



ABN 79 123 776 652

**FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED**

**30 JUNE 2015**

## **CORPORATE DIRECTORY**

This Interim Financial Report covers RMA Energy Limited as an individual entity ("the Company"). The Company's functional and presentation currency is AUD (\$).

### **Directors**

Mr Debao Mao (Chairman and Non-Executive Director)  
Mr Leonard Math (Non-Executive Director)  
Mr Qin Weihong (Managing Director)

### **Auditors**

Deloitte Touche Tohmatsu  
Woodside Plaza Level 14  
240 St Georges Terrace  
PERTH WA 6000  
Ph: +61 8 9365 7000  
Fax: +61 8 9365 7001

### **Company Secretary**

Mr Leonard Math

### **Bankers**

ANZ Banking Group Limited  
8 St Georges Terrace  
PERTH WA 6000

### **Registered Office**

Level 8/ 16 St Georges Terrace  
PERTH WA 6000  
Ph: +61 8 6218 0200  
Fax: +61 8 6218 0222

### **Solicitors**

Kings Park Corporate Lawyers  
Level 2, 45 Richardson Street  
WEST PERTH WA 6005  
Tel: + 61 8 9420 0000  
Fax: +61 8 9226 5821

### **Share Registry**

Computershare Investor Services Pty Ltd  
Level 2, 45 St Georges Terrace  
PERTH WA 6000

### **Stock Exchange**

Australian Stock Exchange Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

### **Website**

[www.rmaenergy.com.au](http://www.rmaenergy.com.au)

**ASX Code : RMT**

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## **DIRECTORS' REPORT**

The Board of Directors of RMA Energy Limited ("RMA Energy" or the "Company") presents its report on the Company for the half-year ended 30 June 2015.

### **DIRECTORS**

The names of the Directors of the Company in office during the half-year and until the date of this report are:

Debao Mao	(Chairman and Non-Executive Director)
Qin Weihong	(Managing Director)
Leonard Math	(Non-Executive Director)

Unless otherwise shown, all Directors were in office from the beginning of the half-year until the date of this report.

### **PRINCIPAL ACTIVITIES**

The principal activity of the Company during the period was mineral resources exploration.

### **REVIEW AND RESULTS OF OPERATIONS**

#### **Operating Results**

Net operating loss after tax for the half-year ended 30 June 2015 was \$321,883 (2014: \$487,990).

## Review of Operations

RMA Energy Limited (ASX: “RMT”, “RMA” or the “Company”) is pleased to report its activities for the half-year ended the 30 June 2015.

### **Corporate**

Due to market conditions, the Company has limited its exploration activities on all projects to conserve cash.


The Board is constantly reviewing any potential project acquisition opportunities to enhance shareholder value in RMA.

## AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditor Deloitte Touche Tohmatsu to provide the directors of RMA Energy Limited with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 7.

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

On behalf of the Directors

A handwritten signature in black ink, appearing to be '秦伟红' (Qin Weihong), written in a cursive style.

**Qin Weihong**  
**Managing Director**  
**11<sup>th</sup> September 2015**

The Board of Directors  
RMA Energy Limited  
Level 8, 16 St Georges Terrace  
PERTH WA 6000

11 September 2015

Dear Board Members

## **RMA Energy Limited**

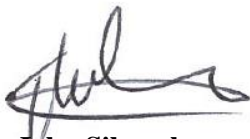
In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of RMA Energy Limited.

As lead audit partner for the review of the financial statements of RMA Energy Limited for the half-year ended 30 June 2015, 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.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



**John Sibenaler**  
Partner  
Chartered Accountants

## DIRECTORS' DECLARATION

The directors of RMA Energy Limited 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; and
- b) in the directors' opinion, the attached financial statements and notes thereto 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 Company.

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

This declaration is made in accordance with a resolution of the Board of Directors.



**Qin Weihong**  
**Managing Director**  
**11<sup>th</sup> September 2015**



**RMA ENERGY LIMITED**  
**CONDENSED STATEMENT OF PROFIT OR LOSS AND**  
**OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	<b>Six Months Ended 30 June 2015 \$</b>	<b>Six Months Ended 30 June 2014 \$</b>
Revenue	4,496	12,924
Profit from sale of assets	35,912	-
	<u>40,408</u>	<u>12,924</u>
<b>Expenses</b>		
External professional costs	(47,000)	(176,698)
Employee benefits expense	(191,969)	(211,795)
Impairment of exploration expense	(17,492)	-
Office rental and utilities	(42,788)	(40,822)
Travel and accommodation	(4,464)	(14,303)
Administration costs	(42,315)	(57,296)
Financial costs	(16,263)	-
<b>Loss before income tax expense</b>	<u>(321,883)</u>	<u>(487,990)</u>
Income tax expense	-	-
<b>Loss for the half-year</b>	<u>(321,883)</u>	<u>(487,990)</u>
Other Comprehensive Income	-	-
<b>Total Comprehensive loss for the half-year</b>	<u>(321,883)</u>	<u>(487,990)</u>
Basic loss per share (cents per share)	(0.02)	(0.03)
Diluted loss per share (cents per share)	(0.02)	(0.03)

The above Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**RMA ENERGY LIMITED**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

		<b>30 June 2015 \$</b>	<b>31 December 2014 \$</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		317,799	772,469
Trade and other receivables		6,385	9,358
Other Current assets		<u>52,239</u>	<u>43,865</u>
<b>Total Current Assets</b>		<u>376,423</u>	<u>825,692</u>
<b>Non-Current Assets</b>			
Property, plant and equipment		99,796	118,326
Exploration and evaluation expenditure	8	<u>-</u>	<u>-</u>
<b>Total Non-current Assets</b>		<u>99,796</u>	<u>118,326</u>
<b>TOTAL ASSETS</b>		<u>476,219</u>	<u>944,018</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		19,120	193,027
Loans		<u>12,759</u>	<u>-</u>
<b>Total Current Liabilities</b>		<u>31,879</u>	<u>193,027</u>
<b>Non-Current Liabilities</b>			
Loans	9	<u>425,733</u>	<u>410,500</u>
<b>Total Non-Current Liabilities</b>		<u>425,733</u>	<u>410,500</u>
<b>TOTAL LIABILITIES</b>		<u>457,612</u>	<u>603,527</u>
<b>NET ASSETS</b>		<u>18,607</u>	<u>340,491</u>
<b>EQUITY</b>			
Contributed equity	10	24,362,841	24,362,841
Reserves		-	-
Accumulated losses		<u>(24,344,234)</u>	<u>(24,022,350)</u>
<b>TOTAL EQUITY</b>		<u>18,607</u>	<u>340,491</u>

The above Condensed Statement of Financial Position should be read in conjunction with the accompanying notes.

# RMA ENERGY LIMITED

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Contributed Equity	Reserves \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 Jan. 2014</b>	24,362,841	-	(8,576,225)	15,786,616
Total comprehensive loss for the year	-	-	(487,990)	(487,990)
Transactions with owners in their capacity as owners:				
Issue of shares, net of transaction costs	-	-	-	-
Value of options granted	-	-	-	-
Transfer on expiry of options	-	-	-	-
<b>Balance at 30 June 2014</b>	24,362,841	-	(9,064,215)	15,298,626
<b>Balance at 1 Jan. 2015</b>	24,362,841	-	(24,022,350)	340,491
Total comprehensive loss for the year	-	-	(321,883)	(321,883)
Transactions with owners in their capacity as owners:				
Issue of shares, net of transaction costs	-	-	-	-
Value of options granted	-	-	-	-
Transfer on expiry of options	-	-	-	-
<b>Balance at 30 June 2015</b>	24,362,841	-	(24,344,234)	18,607

The above Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**RMA ENERGY LIMITED**  
**CONDENSED STATEMENT OF CASHFLOWS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees (inclusive of GST)	(497,903)	(586,116)
Interest received	4,496	12,924
Interest paid	(422)	-
Net cash flows used in operating activities	<u>(493,829)</u>	<u>(573,192)</u>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	-	(790)
Proceeds from sale of plant and equipment	42,000	-
Payments for exploration and evaluation tenements	(14,992)	(116,364)
Net cash flows from/(used in) investing activities	<u>27,008</u>	<u>(117,154)</u>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(8,160)	-
Proceeds from borrowings	20,311	-
Net cash flows from financing activities	<u>12,151</u>	<u>-</u>
Net decrease in cash and cash equivalents	(454,670)	(690,346)
Cash and cash equivalents at beginning of period	<u>772,469</u>	<u>1,568,964</u>
<b>Cash and cash equivalents at end of period</b>	<u>317,799</u>	<u>878,618</u>

The above Condensed Statement of Cash Flows should be read in conjunction with the accompanying notes.

# **RMA ENERGY LIMITED**

## **CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015**

### **1. REPORTING ENTITY**

RMA Energy Limited ("the Company") is a company domiciled in Australia and is listed on the Australian Securities Exchange.

#### **Going Concern**

The interim financial statements have been prepared on a going concern basis of accounting, which assumes the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

The company has incurred a net loss after income tax of \$321,883 (2014: \$487,990) and experienced net cash outflow from operating and investing activities of \$466,821 (2014: \$690,346) for the half-year ended 30 June 2015.

The ability of the company to continue as a going concern is dependent on the ongoing support of its ultimate parent company, China Rail Resource Co. Ltd, which covenants that if the company is unable to pay their current debts, China Rail Resource Co., Ltd will repay the company's liabilities on their behalf for at least 12 months from the date of signing of the 30 June 2015 financial report.

### **2. BASIS OF PREPARATION**

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 report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial reports.

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 2014 annual financial report for the financial year ended 31 December 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 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 reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Company include:

- AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements;
- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities;
- AASB 1031 Materiality; and
- AASB 2013-9 Amendments to Australian Accounting Standards – Part B: Materiality.

# RMA ENERGY LIMITED

## CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

### 2. BASIS OF PREPARATION

The adoption of these amendments has not resulted in any changes to the Company's accounting policies and have no effect on the amounts reported for the current or prior periods. However, the only amendment that has had a material impact and resulted in changes to the Company's presentation of, or disclosure in, its half-year financial statements is the presentation of development costs in the statements of cash flows.

### 3. DIVIDENDS PAID OR PROVIDED FOR

No dividends have been paid or provided for during the half-year (2014: Nil).

### 4. SUBSEQUENT EVENTS AFTER BALANCE DATE

No subsequent events have occurred after balance date.

### 5. SEGMENT INFORMATION

Management has determined that the Company has one reporting segment being mineral exploration.

As the Company is focused on mineral exploration, management make resource allocation decisions by reviewing the working capital balance, comparing cash balances to committed exploration expenditure and reviewing the current results of exploration work performed. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date and capital available to the Company.

The exploration assets as presented in Note 8 relate to the reporting segment, as identified above. All revenue and expenses relate to corporate activities and would not be used to assess segment performance, as follows:

	30 June 2015 \$	30 June 2014 \$
Segment Revenue	-	-
Reportable segment loss	(17,492)	-
Reportable segment assets	-	14,263,116
<b>Reconciliation of reportable segment profit or loss</b>		
Reportable segment loss	(17,492)	-
Other Corporate Revenue	35,913	-
Interest income	4,496	12,924
Unallocated: Corporate expenses	(344,800)	(500,914)
Closing Balance	<b>(321,883)</b>	<b>(487,900)</b>

# RMA ENERGY LIMITED

## CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

### 6. CONTINGENT LIABILITIES

There are no material contingent liabilities since the last reporting balance date.

### 7. COMMITMENTS

#### (a) Capital commitments

The following expenditure is required to maintain the exploration permits in which the Company has an interest:

Tenure No.	Holder	Area (blocks)	Grant date	Expiry date	Rent	Minimum expenditure
					(\$)	(\$)
<b>EPMs</b>						
EPM 15117	RMA Energy Limited	21	15/05/2006	14/05/2016	2,953	80,000
EPM 15127	RMA Energy Limited	4	15/05/2006	14/05/2016	562	70,000
EPM 15128	RMA Energy Limited	5	15/05/2006	14/05/2016	703	70,000
EPM 15136	RMA Energy Limited	95	22/07/2009	21/07/2017	13,357	148,800
EPM 18330	RMA Energy Limited	8	19/04/2011	18/04/2016	1,125	90,000
EPM 18997	RMA Energy Limited	11	23/05/2012	22/05/2017	1,547	100,000
EPM 19736	RMA Energy Limited	17	Pending	n/a	Pending	Pending
<b>EPCs</b>						
EPC 1000	RMA Energy Limited	17	31/05/2006	30/05/2016	2,390	661,000
EPC 1946	RMA Energy Limited	37	19/06/2013	18/06/2018	5,202	95,000
EPC 1125	RMA Energy Limited	45	18/02/2010	17/02/2016	6,327	950,000
EPC 1127	RMA Energy Limited	31	19/02/2010	18/02/2016	4,359	950,000
EPC 1128	RMA Energy Limited	57	19/02/2010	18/02/2016	8,014	950,000
EPC 1942	RMA Energy Limited	19	14/01/2013	13/01/2018	2,671	95,000

# RMA ENERGY LIMITED

## CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

### (b) Operating leases

	Expiry Date	<1 Year \$	1 - 5 Years \$
Perth office ( Level 8, 16 St Georges Tce, Perth)	30 Sept 2016	57,576	14,394
Queensland Office (15 Bullard St, Greenslopes, Queensland)	5 Jan 2016	12,420	-
		<b>69,996</b>	<b>14,394</b>

The company has a term deposit totalling \$13,605, which provides security for the following:

1. Perth office lease to Douglas Mann Pty Ltd - \$11,765
2. Queensland office lease to LJ Hooker Lutwyche - \$1,840

### 8. RECONCILIATION OF CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	30 June 2015 \$	31 December 2014 \$
Opening Balance	-	14,146,753
Capitalised since last reporting date	-	291,730
Impairment of tenements surrendered	-	(14,438,483)
Closing Balance	-	-

### 9. BORROWINGS

Loan from parent entity	410,500	410,500
Add: Interest accrued on loan	15,233	-
	<b>425,733</b>	<b>410,500</b>

The loan is part of a facility of \$5,000,000 that has been provided by the parent entity to the Company. The loan is unsecured and is repayable within 5 years from the dates of draw down. Interest accrues on the loan at the rate of 6.30%.

### 10. EQUITY SECURITIES ISSUED

Issued capital at 30 June 2015 amounted to \$24,362,841 (1,826,291,848 shares) and is unchanged from 31 December 2014.

### 11. KEY MANAGEMENT PERSONNEL

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



# **RMA ENERGY LIMITED**

## **CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015**

### **12. RELATED PARTY TRANSACTIONS**

The ultimate Australian parent entity is CREC Resources (Aust) Pty Ltd, which at 30 June 2015 owned 59.04% (2014: 59.04%) of the issued ordinary shares of RMA Energy Limited. The Company has a \$5,000,000 credit facility with CREC Resources (Aust) Pty Ltd of which \$410,500 has been drawn down as at 30 June 2015. The loan expires on 27 November 2019.

## Independent Auditor's Review Report to the members of RMA Energy Limited

We have reviewed the accompanying half-year financial report of RMA Energy Limited, which comprises the condensed statement of financial position as at 30 June 2015, 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 company as set out on pages 8 to 17.

### *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 gives a true and fair view and 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 company's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of RMA Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the half-year 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of RMA Energy Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

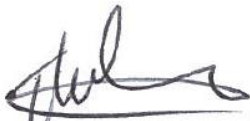
## *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of RMA Energy Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



**John Sibenaler**

Partner

Chartered Accountants

Perth, 11 September 2015