

**SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED**  
**ABN 67 060 319 119**

**HALF-YEAR FINANCIAL REPORT– 31 DECEMBER 2014**

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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 2014 and any public announcements made by South American Iron & Steel Corporation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## Directors' Report

The directors submit the financial report of South American Iron & Steel Corporation Limited ('the company') and its subsidiaries for the half year ended 31 December 2014.

### 1 Directors

The directors of the company at any time during or since the end of the period are:

	<b>Period as Director</b>
T. Cuthbertson	18 <sup>th</sup> May 2009 to present
R. Haren	13 <sup>th</sup> May 2009 to present
K. Lee	24 <sup>th</sup> March 2009 to present
S. Ning	4 <sup>th</sup> April 2011 to present
W. Ji	27 <sup>th</sup> September 2012 to present

### 2 Review and Results of Operations

The principal activity of the company during the course of the financial period was mineral exploration in South America.

The net loss for the period was \$429,448 (2013 half year: loss \$7,484,280), which included impairment loss of \$6,900 (2013 - \$7,026,742).

Given the current market difficulties the junior mining sector is experiencing, the Company, like many other junior exploration companies, has recently experienced difficulty in maintaining investor support and raising further funds to advance its operations, notwithstanding positive operational and technical results in South America.

The Board believes that it needs to assess a range of new opportunities, which may well include opportunities beyond the Company's traditional resource sector.

During the period, the Company:

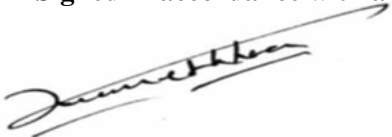
- Ceased exploration activities in Chile, while operational and administrative overheads have been reviewed and reduced.
- Has been actively identifying a range of new opportunities, which may well include opportunities beyond the Company's traditional resource sector and reviewing and assessing those opportunities.
- Has been approached by a number of parties seeking investments from the Company.
- Has implemented a number of cost cutting measures aimed at minimising cash outflows through this transitional phase including agreement with the Directors to suspend key terms of their existing service contracts during this period, and will not receive remuneration until additional funding has been raised on the back of new opportunities or improved market conditions.
- Has raised \$70,000 through loan notes and the Company is in the process of raising further equity capital.
- Has instructed a real estate agent to sell its land located in the Agua Claras region, Chile.

## **Directors' Report**

### **3 Lead Auditor's Independence Declaration**

The lead auditor's independence declaration is set out on page 3 and forms part of the Directors' Report for the half-year ended 31 December 2014.

**Signed in accordance with a resolution of the directors:**

A handwritten signature in black ink, appearing to read 'Kenneth Lee', is written over a light grey rectangular background.

**Kenneth Lee**  
*Managing Director*

**Sydney**  
**Dated:** *13 March 2015*

13 March 2015

The Board of Directors  
South American Iron & Steel Corporation Limited  
Suite 4, Level 10  
8-10 Loftus Street  
SYDNEY NSW 2000

Dear Board Members,

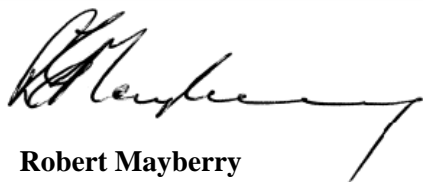
**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001***

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of South American Iron & Steel Corporation Limited.

As lead audit partner for the review of the financial statements of South American Iron & Steel Corporation Limited and Controlled entities for the half year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

Yours sincerely



**Robert Mayberry**  
**Partner**



**Nexia Court & Co**  
**Chartered Accountants**

Sydney

**Sydney Office**

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**Independent Auditor's Review Report  
To the members of South American Iron & Steel Corporation Limited**

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

We have reviewed the accompanying half-year financial report of South American Iron & Steel Corporation Limited (the 'Company') and Consolidated Entities (the 'Group'), which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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 Group 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 (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal controls 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2014 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 South American Iron & Steel Corporation Limited and Consolidated Entities, 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.

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**Independent Review Report  
To the Members of  
South American Iron & Steel Corporation Limited  
(Continued)**

**Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matters that makes us believe that the half-year financial report of South American Iron & Steel Corporation Limited and Consolidated Entities is not in accordance with the *Corporations Act 2001*, including:

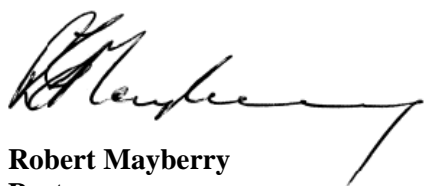
- (i) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half year ended on that date; and
- (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

***Significant uncertainty regarding continuation as a going concern***

Without qualification to our conclusion, attention is drawn to the following matter:

The financial report had been prepared on a going concern basis as discussed in note 4 which assumes continuity of normal business activities, the realisation of assets and the settlement of liabilities in the ordinary courses of business. In note 4, the directors state why they consider the going concern basis used in the preparation of the financial report is appropriate. As discussed in that note, if the capital raisings or the asset sale does not occur, there are significant uncertainties as to whether the company and the consolidated entity will be able to continue as a going concern.

If the going concern basis of accounting is found to be no longer appropriate, the recoverable amounts of the assets shown in the statement of financial position are likely to be less than the amounts disclosed and the extent of the liabilities may differ significantly from those reflected in the Statement of Financial Position.

A handwritten signature in black ink, appearing to read 'Robert Mayberry'.

**Robert Mayberry  
Partner**

A handwritten signature in black ink, appearing to read 'Nexia Court & Co'.

**Nexia Court & Co  
Chartered Accountants**

13 March 2015

Sydney

# **SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED**

**ABN 67 060 319 119**

## **Directors' Declaration**

In the opinion of the directors of South American Iron & Steel Corporation Limited ("the Company"):

1. The financial statements and notes set out on pages 7 to 15, are in accordance with the Corporations Act 2001 and:
  - a. comply with Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. give a true and fair view of the Group's financial position as at 31 December 2014 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 Group will be able to pay its debts as and when they become due and payable, with the continued support of its major shareholders;

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**Kenneth Lee**  
*Managing Director*

**Sydney**  
**Dated:** 13 March 2015

# SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED

ABN 67 060 319 119

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Six Months Ended 31 December 2014

	Notes	Consolidated 31 Dec 2014 \$	31 Dec 2013 \$
<b>Continuing Operations</b>			
Revenue	8(i)	82,056	69,578
Depreciation and amortisation expense	8(ii)	-	5
Mining licences, exploration and trial production costs		149,669	127,647
Impairment loss on investment & concessions	11	-	7,026,742
Impairment loss on employee share loans	9	6,900	-
Legal Fees – Chile		79,159	-
Interest Expense		4,472	-
Beijing office administrative expenses	8(ii)	-	24,241
Other expenses		271,304	375,223
<b>Loss before income tax</b>		(429,448)	(7,484,280)
Income tax expense		-	-
<b>Loss for the period</b>		(429,448)	(7,484,280)
<b>Other Comprehensive Income</b>			
Items that may be reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		-	(50,436)
<b>Total Comprehensive Income for the Period</b>		(429,448)	(7,534,716)
<b>Earnings per Share</b>			
Loss per share			
- Basic and Diluted (cents per share)		(0.13)	(2.36)

All potential ordinary shares, being options to acquire ordinary shares are not considered dilutive, as the exercise of the options would decrease the basic loss per share.

The accompanying notes form part of these financial statements.



# SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED

ABN 67 060 319 119

## Condensed Consolidated Statement of Financial Position as at 31 December 2014

	Notes	Consolidated 31 Dec 2014 \$	30 Jun 2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		25,821	96,251
Trade and other receivables	9	6,645	24,063
Other financial assets		53,240	53,240
<b>TOTAL CURRENT ASSETS</b>		85,706	173,554
<b>NON-CURRENT ASSETS</b>			
Other financial assets	10	42,700	42,700
Property, plant and equipment		179,796	179,796
Exploration and evaluation expenditure	11	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		222,496	222,496
<b>TOTAL ASSETS</b>		308,202	396,050
<b>CURRENT LIABILITIES</b>			
Payables		1,009,542	788,836
Other liabilities		526,471	400,000
Employee entitlements		40,574	45,027
<b>TOTAL CURRENT LIABILITIES</b>		1,576,587	1,233,863
<b>NON-CURRENT LIABILITIES</b>			
Employee entitlements		21,736	22,847
<b>TOTAL NON-CURRENT LIABILITIES</b>		21,736	22,847
<b>TOTAL LIABILITIES</b>		1,598,323	1,256,710
<b>NET ASSETS</b>		(1,290,121)	(860,660)
<b>EQUITY</b>			
Contributed equity	12	41,054,447	41,054,447
Reserves		1,167,727	1,167,727
Accumulated losses		(43,512,295)	(43,082,834)
<b>TOTAL EQUITY</b>		(1,290,121)	(860,660)

The accompanying notes form part of these financial statements.

**SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED***ABN 67 060 319 119***Condensed Consolidated Statement of Changes in Equity  
for the Six Months Ended 31 December 2014**

<b>Consolidated</b>	<b>Share Capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Total Equity \$</b>
<b>At 1 July 2014</b>	41,054,447	1,167,727	(43,082,847)	(860,673)
Loss for the period	-	-	(429,448)	(429,448)
<b>At 31 December 2014</b>	<b>41,054,447</b>	<b>1,167,727</b>	<b>(43,512,295)</b>	<b>(1,290,121)</b>
<b>At 1 July 2013</b>	41,054,447	1,585,919	(33,299,823)	9,340,543
Loss for the period	-	-	(7,484,280)	(7,484,280)
Foreign currency translation differences	-	(50,436)	-	(50,436)
<b>At 31 December 2013</b>	<b>41,054,447</b>	<b>1,535,483</b>	<b>(40,784,103)</b>	<b>1,805,827</b>

**The accompanying notes form part of these financial statements.**

**SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED***ABN 67 060 319 119***Condensed Consolidated Statement of Cash Flows  
for the Six Months Ended 31 December 2014**

	<b>Consolidated</b>	
	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts in the course of operations	81,771	50,681
Cash payments in the course of operations	(215,066)	(451,395)
Interest received	1,057	2,170
	<hr/>	<hr/>
<b>Net Cash Flow from Operating Activities</b>	<b>(132,238)</b>	<b>(398,544)</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Mining exploration payments	(23,192)	(51,976)
	<hr/>	<hr/>
<b>Net Cash Flow from Investing Activities</b>	<b>(23,192)</b>	<b>(51,976)</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	85,000	14,756
Net proceeds from issue of share capital	-	-
	<hr/>	<hr/>
<b>Net Cash Flow from Financing Activities</b>	<b>85,000</b>	<b>14,756</b>
	<hr/>	<hr/>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS HELD</b>	<b>(70,430)</b>	<b>(435,764)</b>
	<hr/>	<hr/>
Cash and Cash Equivalents at the Beginning of the Financial Period	149,491	589,922
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>79,061</b>	<b>154,158</b>
	<hr/>	<hr/>

**The accompanying notes form part of these financial statements.**

# **SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED**

**ABN 67 060 319 119**

## **Condensed Notes to the Half Year Consolidated Financial Statements for the six months ended 31 December 2014**

### **1 REPORTING ENTITY**

South American Iron & Steel Corporation Limited (the “Company”) is a company domiciled in Australia. The consolidated interim financial report of the company as at, and for the six months ended 31 December 2014 comprises the company and its subsidiaries (together referred to as the “Group”).

The Annual Report of the Group, as at, and for the year ended 30 June 2014 is available upon request from the company’s registered office at Suite 4 Level 10, 8-10 Loftus Street, Sydney NSW 2000.

### **2 STATEMENT OF COMPLIANCE**

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 - *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the annual report of the Group, as at, and for the year ended 30 June 2014, and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The consolidated interim financial report was approved by the Board of Directors on 13 March 2015.

### **3 BASIS OF PREPARATION**

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The basis of preparation and accounting policies applied by the group in this consolidated half-year financial report are the same as those applied by the Group in its annual report, as at, and for the year ended 30 June 2014, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are relevant to their operations and effective for the current reporting period.

# **SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED**

*ABN 67 060 319 119*

## **Condensed Notes to the Half Year Consolidated Financial Statements for the six months ended 31 December 2014**

### **4 GOING CONCERN**

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

The Group recorded a loss of \$429,448 for the six months ended 31 December 2014.

The Group had cash of \$25,821 and term deposits of \$53,240 as at 31 December 2014.

The Group plans to increase its capital base through further share placements and/or a rights issue and/or a shareholder purchase plan and the Directors have no reason to believe that the proposed fund raising will not be successful.

Directors have initiated certain actions to ensure that the Company's viability as a going concern. Such actions include:

- Subsequent to period end, the Company has successfully renegotiated the terms and conditions of an existing \$400,000 non-interest bearing loan which was not repayable until on demand by the Note holder after 15 December 2015 to until on demand by the Note holder after 15 December 2016.
- The Directors have agreed that their fees owed by the Company of \$616,806 will not be repayable before 15th December 2015; or will be repaid through the issue of shares. Advances of \$72,000 from directors will also not be repayable before 15 December 2015; or may be converted to loan note; or until additional funding has been raised on the back of new opportunities.
- The Company has appointed a corporate adviser to assist in the identification of new business opportunities and the sourcing of additional funding for working capital.
- On 22 January 2015, the option holder of Quince, Gonzalo Vial Concha, exercised the option agreement under amended terms. The result was that the balance of the sale proceeds will be in 12 equal monthly instalments (after taxes and costs relating to the sale) of approximately US \$56,200 each. The first such instalment commences on 30 April 2015 and continues at the end of each month thereafter for another 11 months. On 29 January 2015, the Company received an initial amount of US \$59,912 from the sale of its 10% interest in the Quince concession. This amount has not been recognised as an asset in the Statement of Financial Position.
- The Company is continuing to pursue the sale of its land in Aguas Claras. The sale value of the land is expected to receive between US \$200,000 and US \$400,000.
- The Company has instigated a number of cost cutting measures aimed at minimising cash outflows through this transitional phase.
- The Directors have agreed to suspend key terms of their existing service contracts during this period of austerity, and will not receive remuneration until additional funding has been raised on the back of new opportunities or improved market conditions for juniors.
- The Company is being supported, on a needs basis, by directors and shareholders.

Consequently, the Directors are of the opinion that the use of the going concern basis of accounting is appropriate.

# **SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED**

**ABN 67 060 319 119**

Should the Company not achieve the planned asset sales and capital raising detailed above, there is significant uncertainty as to whether the Company will continue to trade as a going concern and therefore realise its assets and extinguish its liabilities in the normal course of business as stated in the financial report. The financial report does not include any adjustments that may be necessary if the Company is unable to continue as a going concern.

## **5 USE OF ESTIMATES AND SIGNIFICANT JUDGEMENTS**

The preparation of the consolidated interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgement in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 11 – measurement of the recoverable amounts of exploration and evaluation expenditure.

## **6 FINANCIAL RISK MANAGEMENT**

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual report, as at, and for the year ended 30 June 2014.

## **7 SUBSEQUENT EVENTS**

Since the reporting date on 22 January 2015, the option holder of Quince, Gonzalo Vial Concha, exercised the option agreement under amended terms. The balance of the sale proceeds will be in 12 equal monthly instalments (after taxes and costs relating to the sale) of approximately US \$56,200 each. The first such instalment commences on 30 April 2015 and continues at the end of each month thereafter for another 11 months. On 29 January 2015, the Company received an initial amount of US \$59,912 from the sale of its 10% interest in the Quince concession.

Other than the matter listed above, there have been no transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

## **8 REVENUE AND EXPENSES**

	<b>Consolidated</b>	
	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	<b>\$</b>	<b>\$</b>
<b>(i) Other Income</b>		
Interest received	1,056	3,350
Other income	81,000	66,228
	<hr/>	<hr/>
	82,056	69,578
<b>(ii) Expenses</b>		
Depreciation and amortisation	-	5
Administrative expenses (Beijing office) <sup>1</sup>	-	24,241
	<hr/>	<hr/>

<sup>1</sup>These expenses relate to expenditure incurred in relation to the running of the office located in Beijing. Expenditures include office rent, utilities and travel expenses.

# SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED

ABN 67 060 319 119

## Condensed Notes to the Half Year Consolidated Financial Statements for the six months ended 31 December 2014

### 9 OTHER RECEIVABLES

Included in other receivables is an amount of \$600 in relation to loans under the company's Share Purchase Plan. The receivable was impaired by \$6,900 during the half-year ended 31 December 2014.

### 10 OTHER FINANCIAL ASSETS

	<b>Consolidated</b>	
	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	\$	\$
Investments at cost - Quince concessions	42,600	42,600
Investments at cost – Ample Success	1,134,215	1,134,215
Less: Accumulated Impairment – Ample Success	(1,134,115)	(1,134,115)
	<u>42,700</u>	<u>42,700</u>

### 11 EXPLORATION CONCESSIONS

During the period, the company's subsidiaries have expensed \$149,669 in relation to concessions held.

### 12 SHARE CAPITAL

	<b>Consolidated</b>		<b>Consolidated</b>	
	<b>Dec 2014</b>	<b>June 2014</b>	<b>Dec 2014</b>	<b>June 2014</b>
	\$	\$	Shares	Shares
<b>Ordinary shares</b>				
Issued	41,054,447	41,054,447	318,597,886	318,597,886
<i><b>Movements during the period</b></i>				
Balance at beginning of the period	41,054,447	41,054,447	318,597,886	318,597,886
Share issues during the period	-	-	-	-
Cost of capital raising	-	-	-	-
Balance at the end of the period	<u>41,054,447</u>	<u>41,054,447</u>	<u>318,597,886</u>	<u>318,597,886</u>

### 13 OPERATING SEGMENTS

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's Managing Director for the purpose of resource allocation and assessment of performance is more specifically focused on Australia, Chile and Ecuador. These are the reportable segments under AASB 8.

# SOUTH AMERICAN IRON & STEEL CORPORATION LIMITED

ABN 67 060 319 119

## Condensed Notes to the Half Year Consolidated Financial Statements for the six months ended 31 December 2014

Information regarding these segments is presented below.

For the six months ended 31 December

	Australia		Chile		Ecuador		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$
External revenues	82,056	66,350	-	3,228	-	-	82,056	69,578
Impairment	-	-		(7,026,742)	-	-	-	(7,026,742)
Reportable segment loss before income tax	(177,289)	(514,697)	(252,159)	(6,969,583)	-	-	(429,448)	(7,484,280)
Consolidated loss before income tax							(429,448)	(7,484,280)
Reportable segment assets	135,307	264,549	179,796	2,489,076	-	25,000	2,778,625	2,778,625

### Reconciliation of reportable segment profit or loss

	2014	2013
Total loss for reportable segments	(429,448)	(7,484,280)
Other loss	-	-
	(429,448)	(7,484,280)
Elimination of inter-segment profits	-	-
Consolidated loss before income tax	(429,448)	(7,484,280)

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 30 June 2014.