



TRUSCOTT
MINING CORPORATION LIMITED

ABN: 31 116 420 378

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2015

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

COMPANY DIRECTORY

DIRECTORS

P N Smith – Executive Chairman
M J Povey – Executive Director
R Moore – Non-Executive Director

COMPANY SECRETARY

M J Povey

REGISTERED OFFICE

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ASX Code: TRM

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AUDITORS

Hall Chadwick WA Audit
255 Hay Street
Subiaco WA 6008

HOME EXCHANGE

Australian Securities Exchange Ltd
Exchange Plaza
2 The Esplanade
Perth WA 6000

SHARE REGISTRY

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TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

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Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the company for the half-year ended 31 December 2015.

Directors

The names of directors who held office during or since the end of the half-year:

Peter Neil Smith – executive chairman

Michael Jarvis Povey – executive director and company secretary

Rebecca Teresa Moore – non-executive director

Review of Operations

Summary

During the first quarter of 2015/16 Truscott continued its focused research program on the high grade Tennant Creek gold field within the context of continuing to achieve the following objectives;

Development of new techniques for identifying structurally controlled mineralisation

Innovating exploration methods through application of research and development knowledge

In particular, technical work schedules focused on further analysis of late stage faulting on offsets with ore-bodies within the Tennant Creek Mineral Field, with emphasis on the Westminster Project ore systems. Elements of earlier stage structural events are better able to be characterised when the movements assigned to the late stage fault offsets are applied.

During the second quarter, further research work was undertaken to advance the understanding of the paragenesis for; the structural setting, the sedimentary sequence and the mineralisation, across the Central Tennant Creek Mineral Field. The relationships defined, supported by field observations, are of use for assessing and further modelling the most likely controls over which economic mineralisation could occur.

Work towards providing additional funding for ongoing research and exploration, was initiated in the form of a fully underwritten non renounceable rights issue to shareholders. The rights issue was successfully completed with shares issued and listed on 8 February, 2016

The interest in the gold mining sector continued to improve against a background of decline in almost all other sectors of the mining industry. Truscott continued to work on a number of potential joint venture initiatives with a view to progressing project development as the improvement in the gold mining sector becomes more robust.

Status of Exploration & Development Activities

Westminster Project Area (Truscott: MLC511, MA25952, MA26500, MA26588 all 100%)

Project Status: *Proposed expenditure and earn-in schedule for the drill out and bankable feasibility study work set out.*

**Interim Financial Report
DIRECTORS' REPORT**

Discussions with interested parties, on the commercial requirements to support project development, are in progress.

Planning completed to target the high grade gold zones within ore-body one, with new drilling, and by extending existing drill holes.

Planning completed for further drilling of the gold mineralisation at target two with the objective of defining sufficient high grade gold to achieve ore body status.

Identification and confirmation of location of late stage brittle faulting determined. Work on Paragenesis and observations on Metamorphic Facies.

Drilling of the potential ore bodies within the larger Westminster extension/compression system scheduled to follow the finalisation of a commercial agreement.

Hera Project Area (Truscott: EL27731, ELA30883) all 100%)

Project Status: *Clearance Certificates issued by AAPA for exploration and mining activities.*

Planning for acquisition of geophysical information for Hera 2 target.

Comparative analysis of the structural setting for the Hera 2 target and field mapping is ongoing.

Centre of the Hera 1 target defined to establish a reference for the location of the extension and compression zones.

Targeted scout drill planning for Hera 1 finalised, MMP submitted.

Discussions with a new party, interested in forming an earn-in and Joint Venture agreement, initiated and confidentiality agreements exchanged.

Build-up of tenure holding, application of exploration area ELA30883.

Olympus Project Area (Truscott: EL29883, EL30728 all 100%)

Project Status: *Build up of tenure holding, addition of exploration area EL30728.*

Clearance Certificate issued by AAPA for exploration and mining activities.

Projected trace of the 083° (D) trans-current shear across tenure.

Interim Financial Report
DIRECTORS' REPORT

Continued field recognisance & mapping program planned.

Acquisition of ground based gravity data planned.



Peter N Smith
Executive Chairman

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Rights issues

At the company's 2015 AGM on 23 October 2015 the following performance rights issues were approved:

3,700,000 Class A Performance Rights in lieu of directors' fees
2,200,000 Class B Performance Rights to the executive Directors to recognise sacrifices made by them on behalf of the Company

No funds were raised from the issue of these rights, but there was a saving in cash outflows as a result of the issue of the Class A Performance Rights amounting to \$144,000.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 December 2015.

This report is signed in accordance with a resolution of the Board of Directors.



Director

Michael J Povey

Dated this 3rd day of March 2016

PERTH

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Australia

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AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF TRUSCOTT MINING CORPORATION LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there has been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

Hall Chadwick WA Audit

Hall Chadwick WA Audit

Chartered Accountants



M A Lester

Perth, WA

Dated this *3rd* day of *March* 2016

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378**Interim Financial Report****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Note	31.12.2015	31.12.2014
		\$	\$
Revenue	2	143,339	59,811
Expenses			
Consultants		(3,375)	(5,077)
Directors' remuneration		(72,000)	(72,000)
Directors' performance rights		(7,475)	-
Depreciation		(454)	(642)
Superannuation expenses		(884)	(864)
Wages and salaries		(9,300)	(9,100)
Compliance and regulatory expenses		(44,244)	(49,629)
Exploration evaluation and development costs written off		(15,801)	(116,956)
Other expenses		(11,635)	(14,801)
Loss before income tax		(21,829)	(209,258)
Income tax (expense)/benefit		(11,502)	51,901
Loss for the period		(33,331)	(157,357)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the period		(33,331)	(157,357)
Loss attributable to:			
Members of the company		(33,331)	(157,357)
Total comprehensive loss attributable to:			
Members of the company		(33,331)	(157,357)
Earnings per share			
From continuing operations			
Basic and diluted loss per share (cents per share)		(0.036)	(0.183)

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	31.12.2015	30.06.2015
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		43,920	88,930
Trade and other receivables		83,810	144,293
Other current assets		8,934	8,920
TOTAL CURRENT ASSETS		<u>136,664</u>	<u>242,143</u>
NON-CURRENT ASSETS			
Property, plant and equipment		12,229	13,833
Deferred exploration, evaluation and development expenditure	3	7,461,835	7,382,883
TOTAL NON-CURRENT ASSETS		<u>7,474,064</u>	<u>7,396,716</u>
TOTAL ASSETS		<u>7,610,728</u>	<u>7,638,859</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	39,870	60,318
Borrowings	5	248,244	-
TOTAL CURRENT LIABILITIES		<u>288,114</u>	<u>60,318</u>
NON-CURRENT LIABILITIES			
Trade and other payables		294,006	310,830
Borrowings		-	248,244
Deferred tax liabilities		232,594	221,092
TOTAL NON-CURRENT LIABILITIES		<u>526,600</u>	<u>780,166</u>
TOTAL LIABILITIES		<u>814,714</u>	<u>840,484</u>
NET ASSETS		<u>6,796,014</u>	<u>6,798,375</u>
EQUITY			
Issued capital	6	8,130,895	8,130,895
Reserves		30,970	-
Accumulated losses		(1,365,851)	(1,332,520)
TOTAL EQUITY		<u>6,796,014</u>	<u>6,798,375</u>

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

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

	\$	\$	\$	\$
	Ordinary Shares	Accumulated losses	Options/ Rights Reserve	Total
Balance at 1.7.2014	7,874,120	(1,699,038)	606,591	6,781,673
Shares issued during the period	264,967	-	-	264,967
Transaction costs	(8,192)	-	-	(8,192)
Transfer on expiry of options	-	606,591	(606,591)	-
Loss attributable to the members	-	(157,357)	-	(157,357)
Balance at 31.12.2014	8,130,895	(1,249,804)	-	6,881,091
Balance at 1.7.2015	8,130,895	(1,332,520)	-	6,798,375
Rights reserve on issue of rights	-	-	30,970	30,970
Loss attributable to the members	-	(33,331)	-	(33,331)
Balance at 31.12.2015	8,130,895	(1,365,851)	30,970	6,796,014

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378**Interim Financial Report****STATEMENT OF CASHFLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	31.12.2015	31.12.2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(66,227)	(54,358)
Refundable research & development tax offset	80,193	-
Interest received	1,083	1,824
Net cash provided/(used) by operating activities	<u>15,049</u>	<u>(52,534)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration, evaluation and development expenditure	(60,059)	(58,393)
Refund of security bond	-	840
Maturity of term deposit	-	20,000
Net cash used in investing activities	<u>(60,059)</u>	<u>(37,553)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	73,000
Cost of shares issued	-	(8,192)
Proceeds of borrowings	-	235,000
Repayment of borrowings	-	(20,000)
Net cash provided in financing activities	<u>-</u>	<u>279,808</u>
Net (decrease)/increase in cash held	(45,010)	189,721
Cash and cash equivalents at beginning of period	88,930	4,646
Cash and cash equivalents at end of period	<u>43,920</u>	<u>194,367</u>

The accompanying notes form part of these financial statements.

Interim Financial Report

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

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2015 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Truscott Mining Corporation Ltd. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2015, together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 3rd March, 2016

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 for the following:

Share based payments (performance rights) were provided to the Directors in lieu of cash payments owing to the Directors for their Directors' fees and for other past services. The fair value of the Performance Rights is measured at grant date using the Hoadley Valuation Model.

In relation to amounts owing for the Directors' fees, where the fair value of the performance rights differs from the cash amount payable for the Directors' fees, any resulting gain or loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

In relation to the other past services provided by the Directors, and for which no provision had been made, the fair value of the performance rights is recognised as a cost with a corresponding increase in equity.

Adoption of new and revised standards

Standards and Interpretations applicable to current interim period

The directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB and there are none that are relevant to the Company and effective for the current interim reporting period.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2015 annual report.

Going concern

For the half year ended 31 December 2015, the company incurred a loss of \$33,331, and had net cash outflows from operating and investing activities of \$45,010 as disclosed in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows respectively. As a result of the need for continued cash outflows from operating and investing activities the directors have assessed the Company's ability to continue as a going concern and to pay its debts as and when they fall due.

The Company's ability to fund exploration commitments and for use as working capital is dependent upon raising additional capital now and in future years, selling assets, or deriving revenue from existing operations. Subsequent to balance date the Company expects to receive a refund from the ATO of \$51,708 resulting from an R&D tax concession claim for the 2014/15 financial year.

The Company announced a fully underwritten non-renounceable rights issue on 6 January, 2016 and the funds raised, before costs were \$110,891. In addition, the amount of \$248,244 of directors' loans payable was offset against amounts receivable from the underwriters to the issue.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

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

NOTE 1: BASIS OF PREPARATION (Cont'd)

Going concern (Cont'd)

The Directors of the Company advise the following initiatives have been taken or are being pursued/considered to raise additional funding:

1. A joint venture arrangement for its Westminster Project – discussions continuing with interested parties;
2. A joint venture for the Company's other projects – discussions continuing with interested parties;
3. Additional funding at price levels that are consistent with the company's current share price; and
4. The Directors have deferred payment of up to 50% for consulting services and fully deferred payment of directors' fees until the Company has the cash resources to pay these in full.

Accordingly, the Directors have prepared the financial statements on a going concern basis. As such, the financial statements do not include any adjustments as to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

NOTE 2: REVENUE

	31.12.2015	31.12.2014
The following revenue items are relevant in explaining the financial performance for the interim period:	\$	\$
Interest received from other persons	1,083	1,313
Refundable research & development tax offset	21,751	2,766
Gain on remuneration liability settled by share based payments	120,505	55,732
	<u>143,339</u>	<u>59,811</u>

Gain on remuneration liability settled by share based payments:

2015

At the Company's 2015 AGM the shareholders agreed to issue the Directors 3,700,000 Class A Performance rights in lieu of their directors' fees of \$144,000 for the 2014/15 year.

The gain arose due to the difference between the amount of \$144,000 payable to the directors for their fees and the estimated value of those rights granted of \$23,495, using the Hoadley Valuation Model.

2014

This arose due to the difference between the values of 4 cents a share as set out in the Notice of Meeting for the company's 2014 AGM and the 3.1 cents per share value determined under AASB 2, which requires a valuation at the date of granting. In the Notice of Meeting the deemed issue price of 4 cents had been agreed between the Company and the allottees of the shares.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

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

NOTE 3: DEFERRED EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	\$
Carrying amount at 1 July 2015 – at cost	7,382,883
Deferred exploration, evaluation and development expenditure during the period – at cost	94,753
Write-off of deferred costs	(15,801)
Carrying amount at 31 December 2015 – at cost	7,461,835

The ultimate recoupment of the above deferred exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest. All of the above expenditure relates to exploration phase.

	31.12.2015	30.06.2015
	\$	\$
NOTE 4: TRADE AND OTHER PAYABLES - CURRENT		
Sundry payables and accrued expenses	39,870	60,318
	39,870	60,318

NOTE 5: BORROWINGS - CURRENT

Loans from Directors (Unsecured)	248,244	-
	248,244	-

As announced to the ASX on 6 January 2016, these loans were repaid from the proceeds of the Company's fully underwritten non-renounceable rights issue.

NOTE 6: ISSUED CAPITAL

(i) Issued and paid up capital:

93,375,134 (30 June 2015: 93,375,134) fully paid ordinary shares	\$8,130,895	\$8,130,895
	\$8,130,895	\$8,130,895

	Half-year to 31.12.2015		Year ended 30.6.2015	
	No. of shares	\$	No. of shares	\$
(ii) Movements in shares on issue				
Opening balance 1 July	93,375,134	8,130,895	85,357,634	7,874,120
Shares issued on 15/10/14 to sophisticated investors at 4 cents	-	-	1,825,000	73,000
Shares issued on 15/10/14 to employees at a deemed 4 cents	-	-	500,000	15,500
Shares issued on 28/11/14 as per AGM to directors and associates of the directors at a deemed 3.1 cents	-	-	5,692,500	176,467
	93,375,134	8,130,895	93,375,134	8,139,087
Less costs of shares issued	-	-	-	(8,192)
Closing balance	93,375,134	8,130,895	93,375,134	8,130,895

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

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

NOTE 6: ISSUED CAPITAL (Cont'd)

(iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up of the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up. Shareholders are entitled to one vote per share held either in person or by proxy at a meeting of the company when a poll is called, otherwise each shareholder has one vote on a show of hands.

At the 2015 AGM the shareholders agreed to issue 3,700,000 Class A Performance Rights and 2,600,000 Class B Performance rights to the Directors. These rights do not vest before 1 July 2016 and are subject to milestones being met. These milestones are: a closing price of 8 cents for Class A Performance Rights and 15 cents for Class B Performance Rights, on 20 consecutive days when the company's ordinary shares have traded. Both classes of rights expire on 23/10/2019.

	Half-year to 31.12.2015	Year ended 30.6.2015
(iv) Movements in options on issue	No. of options	No. of options
Opening balance 1 July	-	3,500,000
Options expired 20/08/14	-	(300,000)
Options expired 1/11/14	-	(1,700,000)
Options expired 6/10/14	-	(500,000)
Options expired 15/10/14	-	(500,000)
Options expired 21/6/15	-	(500,000)
Closing balance	-	-

(v) Holders of the options had the right to exercise them by paying the exercise price and acquiring one fully paid ordinary share for each option. Option holders do not receive dividends and are not entitled to vote at any meeting of members.

NOTE 7: SEGMENT INFORMATION

The company operated solely in Australia in mineral exploration for the whole of the period.

NOTE 8: CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities as at the date of this report.

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

The Company successfully completed a fully underwritten non-renounceable rights issue at 2.5 cents of 14,365,410 fully paid shares that raised \$110,891 before costs. In addition, the amount of \$248,244 of directors' loans payable as at 31 December 2015 was offset against amounts receivable from the underwriters to the issue for a total of \$359,135 capital raised. Another 105,000 shares were also issued at the time at 2.5 cents a share to an employee for services rendered in lieu of payment. Other than the above, the directors are not aware of any other matter or circumstance since 31 December 2015 that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial years.

Interim Financial Report

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

NOTE 10: COMMITMENTS

Operating lease commitments

The Company does not have any operating leases.

Capital expenditure commitments

Estimated commitments for which no provisions were included in the financial statements are as follows:

Exploration Expenditure Commitments

The company has obligations to perform minimum annual exploration work totalling \$154,000 on its properties.

NOTE 11: RELATED PARTY DISCLOSURES

Transactions with related parties:

Peter N Smith is a director of Resource Investments & Consulting Pty Ltd which provided mine engineering and geological services totalling \$75,600 during the 6 months ended 31.12.2015 (6 months ended 31.12.2014 \$111,600). Of the \$75,600, by agreement, the Company has deferred payment of \$39,360 until the Company has the capacity to pay. If necessary, Mr Smith has agreed to have some or all of the payment satisfied by the issue of shares, subject to shareholder approval.

Michael J Povey is the principal of an accounting practice which provided accounting and company secretarial services totalling \$21,600 during the 6 months ended 31.12.2015 (6 months ended 31.12.2014 \$24,200). Of the \$21,600, by agreement, the Company has deferred payment of \$10,800 until the Company has the capacity to pay. If necessary, Mr Povey has agreed to have some or all of the payment satisfied by the issue of shares, subject to shareholder approval.

Interim Financial Report

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. 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.
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 made in accordance with a resolution of the Board of Directors.

Director



Michael J Povey

Dated this 3rd day of March 2016

PERTH

255 Hay Street
Subiaco WA 6008
AustraliaPO Box 8217
Subiaco East WA 6008Ph: +61 8 9489 2555
Fx: +61 8 9489 2556**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
TRUSCOTT MINING CORPORATION LIMITED****Report on the Half- year Financial Report**

We have reviewed the accompanying half-year financial report of Truscott Mining Corporation Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 of the company.

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 (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 gives a true and fair view and 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 Truscott Mining Corporation Limited 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 Truscott Mining 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 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 Truscott Mining Corporation Limited, would be in the same terms if provided 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 Truscott Mining Corporation Limited is not in accordance with the Corporations Act 2001 including

- i. giving a true and fair view of Truscott Mining Corporation Limited financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- ii. complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the company has incurred a net loss of \$33,331 and generated net cash outflows from Operating and Investing Activities of \$45,010 during the half-year ended 31 December 2015. These conditions, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the half-year financial report.

Hall Chadwick WA Audit

Hall Chadwick WA Audit
Chartered Accountants

Lester

M A Lester
Perth W.A.

Dated this *3rd* day of *March* 2016