the reporting period	111,536,237	107,758,502

(b) Employee Performance Rights

The Company issued 15,000,000 Performance Rights to Managing Director Mr Iggy Tan during the period (refer note 4 for details).

The Company also had 384,580 Employee Performance Rights on issue at 31 December 2014, these Performance Rights convert to fully paid ordinary shares of the Company upon the attainment of the vesting conditions.

(c) Listed Options

The Company issued 3,777,735 listed options (exercise price \$0.10 expiry date 15 December 2015) during the period at part of its 1:4 entitlement offer, which closed on 19 December 2014.

No listed options expired during the reporting period.

At 31 December 2014 the Company had the following listed options on issue:

ATCO: Exercised price \$0.20, expiry date 31 May 2015	21,465,000
ATCOA: Exercised price \$0.10, expiry date 15 December 2015	3,777,735

(d) Unlisted Options

The Company did not issue any unlisted options during the period

At 31 December 2014 the Company had the following unlisted options on issue:

Exercise price \$0.20, expiry date 31-05-2015	8,000,000
Exercise price \$0.20, expiry date 18-12-2017	1,000,000
Exercise price \$0.25, expiry date 18-12-2017	1,000,000
Exercise price \$0.30, expiry date 18-12-2017	1,000,000
Exercise price \$0.20, expiry date 08-02-2015	500,000
Exercise price \$0.30, expiry date 04-02-2015	333,333
Exercise price \$0.25, expiry date 15-09-2015	200,000
Exercise price \$0.20, expiry date 31-01-2017	600,000

CONDENSED NOTES TO THE HALF YEAR FINANCIAL STATEMENTS

12. Reserves	31-Dec-14	30-Jun-14
	\$	\$
Share based payments reserve	1,335,261	1,222,889
Option issue reserve	-	257,585
Carrying amount at the end of the year	1,335,261	1,480,474

Movements:

Share based payments reserve

Balance at the beginning of the period	1,222,889	1,179,959
Fair value of Performance Rights issued	106,682	-
Fair value expense of unlisted options issued to employee's & directors	5,690	42,930
Balance at end of period	1,335,261	1,222,889

Options reserve

Balance at the beginning of the period	257,585	225,922
Cash consideration received for listed options	-	31,663
Transferred to accumulated losses	(257,585)	-
Balance at end of period	-	257,585

13. Accumulated Losses

	31-Dec-14	30-Jun-14
	\$	\$
Carrying amount at the beginning of the period	(7,269,241)	(3,648,553)
Profit (loss) for the period	70,131	(3,620,688)
Transferred from Options Reserve	257,585	-
Carrying amount at the end of the year	(6,941,525)	(7,269,241)

14. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The financial statements presented above are the same as the reports the directors review. The company operates predominantly in one segment involved in the mineral exploration and development industry. Geographically the company is domiciled and operates in one segment being Australia.

15. Related Party Disclosures

Mr Peter H Atkins and Mrs Elizabeth M Atkins (the parents of Luke Atkins) are the Registered Proprietors of the premises that the Company rented for its registered office during the half year, 3 Bay Road Claremont WA 6008. The property is held by the Registered Proprietors on trust for the PH Atkins Children's Trust of which Luke Atkins is a beneficiary. During the half year the Company paid \$30,474 (2013: \$23,636) to, or on behalf of the Registered Proprietors on normal commercial terms and conditions.

Mr Luke Atkins' remuneration as Chairman of the Company is \$20,000 p.a. (2012/13 \$40,000 p.a.). In addition to his role as Chairman Mr Atkins provides consulting services to the Company, the consulting services are provided by Executive Resource Personnel Pty Ltd, a company controlled by Mr Atkins, the consulting services were billed at a monthly rate of \$4,400 per week (\$228,800 per annum).

16. Contingent Liabilities

There are no material contingent liabilities not provided for in the financial statements of the company as at 31 December 2014 other than:

Native Title and Aboriginal Heritage

Native title claims have been made with respect to areas which include tenements in which the Company has an interest. The Company is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Company or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Company has an interest.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Altech Chemicals Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2014 and of the performance for the half-year ended on that date of the Company; and
 - (ii) complying with Accounting Standards AASB 134: "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Ignatius Tan
Managing Director

Perth, Western Australia
10 March 2015

INDEPENDENT AUDITOR'S REVIEW REPORT

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ALTECH CHEMICALS LIMITED AND ITS CONTROLLED ENTITIES

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Altech Chemicals Limited which comprises the consolidated condensed statement of financial position as at 31 December 2014, the consolidated condensed statement of profit or loss and other comprehensive income, consolidated condensed statement of changes in equity, the consolidated condensed 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 Altech Chemicals 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 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 Altech Chemicals Limited'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 Altech Chemicals 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*. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Altech Chemicals Limited, would be in the same terms if provided to the directors as at the time of this auditor's review report.

INDEPENDENT AUDITOR'S REVIEW REPORT

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 Altech Chemicals Limited is not in accordance with the *Corporations Act 2001* including:

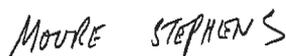
- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the financial statements, which indicate that the consolidated entity is dependent upon various funding alternatives in order to fund its working capital and discharge its liabilities in the ordinary course of business. This condition, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.



Suan-Lee Tan
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 10th day of March 2015