



Bounty Mining Limited ACN: 107 411 067
 Suite 1002, Level 10, 60 Pitt Street, Sydney NSW 2000, Australia
 PO Box H305, Australia Square, Sydney NSW 1215
 T.+61 2 8965 0200 F.+61 2 8965 0214 www.bounty.com.au

4 AUGUST 2014

Appendix 4E

Preliminary Final Report: Financial Year ended 30 June 2014

Previous corresponding period: Year ended 30 June 2013

Results for announcement to the market

		% change	\$A
Revenues from ordinary activities	down	(92%) To	1,481,383
Loss from ordinary activities after tax attributable to members	n/a	n/a	(2,157,414)
Net loss for the period attributable to members	n/a	n/a	(2,157,414)
Dividends (distributions)		Amount per security	Franked amount per security
Final Dividend		n/a	n/a
Previous corresponding period		n/a	n/a
Date for determining entitlements to the dividend		n/a	
		30/06/2014	30/06/2013
Net Tangible Assets per Security		0.47c	(0.10c)

The directors' commentary on pages 2 to 4 of this financial report explains the figures reported above. This financial report is the full-year information provided to the Australian Securities Exchange under listing rule 4.3A.

This report is based on accounts which have been audited.

Bounty Mining Limited and its Controlled Entities
DIRECTORS' COMMENTARY

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

Name:	Appointed to the Board
Gary Cochrane (Chair)	27 November 2007
Julie Garland McLellan	04 April 2008
Robert Stewart	17 September 2009

Operations update

Bounty's contract with Anglo American Metallurgical Coal Pty Ltd ("Anglo American") to operate at the Aquila mine expired on 30 July 2013. Anglo had announced its intention to put the Aquila mine on care and maintenance due to the declining metallurgical coal price. Bounty's contract was thus not renewed. The results therefore include 1 month of production mining in the financial year to 30 June 2014, compared with 12 months of production mining in the financial year to 30 June 2013.

From early August 2013, Bounty's equipment was put on care and maintenance, site-based staff was terminated by reason of redundancy, the board accepted reduced directors' fees, and Bounty is operating on a skeleton staff until new revenue generating opportunities can be negotiated.

During the financial year Bounty finalised agreements for a Farm-in, a Joint Venture and a life-of-mine Management Contract for the Wongai Coal Project. In October – November 2013, Bounty undertook a short drilling programme, as part of the Farm-in Agreement. The drilling results confirm the existence of the Bathurst Seam at mineable thickness.

On 26 February 2014 Bounty received an updated resource report for the Wongai Coal Project based on JORC 2012 Code. This report contained a Competent Person's Statement and confirmed a total indicated and inferred resource of 77.5Mt. Bounty is not aware of any information or data that materially affects the information included in that report. All material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

On 27 February 2014 Bounty announced that it had completed the Wongai Coal Project Phase 1 Works under the Farm-in Agreement. The Joint Venture partner, Aust-Pac Capital Pty Ltd ("Aust-Pac") has confirmed that the conditions for the transfer of the 5% Phase 1 Interest in the exploration tenements, have been met. Bounty and Aust-pac are currently working through the administrative process of transferring the equity.

Bounty Mining Limited and its Controlled Entities
DIRECTORS' COMMENTARY (continued)

During the financial year Bounty invested \$1m in the Phase 1 Works. The investment is accounted for in the consolidated financial statements as an Exploration and Evaluation asset. For the half year ending 31 December 2013 the investment in the Wongai Project was classified as an Investment in associate under AASB 128 "Investments in Associates and Joint Ventures". After reassessing the contractual obligations of the Wongai Coal Joint Venture, the Board has determined that under AASB 11 "Joint Arrangements", the Wongai Coal Joint Venture is a Joint Operation, not a Joint Venture.

Revenue

Revenue generated during the financial year to 30 June 2014 was \$1.5m, compared with \$19.6m in the year to 30 June 2013. This represents 1 month's production mining revenue, compared with 12 months' revenue in the previous comparative period due to the expiry of the Anglo contract.

Loss

Bounty derived an after tax loss of \$2.2m during the year ended 30 June 2014, compared with a profit of \$0.9m during the year ended 30 June 2013.

Financing and Equity

Since September 2009, VETL Pty Ltd ("VETL"), a company associated with Bounty Chairman / CEO Gary Cochrane, has been Bounty's sole lender. Following the expiry of the Anglo contact on 30 July 2013, the independent directors of Bounty determined that the Company is not generating sufficient funds to make loan repayments or to pay interest. Agreement was reached with VETL to issue 166,666,667 shares to VETL at 3c per share in partial conversion of \$5m of the VETL debt. Shareholder approval was obtained for this transaction on 6 June 2014 and the conversion was implemented on that date. The reduction of the debt has strengthened Bounty's balance sheet materially.

During the financial year, Bounty issued 38,538,462 ordinary shares to raise \$920k (less \$71k in raising costs). The funds were used to contribute to working capital and to fund the Wongai Coal Project Phase 1 Works to completion.

Bounty is in the process of preparing a prospectus for the issue of ordinary shares which the company intends to lodge during August 2014. The prospectus will be made available when the shares are offered and should be considered when investors are deciding whether to acquire shares. Any potential investor who wants to acquire those shares will need to complete the application form accompanying the prospectus.

Bounty Mining Limited and its Controlled Entities
DIRECTORS' COMMENTARY (continued)

The purpose of the prospectus is to raise up to \$4.5m to fund working capital, the Wongai Coal Project Phase 2 Works, and the costs of the offer.

The Company is now well advanced in its strategy of resuming quotation and trading of its securities on the ASX and has secured a valuable asset for shareholders in the form of the interest earned in the Wongai development.

Subsequent Events

During July 2014, Bounty issued a further 8,653,851 shares at 2.6c per share to raise \$225,000. These funds will be used for working capital.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which have significantly affected or could significantly affect the operations of the consolidated group, the results of the operations or the state of affairs of the consolidated group in future financial years.

Signed in accordance with a resolution of the Directors.



Gary Cochrane, Chairman, 4 August 2014

Bounty Mining Limited and its Controlled Entities**Consolidated statement of comprehensive income for the year ended 30 June 2014**

	Consolidated Group	
	30/06/2014	30/06/2013
	\$	\$
Revenue from rendering of services	1,471,026	19,636,444
Other revenues	10,357	42,685
Total revenue from ordinary activities	1,481,383	19,679,129
Cost of services	(138,058)	(2,166,943)
Employee expenses	(1,430,076)	(12,441,980)
Depreciation and amortisation expenses	(442,515)	(1,570,664)
Impairment of property, plant and equipment	-	(269,561)
Legal and professional costs	(500,305)	(333,152)
Occupancy expenses	(298,992)	(365,707)
Finance costs	(697,949)	(779,434)
Other expenses from ordinary activities	(130,902)	(426,867)
(Loss) / Profit before income tax	(2,157,414)	1,324,821
Income tax expense	-	(391,681)
(Loss) / Profit from continuing operations	(2,157,414)	933,140
Other comprehensive income for the year, net of tax	-	-
Total comprehensive (loss) / for the year	(2,157,414)	933,140
(Loss) / Profit attributable to members of the parent entity	(2,157,414)	933,140
Total comprehensive (loss) / profit attributable to members of the parent entity	(2,157,414)	933,140

Bounty Mining Limited and its Controlled Entities

Consolidated statement of financial position as at 30 June 2014

	Consolidated Group	
	30/06/2014	30/06/2013
	\$	\$
Current assets		
Cash and cash equivalents	87,804	3,624,638
Trade and other receivables	2,398	1,557,475
Inventories	469,208	477,019
Other assets	145,471	258,396
Total current assets	704,881	5,917,528
Non-current assets		
Property, plant & equipment	4,431,172	4,763,083
Exploration and evaluation asset	995,185	-
Total non-current assets	5,426,357	4,763,083
Total assets	6,131,238	10,680,611
Current liabilities		
Trade and other payables	89,001	1,720,369
Financial liabilities	13,583	7,418,529
Short-term provisions	26,376	2,008,893
Total current liabilities	128,960	11,147,792
Non-current liabilities		
Financial liabilities	2,790,733	-
Total non-current liabilities	2,790,733	-
Total liabilities	2,919,693	11,147,792
Net assets / (deficiency)	3,211,545	(467,181)
Equity		
Issued capital	37,469,700	31,633,560
Accumulated losses	(37,431,113)	(35,273,699)
Reserves	3,172,958	3,172,958
Total equity	3,211,545	(467,181)
Net tangible assets per share	0.47c	(0.10c)

Bounty Mining Limited and its Controlled Entities**Consolidated statement of changes in equity for the year ended 30 June 2014**

	Ordinary Share Capital	Options Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1/7/2012	31,633,560	3,172,958	(36,206,839)	(1,400,321)
Profit attributable to members of parent entity	-	-	933,140	933,140
Balance at 30/06/13	31,633,560	3,172,958	(35,273,699)	(467,181)
Balance at 1/7/2013	31,633,560	3,172,958	(35,273,699)	(467,181)
Shares issued on partial conversion of loan	5,000,000			5,000,000
Capital raised (gross)	920,000	-	-	920,000
Cost of issuing capital	(83,860)	-	-	(83,860)
Loss attributable to members of parent entity	-	-	(2,157,414)	(2,157,414)
Balance at 30/06/14	37,469,700	3,172,958	(37,431,113)	3,211,545

Bounty Mining Limited and its Controlled Entities
Consolidated statement of cash flows for the year ended 30 June 2014

	Consolidated Group	
	30/06/2014	30/06/2013
	\$	\$
Cash flows from operating activities		
Receipts from customers	3,251,034	21,847,967
Payments to suppliers and employees	(6,263,382)	(17,229,326)
	(3,012,348)	4,618,641
Interest received	12,633	38,414
Interest and other costs of finance paid	(182,961)	(779,434)
Net cash flows (used in) / provided by operating activities	(3,182,676)	3,877,621
Cash flows from investing activities		
Payments for plant and equipment	(111,413)	(887,944)
Exploration and evaluation investment	(995,186)	-
Proceeds from sale of equipment	3,061	2,701
Net cash flows used in investing activities	(1,103,538)	(885,243)
Cash flows from financing activities		
Gross proceeds from issue of shares	920,000	-
Costs related to issue of shares	(70,620)	-
Repayment of borrowings	(100,000)	(900,000)
Net cash flows provided by / (used in) financing activities	749,380	(900,000)
Net (decrease) / increase in cash held	(3,536,834)	2,092,378
Cash at beginning of financial year	3,624,638	1,532,260
Cash at end of financial period	87,804	3,624,638

Bounty Mining Limited and its Controlled Entities
Notes to the Financial Statements for the year ended 30 June 2014

1 Statement of Significant Accounting Policies

The preliminary report does not include all the information normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The preliminary report should be read in conjunction with the half-year financial report of Bounty Mining Limited as at 31 December 2013 and any public announcements made by Bounty Mining Limited during the year ended 30 June 2014 in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This preliminary financial report covers the consolidated entity of Bounty Mining Limited and controlled entities.

This preliminary financial report has been prepared in accordance with the requirements of the Australian Securities Exchange listing rules.

Going concern

As at 30 June 2014, the Group's current assets exceeded current liabilities by \$0.6m, and total assets exceeded total liabilities by \$3.2m. However Bounty has net financial liabilities of \$2.8m (FY13: \$4.0m), incurred a loss from continuing operations for the year of \$2.2m (FY13: profit of \$0.9m), had a deficiency in net cash flows from operating activities of \$3.2m (FY13: surplus of \$3.9m) and had a deficiency in net cash flows from investing activities of \$1.1m (FY13: \$0.9m).

The Directors have prepared the financial statements on a going concern basis.

The Directors are satisfied that the current capital raising program will provide sufficient funds for operations for at least 12 months from the date of this report. If additional contract mining opportunities or joint venture opportunities are identified these will generate additional cash flows.

Bounty also has the continued support of its secured lender, VETL Pty Ltd ("VETL"), a company associated with Chairman and Chief Executive Officer Gary Cochrane. The balance of the loan is due for repayment on 31 December 2015 if not extinguished by other means prior to that date.

Bounty Mining Limited and its Controlled Entities
Notes to the Financial Statements for the year ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

The Directors are therefore satisfied that the Bounty Group will be able to continue as a going concern.

Should the Directors not achieve the matters set out above, there is material uncertainty whether the consolidated entity will be able to continue as a going concern.

If part or the whole of the consolidated entity is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded assets amounts, or to the amounts or classification of liabilities, which might be necessary should the consolidated entity not be able to continue as a going concern.

2 Equity securities issued

Bounty issued ordinary shares during the financial year as follows;

Shares on issue at 01 July 2013	478,691,869	issue price
Issued for cash November 2013 to March 2014	30,000,000	\$ 0.025
Issued for cash May 2014	6,538,462	\$ 0.026
Issued in partial conversion of loan June 2014	166,666,667	\$ 0.030
Shares on issue at 30 June 2014	681,896,998	

No equity securities were issued in FY 2013.

3 Events Subsequent to Reporting Date

Subsequent to 30 June 2014, 8,653,851 securities were issued for at 2.6c per share to raise \$225,000. The purpose of the issues was to contribute to working capital while Bounty finalises its prospectus in preparation for the major capital raising.

For further information, please contact:

Gary Cochrane, Chairman, Bounty Mining Limited
02 8965 0200, 0417 654 090