

MINDAX LIMITED
ABN 28 106 866 442
INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2015

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2015 and any public announcements made by Mindax Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

MINDAX LIMITED
31 DECEMBER 2015

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MINDAX LIMITED
31 DECEMBER 2015

DIRECTORS' REPORT

Your directors are pleased to present their report on the consolidated entity consisting of Mindax Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2015.

DIRECTORS

The names of the directors who held office during or since the end of the half-year, to the date of this report, are:

Mr Benjamin Chow

Mr Andrew Tsang

Mr Kgai Mun Loh

Mr Yonggang Li

OPERATIONS AND FINANCIAL REVIEW

A summary of consolidated revenues and results for the half-year is set out below:

	2015		2014	
	Revenues	Results	Revenues	Results
	\$	\$	\$	\$
Consolidated entity revenues and loss	43	(656,582)	2,739	(6,461,895)

Mindax Limited ('Mindax' or 'the Company') is a Perth-based mineral exploration company. The Company has consolidated its tenement holding due to the constrained funding conditions present in the capital markets and particularly affecting small capital exploration companies. The Company has explored various funding opportunities and will continue to do so.

The Company obtained shareholder approval at the Annual General Meeting held on 10 December 2015 to convert borrowings into shares. On 16 December 2015 a total of 160,000,000 ordinary shares were issued, at the agreed price of \$0.005 per share, to convert the non-recourse loans and a convertible note into equity. A further 20,990,000 ordinary shares were issued, at the agreed price of \$0.005 per share, as consideration for commission payable in relation to various capital raisings undertaken by the Company, including those mentioned above.

EVENTS OCCURRING AFTER REPORTING DATE

On 5 February 2016 the Company secured short-term funding by way of an unsecured, interest free, non-recourse loan for \$50,000 from a related party to Mr Andrew Tsang.

On 11 March 2016 the Company completed a capital raising to sophisticated investors of \$50,000 from the issue of 10,000,000 fully paid ordinary shares.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of the board of directors and is signed for and on behalf of the directors by:



Benjamin Chow

Executive Chairman

Perth, 15 March 2016

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF MINDAX LIMITED

As lead auditor for the review of Mindax Limited 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.

This declaration is in respect of Mindax Limited and the entities it controlled during the period.



Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 15 March 2016

MINDAX LIMITED
31 DECEMBER 2015

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

	Half-year	
	2015	2014
	\$	\$
Revenue from continuing operations	43	2,739
Administration expenses	(100,986)	(356,194)
Corporate expenses	(233,988)	(206,909)
Depreciation expense	(7,503)	(12,875)
Exploration expenditure written off	(150,870)	(5,701,570)
Salaries and employee benefits expense	(163,278)	(187,086)
LOSS BEFORE INCOME TAX	(656,582)	(6,461,895)
Income tax expense	-	-
LOSS FOR THE HALF-YEAR AFTER INCOME TAX	(656,582)	(6,461,895)
Other comprehensive income	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF MINDAX LIMITED	(656,582)	(6,461,895)
Basic and diluted loss per share (cents)	(0.2)	(2.4)

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

MINDAX LIMITED
31 DECEMBER 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	31 December 2015 \$	30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents		13,529	88,472
Trade and other receivables		13,830	36,663
Prepayments		8,675	6,557
TOTAL CURRENT ASSETS		36,034	131,692
NON-CURRENT ASSETS			
Prepayments		60,000	60,000
Plant and equipment		32,684	95,639
Other assets		2,885	2,885
Exploration and evaluation assets	3	1,410,146	1,460,489
TOTAL NON-CURRENT ASSETS		1,505,715	1,619,013
TOTAL ASSETS		1,541,749	1,750,705
CURRENT LIABILITIES			
Trade and other payables		363,920	141,294
Borrowings	4	-	800,000
TOTAL CURRENT LIABILITIES		363,920	941,294
TOTAL LIABILITIES		363,920	941,294
NET ASSETS		1,177,829	809,411
EQUITY			
Issued capital	5	41,970,749	40,945,749
Reserves		871,452	871,452
Accumulated losses		(41,664,372)	(41,007,790)
TOTAL EQUITY		1,177,829	809,411

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

MINDAX LIMITED
31 DECEMBER 2015

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

	Issued Capital \$	Share-based Payments Reserve \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2014	40,163,930	871,452	(19,301,383)	21,733,999
Loss for the half-year	-	-	(6,461,895)	(6,461,895)
TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR	-	-	(6,461,895)	(6,461,895)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Shares issued during the period	800,000	-	-	800,000
Share issue transaction costs	(18,181)	-	-	(18,181)
BALANCE AT 31 DECEMBER 2014	40,945,749	871,452	(25,763,278)	16,053,923
BALANCE AT 1 JULY 2015	40,945,749	871,452	(41,007,790)	809,411
Loss for the half-year	-	-	(656,582)	(656,582)
TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR	-	-	(656,582)	(656,582)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Shares issued during the period	1,114,950	-	-	1,114,950
Share issue transaction costs	(89,950)	-	-	(89,950)
BALANCE AT 31 DECEMBER 2015	41,970,749	871,452	(41,664,372)	1,177,829

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

MINDAX LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year	
	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(233,328)	(555,312)
Interest received	372	6,396
Net cash (outflow) from operating activities	(232,956)	(548,916)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(75,998)	(309,711)
Proceeds from sale of plant and equipment	24,011	-
Net cash (outflow) from investing activities	(51,987)	(309,711)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares and options	210,000	800,000
Payment of shares and options issue transaction costs	-	(18,181)
Net cash inflow from financing activities	210,000	781,819
Net (decrease) in cash and cash equivalents	(74,943)	(76,808)
Cash and cash equivalents at the beginning of the half-year	88,472	243,420
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	13,529	166,612

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL STATEMENTS

This consolidated interim financial report for the half-year reporting period ended 31 December 2015 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Group as full financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Mindax Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Critical accounting estimates and judgements

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Details of impairment recognised during the half-year, and the calculation of the carrying value at 31 December 2015 are contained in note 3.

New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. There will be some changes to the disclosures in the 30 June 2015 annual report as a consequence of these amendments.

New standards and interpretations not adopted by the Group

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL STATEMENTS (continued)

Going concern

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

During the reporting period the Group incurred a net loss of \$656,582 and incurred net cash outflows from operating activities of \$232,956. The Group had a net working capital deficiency of \$327,886 at the reporting date.

The ability of the Group to continue as a going concern is dependent on the Group being able to raise additional funds to meet ongoing exploration commitments and for working capital, successful exploration and subsequent exploitation of the Group's tenements, and/or sale of non-current assets. The Directors believe that they will be able to raise additional capital as required and are in the process of evaluating the Group's cash requirements. The Directors believe that the Group will continue as a going concern. As a result the financial report has been prepared on a going concern basis. However should the Group be unsuccessful in obtaining funds as discussed above, there is a material uncertainty which may cast significant doubt whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. No adjustments have been made relating to the recoverability and classification of assets and liabilities that might be necessary should the Group not continue as a going concern.

NOTE 2: SEGMENT INFORMATION

Identification of reportable segments

For management purposes, the Group has identified four reportable segments based on the minerals present in the Projects detailed in the Quarterly Activities Report released to the Australian Securities Exchange each quarter, prepared by management. Based on the contents of this report, the four reportable segments identified are:

1. Uranium (comprising the Yilgarn Avon Joint Venture (JV) – Palaeochannel Project and other non JV projects);
2. Gold (comprising the Meekatharra North Project);
3. Copper and Gold (comprising the Yilgarn Avon Joint venture – Mortlock Project); and
4. Iron Ore (comprising the Mt Forrest and Fred's Bore Project).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 2: SEGMENT INFORMATION (continued)

Segment information provided to the directors for the half-year ended 31 December 2015 is as follows:

	Uranium	Gold	Copper & Gold	Iron Ore	Total
Half-Year	\$	\$	\$	\$	\$
31 December 2015					
Total segment revenue	-	-	-	-	-
Intersegment revenue	-	-	-	-	-
Revenue from external customers	-	-	-	-	-
Reportable segment loss	(73)	(52,478)	-	(98,319)	(150,870)
31 December 2014					
Total segment revenue	-	-	-	-	-
Intersegment revenue	-	-	-	-	-
Revenue from external customers	-	-	-	-	-
Reportable segment loss	(2,330,566)	-	(897,360)	(2,473,644)	(5,701,570)
Total segment assets					
31 December 2015	-	-	-	1,410,146	1,410,146
30 June 2015	-	-	-	1,460,489	1,460,489

Reportable segment assets and liabilities are reconciled to total assets and total liabilities as follows:

	31 December 2015 \$	30 June 2015 \$
Segment assets	1,410,146	1,460,489
Intersegment eliminations	-	-
Unallocated		
Cash and cash equivalents	13,529	88,472
Trade and other receivables	13,830	36,663
Prepayments – current	8,675	6,557
Prepayments – non-current	60,000	60,000
Property, plant and equipment	32,684	95,639
Other non-current assets	2,885	2,885
Total assets	1,541,749	1,619,013

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 2: SEGMENT INFORMATION (continued)

	31 December 2015 \$	30 June 2015 \$
Segment liabilities	-	-
Intersegment eliminations	-	-
Unallocated		
Trade and other payables	363,920	141,294
Borrowings	-	800,000
Total liabilities	<u>363,920</u>	<u>941,294</u>

Reconciliation of reportable segment loss to loss before income tax is as follows:

	Half-year 2015 \$	2014 \$
Total loss for reportable segments	(150,870)	(5,701,570)
Intersegment eliminations	-	-
Unallocated amounts		
Interest revenue	43	2,739
Depreciation and amortisation	(7,503)	(12,875)
Other expenses	(498,252)	(750,189)
Loss before income tax	<u>(656,582)</u>	<u>(6,461,895)</u>

NOTE 3: EXPLORATION AND EVALUATION ASSETS

	31 December 2015 \$	30 June 2015 \$
Exploration and evaluation assets	<u>1,410,146</u>	<u>1,460,489</u>

	Half-year 2015 \$	2014 \$
Balance at 1 July	1,460,489	22,136,011
Expenditure incurred	100,527	246,603
Impairment	(150,870)	(5,701,570)
Balance at 31 December	<u>1,410,146</u>	<u>16,681,044</u>

MINDAX LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 3: EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated expenditures in respect of that area are impaired in the financial period the decision is made. Impairment recognised during the current period relates to writing off the accumulated expenditures in relation to the tenements relinquished during the period.

NOTE 4: BORROWINGS

	31 December 2015 \$	30 June 2015 \$
Non-recourse loans (a)	-	500,000
Convertible note (b)	-	300,000
	-	800,000

(a) Unsecured Non-Recourse Loans

The Company obtained shareholder approval at the Annual General Meeting held on 10 December 2015 to convert the loans into shares. On 16 December 2015 a total of 100,000,000 ordinary shares were issued, at the agreed price of \$0.005 per share, to convert the non-recourse loans into equity.

(b) Convertible Note

The Company obtained shareholder approval at the Annual General Meeting held on 10 December 2015 to convert the loans into shares. On 16 December 2015 60,000,000 ordinary shares were issued, at the agreed price of \$0.005 per share, to convert the convertible note into equity.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 5: CHANGES IN EQUITY SECURITIES ON ISSUE

Ordinary Share Capital	2015 Shares	2015 \$	2014 Shares	2014 \$
As at 1 July	269,803,570	40,945,749	259,803,570	40,163,930
Issued during the half-year				
Issued on conversion of convertible note	60,000,000	300,000	-	-
Issued on conversion of non-recourse loans	100,000,000	500,000	-	-
Issued as consideration for commissions	20,990,000	104,950	-	-
Issued for cash at 0.5 cents per share	30,000,000	150,000	-	-
Issued for cash at 1 cent per share	6,000,000	60,000	-	-
Issued for cash at 8 cents per share	-	-	10,000,000	800,000
Transaction costs	-	(89,950)	-	(18,181)
As at 31 December	486,793,570	41,970,749	269,803,570	40,945,749

Options

	Number of options	
	2015	2014
As at 1 July	19,000,000	10,102,321
Options expired on 9 November 2015, exercisable at 10.8 cents	(4,000,000)	-
Options expired on 10 December 2015, exercisable at 11 cents	(2,500,000)	-
Options issued, exercisable at 12 cents, expiring 31 July 2016	-	10,000,000
Options expired on 30 September 2014, exercisable at 60 cents	-	(1,100,000)
As at 31 December	12,500,000	19,002,321

NOTE 6: CONTINGENCIES

A term deposit of \$24,042 was held as security by the Company's bankers to provide a bank guarantee in support of the expired lease agreement for the Company's former business premises. This was released during the half-year on finalisation of all outstanding lease obligations.

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

NOTE 7: DIVIDENDS

No dividends were paid during the half-year. No recommendation for payment of dividends has been made.

NOTE 8: COMMITMENTS

There have been no significant changes to commitments since the last annual reporting date.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 9: RELATED PARTY TRANSACTIONS

There have been no significant changes to related party transactions since the last annual reporting date other than disclosed below:

Conversion of Convertible Note

On 31 December 2013 the Company issued a Convertible Note for \$300,000 to Ms Lai You, an existing shareholder and related party to non-executive director, Mr Andrew Tsang. The Company obtained shareholder approval at the Annual General Meeting held on 10 December 2015 to convert the loans into shares. On 16 December 2015 60,000,000 ordinary shares were issued, at the agreed price of \$0.005 per share, to convert the convertible note into equity.

Conversion of Unsecured Non-Recourse Loans

On 7 February 2014 the Company secured short term funding by way of an unsecured non-recourse loan for \$250,000 from Ms Lai You, an existing shareholder and related party to non-executive director, Mr Andrew Tsang. On 18 March 2014 the Company secured additional short term funding by way of a second unsecured non-recourse loan for another \$250,000 from Ms Lai You. The Company obtained shareholder approval at the Annual General Meeting held on 10 December 2015 to convert the loans into shares. On 16 December 2015 a total of 100,000,000 ordinary shares were issued, at the agreed price of \$0.005 per share, to convert the non-recourse loans into equity.

Commissions on Capital Raisings

Mr Andrew Tsang was owed commission payable in relation to various capital raisings undertaken by the Company, including those mentioned above, in the amount of \$104,950. The Company obtained shareholder approval at the Annual General Meeting held on 10 December 2015 to issue shares to Ms Lai You, an existing shareholder and related party to non-executive director, Mr Tsang, in satisfaction of the commissions owed to Mr Tsang. On 16 December 2015 a total of 20,990,000 ordinary shares were issued, at the agreed price of \$0.005 per share.

NOTE 10: FAIR VALUE MEASUREMENT

There were no financial assets or liabilities at 31 December 2015 or 30 June 2015 requiring fair value estimation and disclosure as they are either not carried at fair value or in the case of short term assets and liabilities, their carrying values approximate fair value.

NOTE 11: EVENTS OCCURRING AFTER REPORTING DATE

On 5 February 2016 the Company secured short-term funding by way of an unsecured, interest free, non-recourse loan for \$50,000 from a related party to Mr Andrew Tsang.

On 11 March 2016 the Company completed a capital raising to sophisticated investors of \$50,000 from the issue of 10,000,000 fully paid ordinary shares.

No other matter or circumstance has arisen since 31 December 2015, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

MINDAX LIMITED
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DIRECTORS' DECLARATION

In the opinion of the directors of Mindax Limited:

1. the financial statements and notes set out on pages 5 to 15 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that the consolidated entity 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 and is signed for and on behalf of the directors by:



Benjamin Chow
Executive Chairman
Perth, 15 March 2016

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mindax Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mindax Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

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 consolidated entity'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 Mindax 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 Mindax Limited, 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 Mindax Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 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*.

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, 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 discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Glyn O'Brien', is written over the BDO logo.

Glyn O'Brien

Director

Perth, 15 March 2016