



Tasmania Mines Limited

ACN 009 491 990

RESULTS FOR ANNOUNCEMENT TO THE MARKET

		Half-Year Ended 30 June 2013 \$'000	Half-Year Ended 30 June 2012 \$'000
Revenue from ordinary activities	Down by 2.8%	\$18,674	\$19,219
Profit from ordinary activities after tax attributable to members	Down by 14.2%	\$2,299	\$2,679
Net tangible assets per security	Up by 6.9%	210.7 cents	197.1 cents

Information on dividends

During the half-year, Tasmania Mines Limited declared a fully franked dividend of six cents (\$0.06) per share to the holders of fully paid ordinary shares (at the Tax Rate of 30%). The total dividend of \$1,097,000 was paid on 30 April 2013.



Tasmania Mines Limited

ACN 009 491 990

Financial Report for the Half-Year Ended

30 June 2013

Tasmania Mines Limited

Corporate Profile

Tasmania Mines Ltd is an Australian resources company whose principal activity is the open cut extracting and milling of ore at its Kara Mine in Tasmania. The main product sold is dense medium magnetite which is ultimately used for coal washery purposes. A secondary product is the production and sale of higher grade Scheelite.

Corporate Information

Directors

Shamsher H M Kanji
Joseph O Carroll
Kenneth J Broadfoot

Secretaries

Kenneth J Broadfoot
Warren A Wilton

Registered Office

Level 33, Aurora Place
88 Phillip Street
Sydney NSW 2000
Phone: +61 2 9251 4244

Principal Administrative Office

C/- The Engineering Company Pty Ltd
15265 Bass Highway
PO Box 215
Somerset TAS 7322
Phone: +61 3 6435 1556

Principal Place of Business

Kara Mine
683 Kara Road
Hampshire TAS 7321

Securities Exchange

Listed on the Australian Securities Exchange
Code TMM

Share Registry

Link Market Services Ltd
Level 1 - 333 Colin Street
Melbourne VIC 3000
Phone: 1300 554 474
Email: registrars@linkmarketservices.com.au
Postal Address
Locked Bag A14
Sydney South NSW 1235

Tasmania Mines Limited

Financial Report For the half-year ended 30 June 2013

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Tasmania Mines Limited

Directors' report

The directors of Tasmania Mines Limited present their financial report for the half-year ended 30 June 2013. The directors of the company during or since the end of the half-year are:

Name	Particulars, qualifications and experience
Mr Shamsher H. M. Kanji	Chairman, Member of the Audit, Nomination, Remuneration and Risk Management Committees of the Board, Non-Executive Graduated with Honours in Law from University of London in 1957 Admitted as a Barrister by the Middle Temple, London Solicitor, New South Wales Lawyer, Singapore Appointed to the Board 23 August 1984 Other public company directorships - none
Mr Joseph O. Carroll	Director, Chairman of the Audit, Nomination, Remuneration and Risk Management Committees of the Board, Non-Executive Bachelor of Engineering (Civil) from University of Sydney Management Consultant. Past experience as project manager for major civil engineering projects. Appointed to the Board 5 May 1986 Other public company directorships - none
Mr Ken J. Broadfoot	Director Member of the Audit, Nomination, Remuneration and Risk Management Committees of the Board, Non-Executive Chartered Accountant Appointed to the Board 30 April 2008 Other public company directorships – none

Company secretaries

Mr Ken J. Broadfoot was appointed company secretary in 1992 and Mr Warren A. Wilton has been appointed as an additional secretary of the company on 16 May 2013.

Principal activities

The consolidated entity's principal activities in the half-year ended 30 June 2013 continued to be the mining and production of magnetite and scheelite including the operating of the crushing and concentrating mill at the Kara Mine, south of Burnie, Tasmania and the sale of the Company's products and the ongoing exploration and development of mining tenements.

Tasmania Mines Limited

Directors' report

Review of Operations

Mining

During the half-year a total of 187,285 tonnes of ore was mined at 40% Fe. In addition, 366,293 tonnes of overburden was removed. All material was taken from the Kara No. 1 Open Pit.

Milling

The Kara concentrator mill treated 189,816 tonnes of materials during the half-year. Production totalled 13 tonnes of high grade scheelite and 97,825 tonnes of dense medium magnetite.

Sales

During the half-year a total of 77,206 tonnes of dense medium magnetite was sold compared with 80,274 tonnes sold in the previous half-year and 25 tonnes of high grade scheelite sold this half-year of which the average assay was 74% WO₃ and none in the previous half-year.

Auditor's Independence Declaration

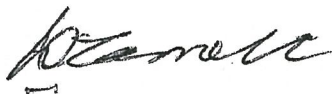
The auditor's independence declaration is included on page 3 of the half-year financial report.

Rounding off of amounts

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998 and in accordance with that Class Order amounts in the Directors' Report and the half-year financial report are rounded off to the nearest thousand dollars unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s. 306(3) of the Corporations Act 2001.

On behalf of the Directors



Director
Sydney, 19 August 2013

The Board of Directors
Tasmania Mines Limited
Bass Highway
SOMERSET TAS 7322

19 August 2013

Dear Board Members

Tasmania Mines Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Tasmania Mines Limited.

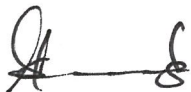
As lead audit partner for the review of the financial statements of Tasmania Mines Limited for the half-year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Steven Hernyk
Partner
Chartered Accountants

Member of Deloitte Touche Tohmatsu Limited

Liability limited by a scheme approved under Professional Standards Legislation.

Independent Auditor's Review Report to the members of Tasmania Mines Limited

We have reviewed the accompanying half-year financial report of Tasmania Mines Limited, which comprises the condensed statement of financial position as at 30 June 2013, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 6 to 13.

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 30 June 2013 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 Tasmania Mines 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.

Auditor's Independence Declaration

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 matter that makes us believe that the half-year financial report of Tasmania Mines 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 30 June 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



Steven Hernyk
Partner
Chartered Accountants
Launceston, 19 August 2013

Tasmania Mines Limited

Directors' declaration

The directors declare that:

- (a) 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;
- (b) in the directors' opinion, the attached financial statements and notes thereto for the half year ended 30 June 2013 are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s. 303(5) of the Corporations Act 2001.

On behalf of the Directors



Director

Sydney, 19 August 2013

Tasmania Mines Limited

Condensed consolidated statement of profit or loss and other comprehensive income For the half-year ended 30 June 2013

	CONSOLIDATED	
	Half-Year Ended 30 June 2013 \$'000	Half-Year Ended 30 June 2012 \$'000
Revenue	18,674	19,219
Cost of sales	(7,783)	(8,066)
Gross profit	10,891	11,153
Other income	300	280
Distribution expenses	(7,556)	(7,251)
Administration expenses	(340)	(333)
Finance costs	(38)	(22)
Profit before tax	3,257	3,827
Income tax expense	(958)	(1,148)
Profit for the period	2,299	2,679
Other comprehensive income for the period, net of income tax	-	-
Total comprehensive income for the period	2,299	2,679
Total comprehensive income attributable to owners of the parent	2,299	2,679
Earnings per share:		
Basic and diluted (cents per share)	12.6	14.7

Notes to the condensed consolidated financial statements are included on page 11 to 13.

Tasmania Mines Limited

Condensed consolidated statement of financial position As at 30 June 2013

	CONSOLIDATED	
	30 June 2013 \$'000	31 December 2012 \$'000
Current assets		
Cash and cash equivalents	1,473	1,263
Trade and other receivables	4,091	4,733
Other financial assets	2,216	3,045
Inventories	11,945	11,692
Other	288	268
Total current assets	20,013	21,001
Non-current assets		
Exploration and evaluation assets	762	643
Mine properties	334	334
Property, plant and equipment	26,032	23,574
Total non-current assets	27,128	24,551
Total assets	47,141	45,552
Current liabilities		
Trade and other payables	4,742	4,752
Provisions	433	343
Current tax liability	594	284
Total current liabilities	5,769	5,379
Non-current liabilities		
Provisions	1,084	1,050
Deferred tax liabilities	671	708
Total non-current liabilities	1,755	1,758
Total liabilities	7,524	7,137
Net assets	39,617	38,415
Equity		
Issued capital	9,586	9,586
Retained earnings	30,031	28,829
Equity attributable to owners of the parent	39,617	38,415
Non-controlling interest	-	-
Total equity	39,617	38,415

Notes to the condensed consolidated financial statements are included on page 11 to 13.

Tasmania Mines Limited

Condensed consolidated statement of changes in equity For the half-year ended 30 June 2013

	CONSOLIDATED		
Consolidated	Issued Capital \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2012	9,586	25,526	35,112
Profit for the period	-	2,679	2,679
Other comprehensive income for the period, net of income tax	-	-	-
Total comprehensive income for the period	-	2,679	2,679
Dividends paid	-	(1,097)	(1,097)
Balance at 30 June 2012	9,586	27,108	36,694
Balance at 1 January 2013	9,586	28,829	38,415
Profit for the period	-	2,299	2,299
Other comprehensive income for the period, net of income tax	-	-	-
Total comprehensive income for the period	-	2,299	2,299
Dividends paid	-	(1,097)	(1,097)
Balance at 30 June 2013	9,586	30,031	39,617

Notes to the condensed consolidated financial statements are included on page 11 to 13.

Tasmania Mines Limited

Condensed consolidated statement of cash flows For the half-year ended 30 June 2013

	CONSOLIDATED	
	Half-Year Ended 30 June 2013 \$'000	Half-Year Ended 30 June 2012 \$'000
Cash flows from operating activities		
Receipts from customers	21,481	21,914
Payments to suppliers and employees	(16,866)	(17,240)
Income tax paid	(686)	(1,544)
	3,929	3,130
Cash flows from investing activities		
Amounts repaid by related parties	829	-
Interest bearing deposit with related party	-	(1,000)
Interest received	81	280
Payments for plant and equipment	(3,420)	(4,123)
Expenditures on mine development	-	(334)
Investment in exploration and evaluation assets	(119)	(325)
Proceeds from sale of plant and equipment	7	-
	(2,622)	(5,502)
Cash flows from financing activities		
Dividends paid	(1,097)	(1,097)
	(1,097)	(1,097)
Net increase/(decrease) in cash and cash equivalents	210	(3,469)
Cash and cash equivalents at the beginning of the period	1,263	6,297
	1,473	2,828
Cash and cash equivalents at the end of the period	1,473	2,828

Notes to the condensed consolidated financial statements are included on page 11 to 13.

Tasmania Mines Limited

Notes to the condensed consolidated financial statements For the half-year ended 30 June 2013

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared under the historical cost convention, 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.

The consolidated entity is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998 and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2012 annual financial report for the financial year ended 31 December 2012 except for the impact of the interpretation described below. These accounting policies are consistent with Australian equivalents to International Financial Reporting Standards (A-IFRS).

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

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the consolidated entity include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the consolidated entity's presentation of, or disclosure in, its half-year financial statements.

AASB 2011-9 introduces new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements.

Tasmania Mines Limited

Notes to the condensed consolidated financial statements For the half-year ended 30 June 2013

1. Significant accounting policies (cont'd)

Basis of preparation (cont'd)

However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2. Segment information

The consolidated entity operates in the mining industry with operations comprising the sole business of exploration, production and sale of magnetite and high grade scheelite primarily within Australia.

3. Subsequent events

No matters have arisen since 30 June 2013 that may significantly affect the operations or the state of affairs of the consolidated entity in subsequent reporting periods.

4. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets disclosed in the 31 December 2012 annual financial report. As such there are no updates for purposes of this period end report.

There were no contingent liabilities or assets identified during the period that would require disclosure in this period end report.

5. Exploration and evaluation assets

Exploration and evaluation expenditures including costs associated with drilling and other work to establishing the technical and commercial viability of extracting a mineral resource identified through exploration are capitalised. Capitalised exploration and evaluation expenditure is not charged to profit/(loss) account until the commencement of commercial production. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the period the new information becomes available.

6. Deferred stripping costs

Stripping costs (overburden and other waste removal) incurred in the development of a mine before production commences are capitalised and subsequently amortised over the estimated life of the mine on a units of production basis. Several open pits are regarded as separate operations for the purpose of mine planning, stripping costs are accounted for separately by reference to the ore from each separate pit. Deferred stripping costs are included as part of "Mine properties".

The Company had early adopted IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, which had a mandatory effective date for annual periods which begin on or after 1 January 2013. The Company had applied this standard effective 1 January 2012.

Tasmania Mines Limited

Notes to the condensed consolidated financial statements For the half-year ended 30 June 2013

7. Key management personnel

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

8. Dividends

During the half-year, Tasmania Mines Limited declared a fully franked dividend of six cents (\$0.06) per share to the holders of fully paid ordinary shares. The total dividend of \$1,097,000 was paid on 30 April 2013.

9. Disclosure of additional information

		CONSOLIDATED	
		Half-Year Ended 30 June 2013 \$'000	Half-Year Ended 30 June 2012 \$'000
Revenue from the sale of goods	Down by 2.8%	\$18,674	\$19,219
Profit for the period attributable to owners of the parent	Down by 14.2%	\$2,299	\$2,679
Net tangible assets per security	Up by 6.9%	210.7 cents	197.1 cents
Dividends paid	Total	\$1,097	\$1,097
	Cents per share	6 cents	6 cents