



**ABN 33 124 792 132**

**Financial Statements for the Half-Year ended  
30 June 2015**

## Corporate directory

### Board of Directors

Mr Murray McDonald  
Ms Emma Gilbert  
Mr Yohanes Sucipto

Executive Director and Chairman  
Executive Director  
Non-Executive Director

### Company Secretary

Mr Frank Campagna

### Registered Office

A1, 118 Railway Street  
WEST PERTH WA 6005

### Principal Office

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WEST PERTH WA 6005

Telephone: +61 8 9215 0400  
Facsimile: +61 8 9321 3628

### Auditor

Stantons International Audit & Consulting Pty Ltd  
Level 2  
1 Walker Avenue  
WEST PERTH WA 6005

Telephone: +61 8 9481 3188  
Facsimile: +61 8 9321 1204

### Share Registry

Advanced Share Registry Services Pty Ltd  
110 Stirling Highway  
Nedlands WA 6009

Telephone: +61 8 9389 8033  
Facsimile: +61 8 9389 7871

### Stock Exchange Listing

Australian Securities Exchange Limited  
Level 40, Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

ASX Code: GTR

### Website

[www.gtiresources.com.au](http://www.gtiresources.com.au)

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## Directors' report

The Directors of GTI Resources Ltd (**Company**) submit herewith the financial statements for the half-year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

### **Name of directors**

The names of the Directors of the Company who have held office during and since the end of the half year and up until the date of this report are:

Mr Murray McDonald	Executive Chairman
Ms Emma Gilbert	Executive Director
Mr Yohanes Sucto	Non-Executive Director

### **Review of operations**

GTI's programme of assessment and evaluation of more advanced projects overseas has continued, together with possible new project areas within Western Australia.

The Company established a presence in Indonesia through a local consulting group giving access to an expanded network of contacts within the mining sector and a Jakarta base from which to operate.

The Company has not been successful in locating a suitable project at this time due to access to capital availability associated with the current mining downturn.

During the half year exploration planning and evaluation of previous exploration data continued on a number of West Australian properties including new project areas within Western Australia.

Shareholders will be informed if negotiations on any potential project advance past the preliminary phase.

During the half year GTI sold its royalty interest in the Yangibana project for \$150,000 cash.

**Auditor's independence declaration**

The auditor's independence declaration is included on page 3 and forms part of the Directors' report for the half year ended 30 June 2015.

Signed in accordance with a resolution of Directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Murray McDonald', with a stylized flourish at the end.

**Murray McDonald**  
**Executive Chairman**

Perth, 9 September 2015

9 September 2015

Board of Directors  
GTI Resources Limited  
97 Outram Street  
WEST PERTH WA 6005

Dear Directors

**RE: GTI RESOURCES 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 GTI Resources Limited.

As Audit Director for the review of the financial statements of GTI Resources Limited for the half year ended 30 June 2015, 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 sincerely

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



**Samir Tirodkar**  
**Director**

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GTI RESOURCES LIMITED**

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

We have reviewed the accompanying half-year financial report of GTI Resources Limited, which comprises the condensed statement of financial position as at 30 June 2015, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, and 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 GTI Resources Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such 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 Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 30 June 2015 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 GTI Resources 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 GTI Resources Limited on 9 September 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 GTI Resources Limited is not in accordance with the *Corporations Act 2001* including:

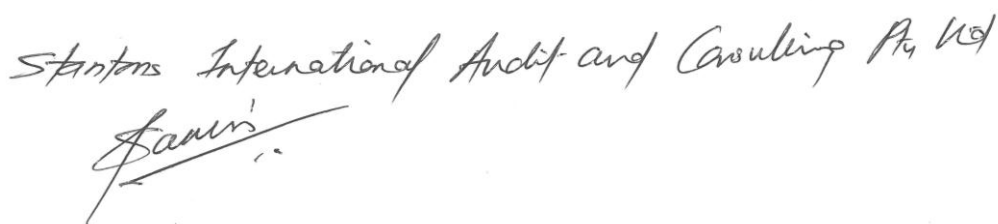
- (a) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

*Inherent Uncertainty Regarding Going Concern*

Without qualification to the opinion expressed above, attention is drawn to the following matters:

As referred to in Note 1 to the financial statements, the financial statements have been prepared on the going concern basis. At 30 June 2015 the entity had working capital deficit of \$319,650 and had incurred a loss for the half year of \$180,402. The ability of the entity to continue as a going concern is subject to the successful recapitalisation of the Company. In the event that the Board is not successful in recapitalising the Company and in raising further funds, the entity may not be able to continue in its present form, realise its assets at their carrying value and may not be able to meet its planned commitments.

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

The image shows a handwritten signature in cursive script that reads "Samir Tirodkar". This signature is written over the printed name of the company, "Stantons International Audit and Consulting Pty Ltd", which is also written in a cursive script.

**Samir Tirodkar**  
Director

West Perth, Western Australia  
9 September 2015



## Directors' declaration

The Directors declare that:

- (a) 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; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Accounting Standard AASB 134: Interim Financial Reporting and giving a true and fair view of the financial position and performance of the Company for the period ended 30 June 2015.

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

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Murray McDonald'.

**Murray McDonald**  
**Executive Chairman**  
Perth, 9 September 2015

## Condensed statement of profit or loss and other comprehensive income for the half-year ended 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Revenue	2	150,000	50,189
Employee benefits expense		(161,846)	(129,581)
Exploration expenditure expensed as incurred		(60,544)	(44,240)
Project generation expenditure		(22,921)	(66,160)
Administration and finance expenses	3	(15,619)	(15,645)
Corporate expenses		(35,580)	(26,320)
Occupancy expenses		(12,393)	(2,578)
Impairment of available for sale assets		(21,499)	-
Impairment of exploration expenditure		-	(70,900)
<b>Loss before income tax expense</b>		<b>(180,402)</b>	<b>(305,235)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(180,402)</b>	<b>(305,235)</b>
<b>Other comprehensive income/(loss) for the period</b>			
<b>Items that will not be classified to profit or loss</b>		-	-
<b>Items that may be subsequently reclassified to profit or loss</b>		-	-
Transfer investment asset revaluation reserve to profit and loss on impairment of available for sale assets		15,099	-
Net change in fair value of available for sale financial assets		-	(3,450)
<b>Total other comprehensive income/(loss) for the period</b>		<b>15,099</b>	<b>(3,450)</b>
<b>Total comprehensive loss for the period</b>		<b>(165,303)</b>	<b>(308,685)</b>
<b>Loss attributable to members of GTI Resources Ltd</b>		<b>(180,402)</b>	<b>(305,235)</b>
<b>Total comprehensive loss attributable to members of GTI Resources Ltd</b>		<b>(165,303)</b>	<b>(308,685)</b>
<b>Loss per share:</b>			
Basic and diluted (cents per share)		(0.31)	(0.68)

The accompanying notes form part of these financial statements.

## Condensed statement of financial position as at 30 June 2015

	<u>Note</u>	<u>30 June 2015</u> \$	<u>31 Dec 2014</u> \$
<b>Current assets</b>			
Cash and cash equivalents		17,114	11,970
Trade and other receivables		5,747	7,821
<b>Total current assets</b>		<b>22,861</b>	<b>19,791</b>
<b>Non-current assets</b>			
Property, plant and equipment		2,751	3,178
Exploration, evaluation and development		-	-
Other financial assets		5,001	11,401
<b>Total non-current assets</b>		<b>7,752</b>	<b>14,579</b>
<b>Total assets</b>		<b>30,613</b>	<b>34,370</b>
<b>Current liabilities</b>			
Trade and other payables		22,422	201,666
Director unsecured loan		86,620	122,105
Director undrawn salary		162,382	-
Provisions		71,087	58,949
<b>Total current liabilities</b>		<b>342,511</b>	<b>382,720</b>
<b>Non-current liabilities</b>			
Provisions		28,942	27,187
<b>Total non-current liabilities</b>		<b>28,942</b>	<b>27,187</b>
<b>Total liabilities</b>		<b>371,453</b>	<b>409,907</b>
<b>Net assets/ (liabilities)</b>		<b>(340,840)</b>	<b>(375,537)</b>
<b>Equity</b>			
Issued capital	4	5,577,592	5,337,592
Shares to be issued		-	40,000
Reserves		210,036	194,937
Accumulated losses		(6,128,468)	(5,948,066)
<b>Total Equity/ (Deficiency)</b>		<b>(340,840)</b>	<b>(375,537)</b>

The accompanying notes form part of these financial statements.

## Condensed statement of changes in equity for the half year ended 30 June 2015

	Attributable to Owners					Total equity \$
	Ordinary shares \$	Shares to be issued \$	Equity-settled employee benefits reserve \$	Investment revaluation reserve \$	Accumulated losses \$	
<b>Balance at 1 January 2014</b>	<b>5,107,840</b>	<b>-</b>	<b>210,036</b>	<b>(12,079)</b>	<b>(5,369,064)</b>	<b>(63,267)</b>
Loss for the period	-	-	-	-	(305,235)	(305,235)
<b>Other comprehensive income</b>						
Net change in fair value of available for sale financial assets	-	-	-	(3,450)	-	(3,450)
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,450)</b>	<b>(305,235)</b>	<b>(308,685)</b>
Ordinary shares issued	94,000	-	-	-	-	94,000
Capital raising costs	(4,251)	-	-	-	-	(4,251)
<b>Balance at 30 June 2014</b>	<b>5,197,589</b>	<b>-</b>	<b>210,036</b>	<b>(15,529)</b>	<b>(5,674,299)</b>	<b>(282,203)</b>
<b>Balance at 1 January 2015</b>	<b>5,337,592</b>	<b>40,000</b>	<b>210,036</b>	<b>(15,099)</b>	<b>(5,948,066)</b>	<b>(375,537)</b>
Loss for the period	-	-	-	-	(180,402)	(180,402)
<b>Other comprehensive income</b>						
Net change in fair value of available for sale financial assets	-	-	-	-	-	-
Transfer to profit and loss on impairment	-	-	-	15,099	-	15,099
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,099</b>	<b>(180,402)</b>	<b>(165,303)</b>
Ordinary shares issued	200,000	-	-	-	-	200,000
Share placement	40,000	(40,000)	-	-	-	-
Capital raising costs	-	-	-	-	-	-
<b>Balance at 30 June 2015</b>	<b>5,577,592</b>	<b>-</b>	<b>210,036</b>	<b>-</b>	<b>(6,128,468)</b>	<b>(340,840)</b>

The accompanying notes form part of these financial statements.

## Condensed statement of cash flows for the half-year ended 30 June 2015

	30 June 2015	30 June 2014
	\$	\$
<b>Cash flows from operating activities</b>		
Interest received	-	189
Payments to suppliers, employees and for exploration activities	(109,371)	(190,018)
Interest and other costs of finance paid	-	(617)
Net cash from/ (used in) operating activities	<b>(109,371)</b>	<b>(190,446)</b>
<b>Cash flows from investing activities</b>		
Other income – sale of royalty rights	150,000	-
Proceeds from sale of exploration investments	-	50,000
Net cash from investing activities	<b>150,000</b>	<b>50,000</b>
<b>Cash flows from financing activities</b>		
Director unsecured loan	(35,485)	28,105
Proceeds from issue of shares	-	94,000
Share issue costs	-	(4,251)
Net cash from/ (used in) financing activities	<b>(35,485)</b>	<b>117,854</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,144</b>	<b>(22,592)</b>
<b>Cash and cash equivalents at the beginning of the half-year</b>	<b>11,970</b>	<b>35,141</b>
<b>Cash and cash equivalents at the end of the half-year</b>	<b>17,114</b>	<b>12,549</b>

The accompanying notes form part of these financial statements.

# Notes to the condensed financial statements for the half-year ended 30 June 2015

## 1. Accounting policies

### Statement of compliance

The financial statements for the interim half-year reporting period ended 30 June 2015 are a general purpose financial statement prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards ('IFRS').

The half-year financial statements do not include full disclosures of the type normally included in an annual financial statement. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial statements.

It is recommended that these financial statements be read in conjunction with the annual financial statements for the year ended 31 December 2014 and any public announcements made by GTI Resources Ltd during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

### Basis of preparation

The 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. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial statement are consistent with those adopted and disclosed in the Company's most recent annual financial statements for the year ended 31 December 2014.

The directors have prepared the financial statements on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The directors believe this to be appropriate for the following reasons:

- The Company has cash reserves of \$17,114 at 30 June 2015;
- The Company continues to monitor opportunities to raise further equity from interested investors; and
- The Company's Board of Directors has a long history of fund raising in the public and will do so when required.
- The managing director will continue to provide financial support to assist the company in meeting its financial obligations.

Based on the above, the directors are confident that the Company will be able to continue operations as a going concern into the foreseeable future.

### New and Revised Accounting Requirements Applicable to the Current Half Year Reporting Period

For the half-year reporting period to 30 June 2015 the same accounting policies and methods of computation have been followed in the interim financial report as were applied in the most recent annual financial statements. The Company has adopted new and revised Australian Accounting Standards from 1 January 2015 together with consequential amendments to other Standards. The application of these new and revised requirements did not have a material impact on the measurement basis or disclosures in the half-year report.

### Significant accounting judgements and key estimates

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

In preparing this half-year's financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the financial statements for the year ended 31 December 2014.

## 2. Revenue

### Continuing operations

	30 Jun 2015	30 Jun 2014
	\$	\$
Interest revenue	-	189
Gain on disposal of exploration assets	-	50,000
Other income – sale of royalty rights	150,000	-
Total	150,000	50,189

## 3. Expenses

	30 Jun 2015	30 Jun 2014
	\$	\$
The following expense items are included in the financial performance for the half-year:		
Depreciation	427	661

## 4. Issued Capital

	30 Jun 2015	31 Dec 2014
	\$	\$
64,866,669 fully paid ordinary shares (2014: 54,866,669)	5,577,592	5,337,592

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and issued shares do not have a par value.

	30 Jun 2015		30 Dec 2014	
	No.	\$	No.	\$
<b>Fully paid ordinary shares</b>				
Opening balance at the beginning of the financial period	54,866,669	5,337,592	43,166,669	5,107,840
Share placement	2,000,000	40,000	11,700,000	234,000
Ordinary shares issued	8,000,000	200,000	-	-
Share issue costs	-	-	-	(4,248)
Closing balance at the end of the financial period	64,866,669	5,577,592	54,866,669	5,337,592

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

### Share options

As at 30 June 2015, the company has no share options on issue (2014 : \$Nil). No options were issued, exercised or lapsed during the period.

## **5. Segment information**

The Company operates predominately in one geographical segment, being Western Australia, and in one industry, mineral exploration.

## **6. Contingent liabilities**

The Company has no contingent liabilities at the date of this report.

## **7. Related parties**

Arrangements with related parties continue to be in place. For details of these arrangements, please refer to the 31 December 2014 annual financial report.

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

At 30 June 2015 the Executive Chairman has made an interest-free loan of \$86,620 (31 December 2014: \$122,105). During the six month period \$44,515 were advanced and \$80,000 were repaid.

Following approval at the company general meeting held on 30 April 2015, the company issued 6,000,000 shares to Murray McDonald at an issue price of 2.5 cents per share for the total amount of \$150,000 to settle a portion of the outstanding salary due. As at 30 June 2015, the amount still owing to Murray McDonald is \$162,381 and is included in trade and other payable.

## **8. Subsidiaries**

The Company has a 100% interest in GTI (Australia) Pty Ltd, a company incorporated in Australia with share capital of \$1.00. The Company also has a 75% interest in PT GTRI Mining, a company incorporated in Indonesia. Both GTI (Australia) Pty Ltd and PT GTRI Mining have been dormant since incorporation. As the subsidiaries have no assets or liabilities, consolidated financial statements have not been prepared.

## **9. Events subsequent to reporting date**

No other material subsequent events have occurred between 1 July 2015 and the date of this report.