Appendix 4D

(Rule 4.2A.3)

Half year report

Name of entity	ABN
Sprintex Limited	38 106 337 599

1. Details of the Reporting Period and the Previous Corresponding Period

Financial period ended ("current period")	Financial period ended ("previous period")
31 December 2013	31 December 2012

2. Results for Announcement to the Market

					A$'000
2.1	Revenues from ordinary activities	down	1%	to	650
2.2	Loss from ordinary activities after tax attributable to members	up	43%	to	2,284
2.3	Net loss for the period attributable to members	up	43%	to	2,284
2.4	Dividends	Amount per security		Franked amount per security	
	Interim dividend	A$Nil		A$Nil	
2.5	Record date for determining entitlements to the dividend			N/A	
2.6	Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable to figures to be understood				
	Please refer to the Directors' Report in the Half Year Report which has been subject to independent review by the Auditors, PKF Mack and Co for detailed explanation.				

3. NTA Backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	A$0.0023	A$0.0058

4. Control Gained or Lost Over Entities

4.1	Name of entity (group of entities)	N/A
4.2	Date control gained or lost	N/A
4.3	Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A

5. Dividends

The Company has not declared or paid any final dividends for 2012/2013 year or interim dividend for current period.

6. Dividend Reinvestment Plans

The Company has no dividend reinvestment plan.

7. Details of Associates and Joint Venture Entities

See Notes 6 and 10 to the Half-year Report

8. Foreign Entities

Not Applicable.

9. If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification.

Not Applicable.

SPRINTEX LIMITED
AND CONTROLLED ENTITIES

HALF-YEAR REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2013

SPRINTEX LIMITED
AND CONTROLLED ENTITIES

CONTENTS

CORPORATE INFORMATION

The Company's functional and presentation currency is AUD ($).

ASX Code: SIX
ABN 38 106 337 599

Directors
Mr R Siemens (Non-Executive Chairman)
Mr D White (Deputy Chairman and Acting Chief Executive Officer)
Mr S Apedaile (Non-Executive Director)
Mr M Wilson (Non-Executive Director)
Mr R O'Brien (Non-Executive Director)

Company Secretary
Mr M van Uffelen

Registered Office
183 Mulgul Road
Malaga WA 6090
Phone: (08) 9262 7277

Share Registrar
Advanced Share Registry Limited
150 Stirling Hwy
Nedlands WA 6009
Ph: 08 9389 8033

Bankers
National Australia Bank
3 Exhibition Drive
Malaga WA 6090

Auditors
PKF Mack & Co.
Level 4, 35 Havelock Street
West Perth WA 6005

DIRECTORS' REPORT

Your directors present their report on the Consolidated Entity consisting of Sprintex Limited (the Company) and the entities it controlled for the six months ended 31 December 2013.

Directors

The names of the Company's Directors in office during the financial period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Richard John Siemens	Non-Executive Chairman	
Mr David Kenneth White	Deputy Chairman & Acting Chief Executive Officer	From 13 December 2013
	Non-Executive Deputy Chairman	From 6 September 2013 to 13 December 2013
	Non-Executive Director	To 6 September 2013
Mr Steven James Apedaile	Non-Executive Director	From 13 December 2013
	Managing Director	To 13 December 2013
Mr Michael John Wilson	Non-Executive Director	
Mr Richard John O'Brien	Non-Executive Director	

Principal Activities

The principal activity of Sprintex Limited ("Sprintex") and the entities it controlled for the six months ended 31 December 2013 was the manufacture and distribution of the patented range of Sprintex® superchargers and supercharger systems.

Review and Results of Operations

The Consolidated Entity recorded an increase in the operating loss from $1,268,883 for the half-year period ended 31 December 2012 to $1,941,325 for the current half-year. The increase in the operating loss is due mainly to changing the method of accounting for the R&D Incentive grant from an accruals basis to a cash basis. Sales for the half-year were $650,443 (2012: $659,509) representing a decrease of 1%. Gross loss on sales for the half-year ended 31 December 2013 was $87,025, compared to a gross loss of $56,095 for the same period in 2012.

The focus of activities over the past six months has been:

1. Selling the Company's after-market supercharger range, with a particular focus on the supercharger system for the Toyota 86 / Subaru BRZ / Scion FR-S.
2. Shifting production on the Company's after-market supercharger systems for the Mini Cooper S and Honda Jazz / CRZ to its production facility in Malaysia.
3. Continuing to develop a supercharger system for the Chrysler 3.6L V6 Pentastar engine for Jeep Wrangler and Ram 1500 vehicles.

To finance the operations of the Company, the Company made a one for four non-renounceable option entitlement issue of fully paid ordinary shares in the Company at a price of $0.001 per option with a $0.02 exercise price and 30 June 2014 expiry date ("Entitlement Offer"). As a result, gross proceeds of $167,790 were raised. 85,007,683 options were exercised during the period providing $1,700,154 of funding. More details of which are disclosed in note 8 to the financial statements.

Additional funding came from $200,000 of convertible notes secured against the Company's 2013 R&D Incentive Grant. Following receipt of the R&D Incentive Grant in October 2013 $150,000 of these notes and the US$600,000 convertible notes previously issued in June 2013 were repaid, with accrued interest, during the period.

Events after Reporting Date

No matter or circumstance has arisen since 31 December 2013 that has significantly affected or may significantly affect the operations, results or state of affairs of the Company in the following or future years.

Auditor's Independence Declaration

The auditor's independence declaration for the half-year ended 31 December 2013 has been received and is included at Page 4 and forms part of this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

David White
Deputy Chairman
Dated at Perth this 27th day of February 2014

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF SPRINTEX LIMITED

In relation to our review of the financial report of Sprintex Limited for the half year ended 31 December 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Mack and Co.

PKF MACK & CO

SIMON FERMANIS
PARTNER

27 FEBRUARY 2014
WEST PERTH,
WESTERN AUSTRALIA

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4th Floor, 35 Havelock Street | West Perth | Western Australia 6005 | Australia
PO Box 609 | West Perth | Western Australia 6872 | Australia

S P R I N T E X L I M I T E D
A N D C O N T R O L L E D E N T I T I E S

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

	NOTES	31 December 2013 $	30 June 2013 $
CURRENT ASSETS			
Cash and cash equivalents	9	160,551	52,970
Pledged bank deposits	4	162,000	112,000
Trade and other receivables	5	275,091	1,644,011
Inventories		863,227	774,961
TOTAL CURRENT ASSETS		**1,460,869**	**2,583,942**
NON-CURRENT ASSETS			
Investment in joint venture	6	-	-
Property, plant and equipment		1,412,898	1,610,238
Goodwill & intellectual property		16,601	24,892
TOTAL NON-CURRENT ASSETS		**1,429,499**	**1,635,130**
TOTAL ASSETS		**2,890,367**	**4,219,072**
CURRENT LIABILITIES			
Trade and other payables		430,181	423,513
Interest bearing liabilities	7	113,139	1,054,801
Provisions		173,651	213,501
TOTAL CURRENT LIABILITIES		**716,971**	**1,691,815**
NON-CURRENT LIABILITIES			
Interest bearing liabilities	7	**38,429**	**20,876**
TOTAL LIABILITIES		**755,400**	**1,712,691**
NET ASSETS		**2,134,967**	**2,506,381**
EQUITY			
Contributed equity	8(a)	42,046,955	40,220,341
Reserves		153,997	71,215
Accumulated losses		(40,069,583)	(37,785,175)
TOTAL EQUITY		**2,134,967**	**2,506,381**

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	2013 $	2012 $
Revenue	650,443	659,509
Cost of goods sold	(737,468)	(715,604)
Gross (loss) profit	**(87,025)**	**(56,095)**
Other income	102,534	6,601
Research & development incentive grant	78,788	841,909
Distribution & marketing expenses	(155,182)	(60,613)
Research & development expenses	(1,046,276)	(1,301,266)
Inventory impairment expense	(239,556)	-
Write-back of joint venture impairment	147,236	-
Administration expenses	(741,844)	(679,457)
Other expenses	-	(19,962)
Operating loss	**(1,941,325)**	**(1,268,883)**
Finance costs	(43,074)	(11,768)
Share of loss of joint venture	(300,009)	(317,872)
Loss before income tax expense	**(2,284,408)**	**(2,440,432)**
Income tax benefit	-	-
Net loss for the period	**(2,284,408)**	**(1,598,523)**
Other comprehensive income, net of tax		
- Items that will not be reclassified to profit or loss	-	-
- Items that will be reclassified to profit or loss	-	-
Total comprehensive loss for the period	**(2,284,408)**	**(1,598,523)**
Loss per share attributable to the ordinary equity holders of the Company		
Basic loss per share	0.26 cents	0.21 cents
Diluted loss per share	0.26 cents	0.21 cents

The Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Contributed equity	Reserves			
	Ordinary shares	Share option reserve	Option premium reserve	Accumulated Losses	Total
	$	$	$	$	$
For the half-year ended 31 December 2013					
Balance at 1 July 2013	**40,220,341**	**71,215**	**-**	**(37,785,175)**	**2,506,381**
Loss for the period	-	-	-	(2,284,408)	(2,284,408)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income	-	-	-	(2,284,408)	(2,284,408)
Transactions with owners in their capacity as owners					
Issue of shares and options	1,742,354	-	167,790	-	1,910,144
Options exercised	85,008	-	(85,008)	-	-
Share issue expenses	(748)	-	-	-	(748)
Share-based payments	-	3,600	-	-	3,600
Balance at 31 December 2013	**42,046,955**	**74,815**	**82,782**	**(40,069,583)**	**2,134,967**
For the half-year ended 31 December 2012					
Balance at 1 July 2012	**38,244,943**	**95,980**	**-**	**(33,008,595)**	**5,332,328**
Loss for the period	-	-	-	(1,598,523)	(1,598,523)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income	-	-	-	(1,598,523)	(1,598,523)
Transactions with owners in their capacity as owners					
Issue of shares and options	862,040	13,890	-	-	875,930
Share issue expenses	(15,242)	-	-	-	(15,242)
Balance at 31 December 2012	**39,091,741**	**109,870**	**-**	**(34,607,118)**	**4,594,493**

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	NOTES	2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		764,874	637,055
Payments to suppliers and employees		(2,861,540)	(2,400,310)
Interest and finance lease charges paid		(42,238)	(11,768)
Interest received		2,849	6,667
Research & development grant received		1,331,449	-
Net cash flows used in operating activities		(804,606)	(1,768,356)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in joint venture		-	(185,100)
Advance to joint venture		(152,773)	-
Placement of restricted deposit		(50,000)	-
Proceeds from sale of property, plant and equipment		151,057	9,404
Payments for property, plant and equipment		(64,457)	(86,004)
Net cash flows (used in) / generated from investing activities		(116,173)	(261,700)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share capital raising		1,630,144	862,040
Capital raising costs		(748)	(15,242)
Proceeds from borrowings		255,456	400,000
Repayment of borrowings		(856,490)	(82,907)
Net cash flows generated from financing activities		1,028,360	1,163,891
Net (decrease) / increase in cash and cash equivalents		107,581	(866,165)
Cash and cash equivalents at the beginning of the financial period	10	52,970	939,526
Cash and cash equivalents at the end of the financial period	10	160,551	73,361

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

1. Corporate information

Sprintex Limited (the "Company") is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange. The Company's registered office is 183 Mulgul Road, Malaga WA 6090.

The principal activity of the Company and the entities it controlled (the "Group" or "Consolidated Entity") for the half-year ended 31 December 2013 remained the same, being the manufacture and distribution of the patented range of Sprintex® superchargers and supercharger systems.

The general purpose condensed consolidated financial statements of Sprintex Limited for the half-year ended 31 December 2013 were authorised for issue and approved by the Board of Directors on 27th February 2014.

2. Basis of Preparation and Accounting Policies

Basis of preparation

These general purpose condensed consolidated financial statements for the half year ended 31 December 2013 have been prepared in accordance with AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 as appropriate for for-profit orientated entities. Compliance with AASB134 ensures compliance with International Financial Reporting Standard IAS34 'Interim Financial Reporting'.

The half-year financial report does not include all of the notes of the type 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 Company as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of the Company as at 30 June 2013.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 31 December 2013 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Going concern

The Company has net assets and net current assets of $2,134,967 and $743,898, respectively, as at 31 December 2013 and incurred a loss of $2,284,408 and net operating cash outflow of $804,606 for the six month period ended 31 December 2013.

The Company's ability to continue as a going concern and meet its debts and future commitments as and when they fall due is dependent on a number of factors, including:

- the ability to raise sufficient working capital to ensure the continued implementation of the Company's business plan; and
- delivery of existing and new products through the Company's distribution network to generate sales revenues and positive cash flows.

The financial report has been prepared on a going concern basis. In arriving at this position the directors have had regard to the fact that the Company has, or in the directors' opinion will have access to, sufficient cash to fund administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

2. Basic of Preparation and Accounting Policies (continued)

Going concern (cont'd)

Should the Company not achieve the matters set out above, there is significant uncertainty whether it will be able to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

Adoption of new or revised accounting standards and interpretations

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial statements unless otherwise stated, and the condensed consolidated financial statements have been prepared on the historical cost basis except for investments, which have been measured at fair value.

New Accounting Policies Adopted Effective 1 July 2013

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

(i) *Consolidated financial statements, joint arrangements and disclosure of interests in other entities*

The Group has adopted the following new and revised Australian Accounting Standards from 1 July 2013 together with consequential amendments to other Standards:

- AASB 10: Consolidated Financial Statements;
- AASB 127: Separate Financial Statements (August 2011);
- AASB 11: Joint Arrangements;
- AASB 128: Investments in Associates and Joint Ventures (August 2011);
- AASB 12: Disclosure of Interests in Other Entities;
- AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards; and
- AASB 2012-10: *Amendments to Australian Accounting Standards — Transition Guidance and* Other *Amendments.*

These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. The Group has applied these Accounting Standards retrospectively in accordance with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* and the specific transition requirements in AASB 10 and AASB 11.

2. Basic of Preparation and Accounting Policies (continued)

Adoption of new or revised accounting standards and interpretations (continued)

(ii) *Fair value measurements and disclosures*

The Group has adopted AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 from 1 July 2013 together with consequential amendments to other Standards. These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. AASB 13 sets out a comprehensive framework for measuring the fair value of assets and liabilities and prescribes enhanced disclosures regarding all assets and liabilities measured at fair value.

(iii) *Other*

Other new and amending Standards that became applicable to the Group for the first time during this half-year reporting period are as follows:

AASB 2012-2: Amendments to Australian Accounting Standards — Disclosures — Offsetting Financial Assets and Financial Liabilities and AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle.

These Standards make changes to presentation and disclosure requirements, but did not affect the Group's accounting policies or the amounts reported in the financial statements.

AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011).

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior half-years.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Sprintex Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 11.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

2. Basic of Preparation and Accounting Policies (continued)

Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.
Separate joint venture entities providing joint venturers with an interest to net assets are classified as a "joint venture" and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.
Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

Details of the Group's interests in joint arrangements are provided in Note 6.

3. Operating Segment

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers, being the executive management team.

The Company operates in one segment, being the manufacture and distribution of the patented range of Sprintex® superchargers and supercharger systems. These products are complementary, produced using similar production processes and sold to similar customers through the same distribution channels.

4. Pledged Bank Deposits

Pledged bank deposits at 31 December 2013 represented fixed deposits as follows:

- a term deposit maturing on 30 May 2014 bearing interest at 3.35% per annum of $30,000 supporting credit card facilities;
- a term deposit maturing on 27 March 2014 bearing interest at 3.5% per annum and is pledged against a guarantee in the amount of $82,000 issued by a bank on behalf of the Company; and
- a term deposit maturing on 9 January 2014 bearing interest at 2.89% per annum and is pledged against convertible notes of $50,000 issued by the Company.

	31 December 2013 $	30 June 2013 $
5. Trade and Other Receivables		
Trade receivables	77,570	248,520
Allowance for impairment loss	-	(108,256)
	77,570	140,264
Other receivables	17,464	1,252,957
Trade deposits	127,116	173,005
Prepayments	52,941	77,785
	275,091	1,644,011

(a) Other receivables

In the prior period, other receivables mainly represent a research and development grant receivable. In the current period, the Company has changed the recognition basis of this grant from an accrual to a cash basis.

(b) Trade deposits

Trade deposits represent payments to suppliers with no history of unsatisfactory product quality or delivery default and are considered fully recoverable.

6. Investment in a Joint Venture

	31 December 2013 $	30 June 2013 $
Investment	1,819,905	1,667,132
Share of losses	(936,088)	(636,079)
Provision for impairment	(883,817)	(1,031,053)
	-	-

Proreka Sprintex Sdn. Bhd. is a Malaysian company which is 50% owned by the Company and owns and operates a facility in Malaysia which has been licenced to assemble and manufacture Sprintex® products under licence from the Company.

At 30 June 2013, in view of the losses being incurred by the joint venture, the carrying value of the balances with the joint venture were assessed for impairment after considering the reasonableness of the carrying value of its assets and applying a discount rate of 10% to expected future cash flows. This balance has been fully impaired.

	31 December 2013 $	30 June 2013 $
7. Interest Bearing Liabilities		
Current		
Insurance premium funding	8,958	62,709
Finance lease liabilities	51,001	37,451
Loans from related parties	2,344	293,083
Convertible notes	50,836	661,558
	113,139	1,054,801
Non-current		
Finance lease liabilities	38,429	20,876

During the period, the Company issued $200,000 of convertible notes secured against the 2012-13 Research and Development Tax Incentive grant the Company was entitled to. These notes have a 10% coupon paid 6 monthly and an option for the holders to convert the notes to fully paid ordinary shares at $0.03 per share any time on or after the receipt of the 2012-13 Research and Development Tax Incentive grant and before 30 June 2015.

The Research and Development Tax Incentive grant was received in November 2013 and $150,000 of these convertible notes and the US$600,000 convertible notes previously issued in June 2013 and associated accrued interest was repaid

8. Contributed Equity

	31 December 2013 $	30 June 2013 $
Paid up capital – ordinary shares	43,126,422	41,299,059
Capital raising costs capitalised	(1,079,467)	(1,078,718)
	42,046,955	40,220,341

(a) Ordinary shares

Movements in Ordinary Share Capital	**Number of shares**	**$**
Balance at 1 July 2013	845,814,268	40,220,341
Options exercised	85,007,683	1,700,154
Funds received in advance of the issue of shares	-	37,800
Transfer from option reserve upon exercise of option	-	85,010
Other	-	3,650
Contributions to equity net of transaction costs during the period	85,007,683	1,909,394
Balance as at 31 December 2013	930,821,951	42,046,955

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

8. Contributed Equity (continued)

(b) Option Premium Reserve

Listed, $0.02 Exercise, 30 June 2014 Expiry		**Number of options**	**$**
Balance at 1 July 2013		-	-
Issue of options under an entitlement issue	(i)	167,789,589	167,790
Options exercised		(85,007,683)	(85,008)
Balance as at 31 December 2013		82,781,906	82,782

(i) *Entitlement Issue Options at A$0.001 per option*
On 1 July 2013, the Company announced a non-renounceable option entitlement issue to eligible shareholders on 1 July 2013 of one option, with an expiry date of 30 June 2014 and an exercise price of A$0.02, at an issue price of $0.001for every four ordinary shares held and 167,789,589 options were issued ("Entitlement Issue").

	31 December 2013 $	**30 June 2013 $**
9. Cash and cash equivalents		
For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following amounts:		
Cash	160,551	52,970
Cash and cash equivalents	160,551	52,970

10. Interests in Subsidiaries

Name of Entity	**Principal Place of Business**	**Ownership Held by the Group** 31 December 2013 %	30 June 2013 %
Sprintex Australasia Pty Limited	Australia	100	100
AAC Property Investments Pty Limited	Australia	100	100
Sprintex USA, Inc.	United States	100	100

11. Commitments and contingencies

The only changes to the commitments disclosed in the most recent annual financial report are specified below.

(a) Finance lease and hire purchase commitments

Since 30 June 2013, the Company repaid several leases in respect of certain plant and equipment and motor vehicles under finance leases and purchased additional assets via finance leases. The revised finance lease and hire purchase commitments for the Company are as follows:

	31 December 2013 $	30 June 2013 $
Within one year	49,463	40,421
After one year but not more than five years	53,128	22,688
Total minimum lease payments	102,591	63,109
Less: amounts representing finance charges	(13,161)	(5,656)
Present value of minimum lease payments	89,430	57,453
Included in the financial statements as:		
Current interest-bearing liabilities	51,001	37,451
Non-current interest-bearing liabilities	38,429	20,876
	89,430	58,327

(b) Capital commitments

As at 31 December 2013, the Company had outstanding capital commitments in respect of acquisition of property plant and equipment contracted for but not provided for in the financial statements in the amount of US$ nil (30 June 2013: US$ nil).

(c) Joint venture

The Company has committed to support a joint venture company, Proreka Sprintex Sdn. Bhd. (see note 6). The amount of this commitment is not yet known. In addition, , the Company's Joint Venture, Proreka Sprintex Sdn. Bhd. (JV) obtained bank financing of 80% of the equipment cost under a facility totalling RM 5 million (approximately $1.6 million) (Facility). The financing was conditional on each of two of the Malaysia resident directors of the JV, AutoV Corporation Bhd (the Company's joint venture partner) and AutoV Corporation Bhd's parent, Globaltec Bhd, providing an 'all monies guarantee' to secure the Facility. The Company has provided indemnities totalling half of the limit under the Facility, being a maximum of RM 2.5 million (approximately $0.8 million), to support the guarantees issued by the aforesaid parties.

12. Events after the reporting date

Other than the matters noted above, no matter or circumstance has arisen since 31 December 2013 that has significantly affected or may significantly affect the operations, results or state of affairs of the Company in the following or future years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Sprintex Limited, we state that:

In the opinion of the directors:

(a). The financial statements and notes of the Consolidated Entity are in accordance with the Corporations Act 2001, including:

(i) complying with the Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

(ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2013 and of the performance for the half-year ended on that date; and

(b). Subject to the matters referred to in note 2 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Perth this 27th day of February 2014.

David White
Deputy Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF

SPRINTEX LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Sprintex Limited (the Company) and controlled entities (the consolidated entity) which comprises the condensed consolidated statement of financial position as at 31 December 2013, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the 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 consolidated entity comprising the company and the entities it controlled at 31 December 2013 or during the half year.

Director's Responsibility for the Half-Year Financial Report

The directors of Sprintex Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards 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 Standards 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 2013 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001. As the auditor of Sprintex Limited and controlled 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.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors of the company a written Auditor's Independence Declaration.

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PKF Mack & Co

Chartered Accountants & Business Advisers

Basis for Qualified Review Conclusion

OPENING BALANCES

During the audit of the financial report for the year ended 30 June 2013, we were unable to obtain sufficient and appropriate audit evidence to support the Company's share of loss in the joint venture entity, Proreka Sprintex Sdn. Bhd (Proreka) for that reporting period amounting to $(532,190) and related impairment of the investment expense of $(1,136,006). Our audit opinion on the financial report for the year ended 30 June 2013 was modified accordingly.

Since the opening balances affect the determination of the results of operations and cash flows, we are unable to determine whether any adjustments to the results of operations, cash flows and opening accumulated losses might be necessary for the period ended 31 December 2013. Our conclusion on the current period's interim report is modified because of the possible effect of this matter and on the comparability of the current period's figures and corresponding figures.

JOINT VENTURE

During the review of the financial report for the half year ended 31 December 2013, we were unable to obtain sufficient and appropriate audit evidence to support the Company's share of loss in the joint venture entity, Proreka Sprintex Sdn. Bhd (Proreka) for that reporting period amounting to $(300,009) and related write back of the impairment expense of $147,236. Our review conclusion on the financial report for the half year ended 31 December 2013 was modified accordingly.

Conclusion

Based on our review, which is not an audit, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves in relation to the matters detailed in the basis for qualified review conclusion, we have not become aware of any matter that makes us believe that the half-year financial report of Sprintex Limited and controlled entities 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 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.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 2 in the financial report in which indicates that the consolidated entity incurred a net loss of $(2,284,408) during the half year ended 31 December 2013 (31 December 2012: $(1,598,523)) and had negative operating cashflow of $(804,606) (31 December 2012: $(1,768,356)). These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty which 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, and at the amounts stated in the financial report.

PKF Mack and Co.

PKF MACK & CO

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SIMON FERMANIS
PARTNER

27 February 2014
West Perth,
Western Australia