



TIMPETRA RESOURCES LIMITED

**HALF YEAR FINANCIAL REPORT
FOR THE PERIOD ENDED
31 DECEMBER 2015**

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

CORPORATE DIRECTORY

ABN 74 143 928 625

Directors

Martin Priestley
Douglas O'Neill
Ross Anderson(Appointed 26 November 2015)
Morgan Barron(Appointed 26 November 2015)

Company Secretaries

Nicholas Geddes(Resigned 29 February 2016)
Wendy Dillon (Appointed 1 March 2016)
Brett Tucker (Appointed 1 March 2016)

Registered office

158 Yambil Street
GRIFFITH NSW 2680
Australia
Telephone: +61 2 69641544
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Solicitors

Johnson Winter Slattery
Level 25,20 Bond Street
Sydney, NSW
Australia 2000

Bankers

Commonwealth Bank of Australia
10 Bridge Street
Sydney, NSW,
Australia 2000

Auditors

Ernst & Young
680 George Street
Sydney, NSW
Australia 2000

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TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

DIRECTORS' REPORT

The Directors present their report on the results of Timpetra Resources Limited for the half year ended 31 December 2015.

Directors

The names of the Company's Directors in office during the financial period and up until the date of this report are:

Name	Current Position	Date of appointment	Date of Resignation
Ross Anderson	Non-Executive Chairman	26-Nov-15	
Martin Priestley	Non-Executive Director	9-Oct-12	
Morgan Barron	Non-Executive Director	26-Nov-15	
Douglas O'Neill	Non-Executive Director	13-May-13	
Dimitri Burshtein	Non-Executive Director	27-Mar-14	26-Nov-15

Principal Activities

The principal activities of the Company are to identify, assess and invest in strategic gold opportunities and to explore opportunities across both mining and other sectors that add shareholder value.

Review and Results of Operations

Set out below is a review of significant activity for Timpetra for the half year ended 31 December 2015.

- On 8 September 2015 the company paid \$10,000 cash and issued 1,100,000 fully paid ordinary shares to Zebina Minerals as part of a farm-in agreement to explore the Jillewarra project in Western Australia. The company has undertaken significant analysis of this project and commenced exploration activities via an initial site inspection by consulting geologists. The company will continue to explore the project in the months ahead and remains fully committed to it.
- On 16 September 2015 the company was reinstated to official quotation on the ASX.
- The company appointed Messrs Ross Anderson and Morgan Barron to the board as non-executive directors on 26 November 2015.
- Mr Martin Priestley retired as Chairman and was replaced by Mr Ross Anderson on 1 December 2015. Mr Priestley remains a non-executive director.

Financial Review

The Company reported a loss for the half year ended 31 December 2015 of \$184,212 (2014: profit \$550,906).

Significant events after the balance date

On 29 January 2016 the company disposed of shares in an unrelated listed entity for \$100,000.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

DIRECTORS' REPORT (continued)

Significant Changes in the State of Affairs

Other than the activities described in the Directors' report above, there were no other significant changes in the state of affairs of the Company in the six months ended 31 December 2015.

Dividends

No dividends have been declared or paid during the half year ended 31 December 2015.

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the accounts.


Auditor's Independence Declaration

An Auditor's Independence Declaration has been received from our auditors, Ernst & Young, which immediately follows this Directors' report.

Rounding

The Company has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the Directors' report have been rounded off to the nearest \$1.

Signed in accordance with a resolution of the Directors.



Ross Anderson
Chairman
Griffith

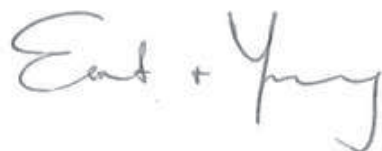
10 March 2016

Auditor's Independence Declaration to the Directors of Timpetra Resources Limited

As lead auditor for the review of Timpetra Resources Limited for the half-year ended 31 December 2015, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Timpetra Resources Limited and the entities it controlled during the financial period.



Ernst & Young



Scott Jarrett
Partner
Sydney
10 March 2016

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

STATEMENT OF COMPREHENSIVE INCOME

for the half year ended 31 December 2015

	Note	31-Dec-15 \$	31-Dec-14 \$
Realised Profit on sale of shares		-	1,972,405
Unrealised Gain(Loss) on Revaluation of Shares		14,761	(795,477)
Other Income		13,901	126,958
Total Revenue		28,662	1,303,886
Administrative and other expenses	2	(221,324)	(255,947)
			-
Profit/(Loss) before tax		(192,662)	1,047,939
Income tax expense/(benefit)		(8,450)	497,033
Profit/(Loss) after tax attributable to the members of Timpetra Resources Limited		(184,212)	550,906
Other comprehensive income		-	-
Total comprehensive profit/(loss) attributable to the members of Timpetra Resources Limited		(184,212)	550,906
Profit/(Loss) per share (cents per share)			
- basic profit/(loss) per share		(0.003)	0.083
- diluted profit/(loss) per share		(0.003)	0.083

These financial statements should be read in conjunction with the accompanying notes.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

STATEMENT OF FINANCIAL POSITION

at 31 December 2015

	Note	31-Dec-15 \$	30-Jun-15 \$
Assets			
Current Assets			
Cash and cash equivalents	3	1,676,668	1,864,536
Prepayments & Receivables		13,986	37,195
Investments - Listed Shares	4	132,852	118,091
Total current assets		1,823,506	2,019,822
Non-Current Assets			
Exploration & Evaluation Assets	5	29,109	-
Total Assets		1,852,615	2,019,822
Current liabilities			
Trade and other payables		43,564	19,209
Provision for income tax		959,139	967,589
Dividend Withholding tax		69,150	69,150
Total current liabilities		1,071,853	1,055,948
Total liabilities		1,071,853	1,055,948
Net Assets		780,762	963,874
Shareholders' equity			
Contributed equity		1,330,108	1,329,008
Share base payment reserve		89,432	89,432
Retained earnings		(638,778)	(454,566)
Total Shareholders' Equity		780,762	963,874

These financial statements should be read in conjunction with the accompanying notes.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2015

	Contributed equity	Share Based Payment Reserve	Retained Earnings	Total Equity
At 1 July 2014	11,497,481	89,432	1,610,715	13,197,628
Comprehensive income attributable to shareholders	-	-	550,906	550,906
Total comprehensive income for the period	-	-	550,906	550,906
Equity Transactions with owners				
Capital Return	(7,793,024)	-	-	(7,793,024)
Share buy back	(930,130)			(930,130)
Dividend			(2,262,493)	(2,262,493)
At 31 December 2014	2,774,327	89,432	(100,872)	2,762,887
At 1 July 2015	1,329,008	89,432	(454,566)	963,874
Comprehensive income attributable to shareholders	-	-	(184,212)	(184,212)
Total comprehensive income for the period	-	-	(184,212)	(184,212)
Equity Transactions with owners				
Share Issue	1,100	-	-	1,100
At 31 December 2015	1,330,108	89,432	(638,778)	780,762

These financial statements should be read in conjunction with the accompanying notes.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

STATEMENT OF CASH FLOWS

for the half year ended 31 December 2015

	31-Dec-15 \$	31-Dec-14 \$
<i>Cash flows from operating activities</i>		
Payments and advances to suppliers and employees	(194,319)	(190,405)
Interest received	12,665	126,958
GST received	21,795	17,749
Net cash used in operating activities	(159,859)	(45,698)
<i>Cash flows from investing activities</i>		
Proceeds from Saracen share sale	-	14,954,035
Purchase of Investments - Listed Shares	-	(225,032)
Exploration Costs	(29,109)	-
Net cash used in investing activities	(29,109)	14,729,003
<i>Cash flows from financing activities</i>		
Margin loan SAR repaid	-	(930,378)
Capital return	-	(7,793,024)
Dividend paid	-	(2,262,491)
Share buy back	-	(930,129)
Share Issue	1,100	-
Net cash used in financing activities	1,100	(11,916,022)
Net increase in cash held	(187,868)	2,767,283
Cash at the beginning of the financial period	1,864,536	218,111
Cash and cash equivalents at the end of the period	1,676,668	2,985,394

These financial statements should be read in conjunction with the accompanying notes.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2015

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

a) Corporate Information

The Interim consolidated financial statements of Timpetra Resources Limited for the six months ended 31 December 2015 were authorised for issue in accordance with a resolution of the directors on 10 March 2016.

Timpetra Resources Limited is a for profit company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded. The Group's principal activities are the identification, assessment and development of gold projects.

The presentation of functional currency of the Company is Australian Dollars ("A\$").

b) Basis of preparation

The general purpose condensed interim financial report for the half year ended 31 December 2015 has been prepared in accordance with AASB134 Interim financial reporting and the requirements of the Corporations Act 2001.

The half year financial report does not include all notes of the type normally included within the financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and investing and financing activities of the entity as the full financial report.

It is recommended that the half year financial report be read in conjunction with the annual report for the year ended 30 June 2015 and considered together with any public announcements made by Timpetra during the half year ended 31 December 2015 in accordance with the continuous disclosure obligations of the ASX listing rules.

c) Significant Accounting policies, standards and interpretations

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report as at 30 June 2015. Timpetra has assessed the impact of Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and these do not have a material effect on the current financial statements for the half year ended 31 December 2015.

d) Significant Accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures at the date of the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Group has identified a number of areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described with the associated accounting policy note within the related qualitative and quantitative note as described below.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2015

Recoverability of exploration and evaluation expenditure

The application of the Group's accounting policy for E&E expenditure required judgement to determine whether future economic benefits are likely from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

The recoverability of the capitalised exploration and evaluation expenditure recognised as a non-current asset is dependent upon the successful development, or alternatively, sale of the respective tenements which comprise the assets.

Fair values

All financial instruments for which fair value is recognised or disclosed are categories within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- (i) Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no transfers between Levels 1, 2 and 3 of the fair value hierarchy during the six month period ended 31 December 2015. The investments in listed shares fall under Level 1 because their market prices are quoted on the ASX.

The carrying amounts of each class of financial assets and financial liabilities are a reasonable approximation of their fair values (for example, short term receivables and payables).

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2015

2. ADMINISTRATIVE AND OTHER EXPENSES

	31 December 2015	31 December 2014
	\$	\$
Audit fees	18,453	21,498
Consulting fees	25,000	28,000
Legal fees	6,682	16,363
Travel and accommodation	-	257
Directors Fees & Salaries	102,500	115,016
Other administrative expenses	68,689	74,813
	221,324	255,947

3. CASH AND CASH EQUIVALENTS

	31 December 2015	30 June 2015
	\$	\$
Cash at bank and in hand (a)	1,676,668	1,864,536
	1,676,668	1,864,536

(a) The effective interest rate on short-term bank deposits for the half year ended 31 December was 2%.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2015

4. CURRENT ASSETS-FINANCIAL ASSETS AT FAIR VALUE

	31 December 2015	30 June 2015
	\$	\$
Quoted Equity Securities	132,852	118,091
Reconciliation		
Opening Balance at 1 July	118,091	14,536,363
Additions	-	330,409
Disposals	-	(16,134,222)
Revaluation	14,761	(212,318)
Gain on Sale of Investments		1,597,859
Closing Fair Value	132,852	118,091

The investments in Kalnorth Gold Mines Limited are accounted for at fair value through profit & loss. This investment in listed shares fall within Level 1 of the Fair value hierarchy as the market price is quoted on the ASX.

5. EXPLORATION AND EVALUATION ASSETS

Timpetra Resources Limited ("Timpetra") signed a binding term sheet with Zebina Minerals Pty Ltd ("Zebina") on 8 September 2015 to explore three tenements within the Meekatharra Mineral Field in the Murchison Province of Western Australia. Pursuant to the term sheet, the company may earn up to an 80% interest in tenements owned by Zebina known as the Jillewarra Project.

Subject to satisfaction of the conditions outlined below Timpetra will acquire an 80% interest in the Jillewarra Project in consideration for:

- \$10,000 cash;
- 1,100,000 fully paid ordinary shares (Consideration Shares) (to be subject to a six month voluntary escrow period); and
- the company spending a minimum of \$600,000 on exploration across the Tenements within 3 years, with a minimum commitment in the first year of \$75,000.
- Timpetra may withdraw at any time in the earn-in period, provided it has met the minimum commitment in the first year of \$75,000.

As at 31 December 2015 Timpetra has capitalised \$29,109 worth of exploration expenses and expects to meet the \$75,000 minimum spend by 8 September 2016.

6. OPERATING SEGMENTS

The Company has considered and determined operating segments based on the information provided to the Board of Directors (Chief Operating Decision Maker).

Timpetra operates predominately in one business segment, investment in strategic gold opportunities, this is considered the only operating segment. The Company is undertaking exploration activities. There are no material differences between the financial information presented to the Chief Operating Decision Maker and the financial information presented in this report.

7. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and liabilities outstanding at 31 December 2015 (30 June 2015: nil).

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2015

8. EVENTS AFTER THE END OF REPORTING PERIOD

On 29 January 2016 Timpetra Resources Limited sold all remaining shares in its investment in KalNorth Gold Mines Limited for \$100,000.

There were no significant matters or circumstances that have arisen since 31 December 2015, other than the sale of the KalNorth Gold Mines Limited, that has significantly affected, or may significantly affect the entity's operations, the results of operations, or the entity's state of affairs in future financial years.

9. RELATED PARTY TRANSACTIONS

Transactions with related parties

There were no transactions with related parties.

TIMPETRA RESOURCES LIMITED – HALF YEAR FINANCIAL REPORT

DIRECTORS' DECLARATION

for the half year ended 31 December 2015

In accordance with a resolution of the Directors of Timpetra Resources Limited, I state that:

In the opinion of the Directors:

- a) the financial statements and notes of Timpetra Resources Limited for the half year ended 31 December 2015 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Board

A handwritten signature in black ink, appearing to read 'R Anderson', with a large, sweeping checkmark-like flourish at the end.

Ross Anderson
Chairman

10 March 2016

To the members of Timpetra Resources Limited:

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Timpetra Resources Limited, which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and 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.

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 controls as the directors determine are 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 company's financial position as at 31 December 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 Timpetra Resources 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' 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 Timpetra Resources 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 31 December 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*.



Ernst & Young



Scott Jarrett
Partner
Sydney
10 March 2016