

24 February 2016

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Interim Financial Statements and Directors' Report

Attached is a copy of the Interim Financial Statements and Directors' Report for the company for the half-year ended 31 December 2015.

Yours faithfully

P C Ruttledge
Company Secretary

HAMPTON HILL MINING NL

INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2015

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HAMPTON HILL MINING NL

DIRECTORS' REPORT

The directors of Hampton Hill Mining NL ("Hampton Hill" or "the Company") submit their report for the half year ended 31 December 2015.

DIRECTORS

The names of the Company's directors in office during the half year and until the date of this report are as set out below. Directors were in office for this entire period unless otherwise stated.

Mr Joshua Pitt	(Executive Chairman)
Mr Neil Tomkinson	(Non Executive Director)
Mr Wilson Forte	(Non Executive Director)

REVIEW AND RESULTS OF OPERATIONS

The operating loss of the Company for the half year ended 31 December 2015 was \$437,311 (2014: loss \$581,997).

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

The Millennium Zinc Project

During the half year the only exploration activity carried out by Hampton Hill was in relation to the Millennium Zinc Project which it shares in joint venture with Encounter Resources Limited. Hampton Hill became a 10% owner during the period by providing the first \$1million of joint venture funding and then elected to commit to providing half of the following \$2 million of funding after which its project ownership and future share of joint venture expense will be 25% but with rights to cease contribution subject to dilution provisions.

Drilling activity was again intense with four reverse circulation and three diamond drill holes completed that continued the program designed to understand the nature of the Millennium zinc mineralization and to determine how best to explore for massive zinc sulphides at depth which joint venture modelling suggests are likely to be present in significant volume given the broad widths and substantial strike length of highly zinc anomalous gossan (oxidized zone) outlined to date.

Intensive studies are on-going applying structural interpretation and multi element geochemistry together with a detailed reappraisal of gravity survey results in an effort to better understand this exciting zinc anomaly. This work should determine the most effective way forward as the joint venture plans drill testing at depth with diamond drilling anticipated to commence late in the next half year.

Investment in Peel Mining Limited (Peel)

At half year end, Hampton Hill held 12,500,000 shares in Peel representing over 9% of that company's issued capital and having a market value in excess of \$1.9 Million. Peel continues to have drilling success at both its Mallee Bull and Wiralong base metal projects located in the Cobar region of New South Wales. Peel intends to carry out substantial drill programs at its Apollo Hill Gold Project located near Leonora, Western Australia during the next half year. Hampton Hill holds a 5% overriding gross royalty on all production in excess of one million ounces from this project.

Other Royalty Interests

Hampton Hill holds several other royalty interests over non producing tenements including a 2% FOB royalty on any iron ore production from the Hampton-SinoMidwest tenements in the Weld Ranges of Western Australia where no production is foreseen as likely.

HAMPTON HILL MINING NL

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is included in this Interim Financial Report.

Signed in accordance with a resolution of the directors.



Joshua Pitt
Chairman

Perth, 23 February 2016

HAMPTON HILL MINING NL

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	31 December 2015 \$	31 December 2014 \$
Revenue from continuing operations	2	1,977	287
Other income	2	93,489	59,478
Exploration expenditure written off		(1,497)	(2,294)
Finance costs		(3,529)	(2,282)
Administration expenses	3	(182,764)	(171,482)
Impairment of available-for-sale financial assets		-	(366,995)
Loss before income tax		(92,324)	(483,288)
Income tax expense	4	(344,987)	(98,709)
Loss for the half year		(437,311)	(581,997)
Other comprehensive income			
Change in the fair value of available-for-sale financial assets		(1,149,955)	(329,030)
Income tax relating to the other comprehensive income	4	344,987	98,709
Other comprehensive income for the half year net of tax		(804,968)	(230,321)
Total comprehensive loss for the half year attributable to the ordinary equity holders of the Company		(1,242,279)	(812,318)
Loss per share attributable to the ordinary equity holders of the Company			
Basic and diluted loss per share		(0.19) cents	(0.41) cents

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

HAMPTON HILL MINING NL

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	31 December 2015 \$	30 June 2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents		50,823	725,241
Trade and other receivables		49,086	17,187
Available-for-sale financial assets	5	1,937,500	3,100,475
Total Current Assets		2,037,409	3,842,903
Non-Current Assets			
Exploration assets		2,468,681	1,952,301
Plant and equipment		176	352
Total Non-Current Assets		2,468,857	1,952,653
Total Assets		4,506,266	5,795,556
LIABILITIES			
Current Liabilities			
Trade and other payables		37,744	284,755
Borrowings	10	400,000	200,000
Total Current Liabilities		437,744	484,755
Total Liabilities		437,744	484,755
Net Assets		4,068,522	5,310,801
EQUITY			
Issued capital		21,790,489	21,790,489
Reserves	7	827,515	1,632,483
Accumulated losses		(18,549,482)	(18,112,171)
Total Equity		4,068,522	5,310,801

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

HAMPTON HILL MINING NL

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Issued Capital \$	Reserve – share-based payments \$	Reserve – available-for-sale financial assets \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2015	21,790,489	206,265	1,426,218	(18,112,171)	5,310,801
Comprehensive income					
Net loss for the half year	-	-	-	(437,311)	(437,311)
Change in fair value of available-for-sale financial assets, net of tax	-	-	(804,968)	-	(804,968)
Total comprehensive loss for the half year	-	-	(804,968)	(437,311)	(1,242,279)
Transaction with equity holders in their capacity as owners:	-	-	-	-	-
Balance at 31 December 2015	21,790,489	206,265	621,250	(18,549,482)	4,068,522
Balance at 1 July 2014	19,324,649	206,265	230,321	(18,396,227)	1,365,008
Comprehensive income					
Net loss for the half year	-	-	-	(581,997)	(581,997)
Change in fair value of available-for-sale financial assets, net of tax	-	-	(230,321)	-	(230,321)
Total comprehensive loss for the half year	-	-	(230,321)	(581,997)	(812,318)
Transaction with equity holders in their capacity as owners:	-	-	-	-	-
Balance at 31 December 2014	19,324,649	206,265	-	(18,978,224)	552,690

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

HAMPTON HILL MINING NL

STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	31 December 2015	31 December 2014
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(213,389)	(178,218)
Interest received	2,497	287
Rent received	64,642	59,478
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Net cash outflow from operating activities	(146,250)	(118,453)
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Cash flows from investing activities		
Payments for exploration expenditure	(770,034)	(3,233)
Payment for plant and equipment	-	(671)
Proceeds from sale of equity investments	41,866	-
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Net cash outflow from investing activities	(728,168)	(3,904)
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Cash flows from financing activities		
Loans received	200,000	100,000
	<hr/>	<hr/>
Net cash inflows from financing activities	200,000	100,000
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(674,418)	(22,357)
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Cash and cash equivalents at the beginning of the half year	725,241	95,896
	<hr/>	<hr/>
Cash and cash equivalents at the end of the half year	<u>50,823</u>	<u>73,539</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

HAMPTON HILL MINING NL

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 1 - SEGMENT INFORMATION

The Directors of Hampton Hill (who, collectively as the board, are the chief operating decision makers) have determined that the Company has one reportable segment, being mineral exploration within Australia. The Board of Directors monitors the Company based on actual versus budgeted exploration expenditure. This internal reporting framework is the most relevant to assist the Board with making decisions regarding its ongoing exploration activities.

	31 December 2015 \$	30 June 2015 \$
Reportable segment assets	2,468,681	1,952,301
Reportable segment liabilities	(411)	(252,569)
Reconciliation of reportable segment liabilities:		
Reportable segment liabilities	(411)	(252,569)
Unallocated corporate liabilities	(437,333)	(232,186)
Total liabilities	(437,744)	(484,755)

	31 December 2015 \$	31 December 2014 \$
Reportable segment loss	(1,497)	(2,294)
Reconciliation of reportable segment loss:		
Reportable segment loss	(1,497)	(2,294)
Other profit	95,466	59,765
Unallocated corporate expenses	(186,293)	(173,764)
Unallocated impairment of available-for-sale financial assets	-	(366,995)
Loss before income tax	(92,324)	(483,288)

NOTE 2 – REVENUE AND OTHER INCOME

Revenue from continuing operations

Interest income	1,977	287
Other income		
Rent	64,642	59,478
Gain on disposal of available-for-sale financial assets	28,847	-
	93,489	59,478

HAMPTON HILL MINING NL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 3 – ADMINISTRATION EXPENSES

	31 December 2015	31 December 2014
	\$	\$
Loss before income tax includes the following specific administration expenses:		
Personnel expenses		
Salaries, superannuation and associated expenses	12,138	12,153
Depreciation	176	204
Other administration expenses		
Accounting	33,764	30,564
Audit	9,453	8,926
Listing fees	14,819	14,899
Operating lease - office	70,344	65,229
Secretarial and administration services	23,940	23,940
Other	18,130	15,567
	<u>182,764</u>	<u>171,482</u>

NOTE 4 – INCOME TAX

An income tax expense of \$344,987 (2014: \$98,709) has been recognised in respect of the net balance on the Available-for-sale financial assets reserve and movement thereon. The deferred tax asset arising from this recognition has been offset against the deferred tax liability.

NOTE 5 – AVAILABLE-FOR-SALE FINANCIAL ASSETS

Opening balance at 1 July	3,100,475	1,392,050
Disposals	(13,020)	(329,030)
Revaluation	<u>(1,149,955)</u>	<u>(366,995)</u>
Closing balance at 31 December	<u>1,937,500</u>	<u>696,025</u>

The available-for-sale financial assets comprise listed equity securities.

AASB13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability;
- (c) Level 3 Inputs for the asset or liability that are not based on observable market data.

The fair value measurement and recognition of the Company's investment in listed equity securities has been in accordance with Level 1 of the fair value management hierarchy – the securities are revalued to market value at reporting date using a quoted bid price from the Australian Securities Exchange.

HAMPTON HILL MINING NL

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 6 – ISSUED CAPITAL

Ordinary Shares

There was no movement in the number of shares and issued capital during the half year.

NOTE 7 – RESERVES

	31 December 2015	30 June 2015
	\$	\$
Available-for-sale financial assets reserve	621,250	1,426,218
Share-based payments reserve	206,265	206,265
	<hr/>	<hr/>
	827,515	1,632,483

Nature and purpose of reserves

The share-based payments reserve records items recognised as expenses on valuation of partly paid shares and options issued to employees.

The available-for-sale financial assets reserve arises from changes in the fair value of equities classified as available-for-sale financial assets. The changes in value net of income tax are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

NOTE 8 – SHARE BASED PAYMENTS

The Company from time to time issues partly-paid ordinary shares and options to the executive director, key management personnel and other employees as part of their remuneration. To date 2,650,000 partly-paid shares have been issued in terms of this remuneration practice.

No partly paid shares or options have been issued during the half year.

NOTE 9 - COMMITMENTS FOR EXPENDITURE

In order to maintain the mineral tenements in which the Company and other parties are involved, the Company is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. Since the last reporting date, there has been no material change to these commitments.

NOTE 10 – RELATED PARTY TRANSACTIONS

Arrangements with related parties set out in the financial statements for the year ended 30 June 2015 continue to be in place. During the period under review, the unsecured short term loans facility from entities of which Mr Pitt and Mr Tomkinson are directors, was increased by \$200,000 to \$400,000. This was fully drawn down at balance date. The term of the facility was extended to 30 April 2017. All other terms and conditions remain unchanged.

HAMPTON HILL MINING NL

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 11 – EVENTS OCCURRING AFTER BALANCE DATE

There have been no material items, transactions or events subsequent to 31 December 2015 which relate to conditions existing at that date and which require comment or adjustment to the figures dealt with in these statements.

NOTE 12 – CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities as at 31 December 2015.

NOTE 13 - BASIS OF PREPARATION

The half year financial statements do not include all notes of the type normally included within the annual financial statements 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 annual financial statements.

The half year financial statements should be read in conjunction with the annual financial statements of Hampton Hill Mining NL as at 30 June 2015 and considered together with any public announcements made by Hampton Hill during the half year ended 31 December 2015 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Basis of accounting

The half year financial statements are general-purpose financial statements, prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 "Interim Financial Reporting".

The half year financial statements have been prepared on the accruals basis and are based on historical cost.

For the purpose of preparing the half year financial statements, the half year has been treated as a discrete reporting period.

Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Summary of significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Company's annual financial statements for the year ended 30 June 2015 and the corresponding interim reporting period.

HAMPTON HILL MINING NL

DIRECTORS' DECLARATION

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 company's financial position as at 31 December 2015 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;
- (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.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board



Joshua Pitt
Chairman

Perth, 23 February 2016

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Hampton Hill Mining NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Hampton Hill Mining NL, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 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 Hampton Hill Mining NL, 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 Hampton Hill Mining NL, would be in the same terms if given to the directors as at the time of this 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 Hampton Hill Mining NL 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 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line.

Phillip Murdoch
Director

Perth, 23 February 2016

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF HAMPTON HILL MINING NL

As lead auditor for the review of Hampton Hill Mining NL for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

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



Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth, 23 February 2016