



WILDHORSE
ENERGY
LIMITED

WILDHORSE ENERGY LIMITED

**INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2014**

ABN 98 117 085 748

CORPORATE DIRECTORY

Directors

Mr Ian Middlemas – Chairman
Mr Mark Hohnen
Mr Mark Pearce

Company Secretary

Mr Sam Cordin

Registered Office

Level 9, BGC Centre
28 The Esplanade
Perth WA 6000
Australia

Telephone: +61 8 9322 6322
Facsimile: +61 8 9322 6558

Website

www.wildhorse.com.au

Securities Exchange Listing

Australian Securities Exchange
ASX Code: WHE – Ordinary Shares
London Stock Exchange (AIM)
AIM Code: WHE – Ordinary Shares

Nominated Adviser

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Share Registry

Australia

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Telephone: +61 1300 554 474
Facsimile: +61 2 9287 0303

United Kingdom

Computershare Investor Services Plc
PO Box 82
The Pavillions
Bridgwater Road
Bristol BS99 7NH

Telephone: +44 870 889 3105

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditor

KPMG
235 St Georges Terrace
PERTH WA 6000

Bankers

Australia and New Zealand Banking Group Limited

CONTENTS

	Page
Directors' Report	1
Directors' Declaration	4
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Condensed Consolidated Statement of Financial Position	6
Condensed Consolidated Statement of Changes in Equity	7
Condensed Consolidated Statement of Cash Flows	8
Notes to the Financial Statements	9
Auditor's Independence Declaration	16
Independent Auditor's Review Report	17

DIRECTORS' REPORT



The Board of Directors of Wildhorse Energy Limited present their report on Wildhorse Energy Limited (“Company” or “Wildhorse Energy”) and the entities it controlled during the half year ended 31 December 2014 (“Consolidated Entity” or “Group”).

DIRECTORS

The names and details of the Company's directors in office at any time during the half year or since the end of the half year are:

Current Directors

Mr Ian Middlemas	Non-Executive Chairman
Mr Mark Hohnen	Non-Executive Director
Mr Mark Pearce	Non-Executive Director (appointed 29 August 2014)

Former Directors

Mr Matt Swinney	Managing Director – Resigned 29 August 2014
Mr Brett Mitchell	Non-Executive Director – Resigned 29 August 2014
Mr Johan Brand	Technical Director – Resigned 25 July 2014
Mr James Strauss	Non-Executive Director – Resigned 29 August 2014
Dr Konrad Wetzker	Non-Executive Director – Resigned 29 August 2014

Unless otherwise stated, Directors held their office from 1 July 2014 until the date of this report.

OPERATING AND FINANCIAL REVIEW

Operations

Highlights during the half year and since the end of the half year include:

- The Company substantially reduced costs for its operational and administrative functions and, as announced on 28 October 2014, is now accessing options to divest its remaining Hungarian uranium project.
- The Company increased its focus on its remaining Golden Eagle Uranium Project in the USA.
- The Company completed a 1 for 30 consolidation of capital ('Consolidation') as approved by shareholders at the Annual General Meeting on Tuesday 25 November 2014, reducing the number of shares on issue to 13.6 million.
- Following the completion of the Consolidation, the Company issued a prospectus detailing a 5 for 1 pro rata renounceable entitlements issue to raise up to approximately \$3.8 million before costs.
- The Company received applications for 19,158,525 ordinary shares ('Shares') to raise A\$957,926 under the Entitlement Issue. Directors placed 28,500,000 Shares to raise A\$1,425,000 under the Shortfall Offer and have 28,010,305 Shares remaining to issue, which is expected to occur in the coming weeks. Upon completion of the Entitlement Issue associated Shortfall Offer, the Company will have approximately A\$3.6 million in cash.
- The Company continues in its efforts to identify and acquire suitable new business opportunities in the resource and other sectors both domestically and overseas.

The Board is confident that, with the completion of the recapitalisation process the new low cost structure has placed the Company in a strong position to progress its current project and to pursue new opportunities in the resource and other sectors.

DIRECTORS' REPORT

(Continued)



OPERATING AND FINANCIAL REVIEW (Continued)

Operations (Continued)

Golden Eagle Uranium and Vanadium Project

The Golden Eagle Uranium and Vanadium Project holds nine U.S. Department of Energy (DOE) Uranium/Vanadium Mining Leases, covering 22.7 km² located in the Uravan Mineral Belt, Colorado USA.

Technical reports for a number of the leases have been drafted based on historic data, however, exploration drilling and core analysis need to be completed in order to finalise these reports. The leases will expire eight years after the courts complete their review of the Record of Decision (ROD) published in 2014 in the Federal Register and the DOE allows the lease holders to resume activities on their leases.

It should be noted that the leases, can be held beyond their expiration through continued renewals and the continuation of lease maintenance, including exploration work and future production. Historically these DOE leases have been renewed for 10 year periods after the expiration date; existing leases issued to past Lessee's have been renewed dating back to 1974.

Wildhorse Energy also possesses an option on Gold Eagle Mining Inc (GEMI) leases; GEMI has three DOE properties of which two have active operating permits.

Upon completion of the recapitalisation process, the Company will undertake a staged approach to advance this project, and will initially focus on a technical review of existing exploration information to determine the most appropriate manner to undertake further exploration activities.

Mecsek Hills Uranium Project

As part of the Company's ongoing restructuring efforts and decision to cease all activities in Europe, the Board resolved to divest of its holdings in the Mecsek Hills Uranium Project. As a result, the Company is continuing with its efforts to divest of its interest in this Project to extract the best value for shareholders. It is also noted that with effect from 31 December 2014, the Hungarian government has deemed the Project joint venture entity ("Magyar Uran Zrt") a company of national importance, which may impact on the sale process.

Mecsek Hills UCG Project

As previously disclosed, given that no recent development activities had been undertaken on this project and a number of unsuccessful attempts had been made to divest all or part of the Company's interest in this project, the Board resolved to formally cease all activities during the period, which resulted in the associated mineral interests terminating.

CORPORATE

Share Consolidation

As announced on 8 December 2014, the consolidation of the Company's capital, on the basis of 1 share for every 30 existing shares, as approved by shareholders at the Annual General Meeting of shareholders on 25 November 2014, has now been completed. The numbers of Options on issue have also been consolidated on a 1 for 30 basis, with the exercise price of the Options increasing in inverse proportion to the consolidation ratio.

DIRECTORS' REPORT

(Continued)



OPERATING AND FINANCIAL REVIEW (Continued)

Results of Operations

Net operating loss after tax for the half year ended 31 December 2014 was \$786,840 (31 December 2013: \$31,883,576).

Financial Position

At 31 December 2014, the Company had cash reserves of \$39,578 (30 June 2014: \$404,143) and net assets of \$412,139 (30 June 2014: \$1,060,554).

At the completion of the Entitlement Issue and associated Shortfall Offer, the Company's cash position will be approximately \$3.6 million with a total of 90,802,596 ordinary shares on issue.

SIGNIFICANT POST BALANCE DATE EVENTS

Other than as disclosed below, at the date of this report there were no significant events occurring after balance date requiring disclosure.

- (i) On 6 February 2015, the Company issued 19,158,525 Shares to raise \$957,926 under the Entitlements Issue offer; and
- (ii) On 27 February 2015, the Company issued 28,500,000 Shares to raise \$1,425,000 under the Shortfall Offer. The placement included shares issued to Directors which were approved by Shareholders at a general meeting of the Company held on 28 January 2015.
- (iii) Under the Shortfall Offer, the Company has 28,010,305 Shares remaining to be issued. The Directors have allocated these remaining Shares to unrelated third parties and to date the Company has received application forms and monies for 24,150,000 Shares (A\$1,207,500). The Directors expect to issue the remaining Shares once all application forms and monies are received which is expected to be within the next one to two weeks.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, KPMG, to provide the directors of Wildhorse Energy Limited with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is attached to and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.

MARK PEARCE
Director

13 March 2015

DIRECTORS' DECLARATION



In the opinion of the Directors of Wildhorse Energy Limited:

1. the interim financial statements comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and notes set out on pages 9 to 15 are in accordance with the Corporations Act 2001 including:
 1. giving a true and fair view of the financial position of the consolidated entity as at 31 December 2014 and of its performance and cash flows for the six months ended on that date; and
 2. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors:

A handwritten signature in black ink, appearing to read 'M Pearce', written in a cursive style.

MARK PEARCE
Director

13 March 2015

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME**
FOR THE HALF YEAR ENDED 31 DECEMBER 2014



		31 December 2014	<i>Restated*</i> 31 December 2013
	Notes	\$	\$
Continuing operations			
Other income		-	2,334
Finance income		122	41,470
Corporate and administrative expenses		(242,872)	(909,168)
Re-structure corporate expenses		(85,197)	-
Other expenses		-	(214,748)
Finance expenses		-	(35,876)
Loss before tax		(327,947)	(1,115,988)
Income tax expense		-	-
Loss from continuing operations		(327,947)	(1,115,988)
Discontinued operations			
Net loss from discontinued operations (net of income tax)	4	(458,893)	(30,767,588)
Loss for the period		(786,840)	(31,883,576)
Loss attributable to:			
Members of Wildhorse Energy Limited		(710,874)	(31,878,434)
Non – controlling interests		(75,966)	(5,142)
		(786,840)	(31,883,576)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising during the period – continuing operations		110,012	732,225
Exchange differences arising during the period – discontinued operations		(133,553)	4,434,269
Other comprehensive income/ (loss) for the period, net of tax		(23,541)	5,166,494
Total comprehensive income/ (loss) for the period		(810,381)	(26,717,082)
Total comprehensive loss attributable to			
Members of Wildhorse Energy Limited		(734,415)	(26,711,940)
Non – controlling interests		(75,966)	(5,142)
		(810,381)	(26,717,082)
Basic and diluted loss per share attributable to the ordinary equity holders of the company (cents per share) ¹	7	(4.93)	(237.07)
Basic and diluted loss per share – continuing operations (cents per share) ¹	7	(1.75)	(8.30)

Notes:

1. The 31 December 2013 comparatives for basic and diluted loss per share have been restated to take into account the 1 for 30 Consolidation that occurred during the period (refer to note 7).

* Refer to note 4 for details of the restatement due to the discontinuation of one of the Company's operations.

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

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**
AS AT 31 DECEMBER 2014



	Notes	31 December 2014 \$	30 June 2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents		39,578	404,143
Sundry debtors and other receivables		17,065	124,470
Prepayment of share issue expenses		46,128	-
Inventories		-	23,557
Total Current Assets		102,771	552,170
Non-Current Assets			
Exploration and evaluation expenditure		609,981	506,817
Property, plant and equipment		-	46,305
Intangible assets		-	41,664
Deposits held		-	93,806
Total Non-Current Assets		609,981	688,592
TOTAL ASSETS		712,752	1,240,762
LIABILITIES			
Current Liabilities			
Trade and other payables		250,613	163,689
Short term loan	5	50,000	-
Employee entitlements		-	16,519
Total Current Liabilities		300,613	180,208
TOTAL LIABILITIES		300,613	180,208
NET ASSETS		412,139	1,060,554
EQUITY			
Contributed equity	6	92,586,223	92,500,223
Reserves	8	747,458	1,705,930
Accumulated losses		(92,921,542)	(93,069,633)
Equity attributable to owners of the Company		412,139	1,136,520
Non-controlling interests		-	(75,966)
TOTAL EQUITY		412,139	1,060,554

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

**CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY**
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

CONSOLIDATED	Contributed Equity \$	Share- Based Payment Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Non- Controlling interests \$	Total Equity \$
Balance at 1 July 2014	92,500,223	1,284,248	421,682	(93,069,633)	(75,966)	1,060,554
Net loss for the period	-	-	-	(786,840)	-	(786,840)
Exchange differences on translation of foreign operations	-	-	(23,541)	-	-	(23,541)
Total comprehensive loss for the period	-	-	(23,541)	(786,840)	-	(810,381)
Transactions with owners, recorded directly in equity						
Expiry of incentive options	-	(934,931)	-	934,931	-	-
Disposal of non-controlling interest	-	-	-	-	75,966	75,966
Shares issued in lieu of fees	18,000	-	-	-	-	18,000
Shares issued to creditors	68,000	-	-	-	-	68,000
Balance at 31 December 2014	92,586,223	349,317	398,141	(92,921,542)	-	412,139
Balance at 1 July 2013	92,319,033	7,490,630	(3,673,012)	(58,818,147)	(67,882)	37,250,622
Net loss for the period	-	-	-	(31,878,434)	(5,142)	(31,883,576)
Exchange differences on translation of foreign operations	-	-	5,166,494	-	-	5,166,494
Total comprehensive loss for the period	-	-	5,166,494	(31,878,434)	(5,142)	(26,717,082)
Transactions with owners, recorded directly in equity						
Share-based payments expense	-	(335,847)	-	-	-	(335,847)
Balance at 31 December 2013	92,319,033	7,154,783	1,493,482	(90,696,581)	(73,024)	10,197,693

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

**CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS**
FOR THE HALF YEAR ENDED 31 DECEMBER 2014



	31 December 2014 \$	31 December 2013 \$
Cash flows from operating activities		
Payments to suppliers and employees	(468,785)	(2,337,640)
Payments to exploration suppliers and employees	-	(220,532)
Interest received	120	23,358
Net cash outflow from operating activities	(468,665)	(2,534,814)
Cash flows from investing activities		
Payments for property, plant and equipment	-	(3,370)
Payments for exploration and evaluation	-	(1,960,532)
Proceeds from the sale of property, plant and equipment	52,627	-
Proceeds from deposit released	-	179,620
Net cash inflow/ (outflow) from investing activities	52,627	(1,784,282)
Cash flows from financing activities		
Proceeds from short term loan	50,000	-
Net cash inflow from financing activities	50,000	-
Net decrease in cash and cash equivalents held	(366,038)	(4,319,096)
Net foreign exchange differences	1,473	125,100
Cash and cash equivalents at the beginning of the half year	404,143	5,417,836
Cash and cash equivalents at the end of the half year	39,578	1,223,840

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2014



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The interim condensed consolidated financial statements of the Group for the half year ended 31 December 2014 were authorised for issue in accordance with the resolution of the directors on 13 March 2015.

The interim condensed consolidated financial statements for the half year reporting period ended 31 December 2014 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Wildhorse Energy Limited for the year ended 30 June 2014 and any public announcements made by Wildhorse Energy Limited and its controlled entities during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(b) Basis of Preparation of Half Year Financial Report

The interim condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

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

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 annual financial report for the year ended 30 June 2014, other than as detailed below.

(c) New Accounting Standards

In the current period, the Group 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 annual reporting periods beginning on or after 1 July 2014. New and revised standards and amendments thereof and interpretations effective for the current half year that are relevant to the Group include:

- AASB 132 *Financial Instruments: Presentation* and AASB 2012-3 Amendments to Australian Accounting Standards arising from AASB 132;
- AASB 136 *Impairment of Assets* and AASB 2013-3 Amendments to Australian Accounting Standards arising from AASB 136; and
- AASB 1031 *Materiality* and AASB 2013-9 (Part B) Amendments to Australian Accounting Standards to delete references to AASB 1031.

The adoption of new and revised Standards and Interpretations has not affected the amounts reported for the current or prior periods. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(Continued)



2. SEGMENT INFORMATION

Management assesses the performance of the operating segments based on a measure of contribution. This measure excludes items such as the effects of equity settled share based payments, and unrealised gains and losses on financial instruments, interest income, corporate expenses, as well as other centralised expenses, which are not attributable to segments.

For six months ended 31 December 2014

	Hungary Coal (Discontinued Operations)	Hungary Uranium (Discontinued Operations)	United States of America	Central Europe (Discontinued Operations)	Total Segment
	\$	\$	\$	\$	\$
Segment Result	(251,880)	(185,903)	(5,137)	(21,110)	(464,030)
Segment Assets					
<i>The major changes in segment assets related to:</i>					
Acquisition of property, plant and equipment, intangibles and other non-current segment assets	-	-	-	-	-
Acquisition of exploration assets	-	-	-	-	-

For six months ended 31 December 2013

	Hungary Coal (Discontinued Operations)	Hungary Uranium (Discontinued Operations)	United States of America	Central Europe (Discontinued Operations)	Total Segment
	\$	\$	\$	\$	\$
Segment Result	(30,350,074)	(353,073)	(16,918)	(64,441)	(30,784,506)
Segment Assets					
<i>The major changes in segment assets related to:</i>					
Acquisition of property, plant and equipment, intangibles and other non-current segment assets	239	-	-	-	239
Acquisition of exploration assets	1,670,091	250,964	-	39,477	1,960,532

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(Continued)



2. SEGMENT INFORMATION (Continued)

Reconciliation of reportable segment loss

	31 December 2014 \$	<i>Restated</i> 31 December 2013 \$
Total loss for reportable segments	(464,030)	(30,784,506)
Less corporate revenues/ (expenses)	(322,810)	(1,099,070)
Eliminate inter segment income/(expenses)	-	-
Consolidated loss before income tax	(786,840)	(31,883,576)
Elimination of discontinued operations	458,893	30,767,588
Total loss from continuing operations	(327,947)	(1,115,988)

3. EXPENSES

	31 December 2014 \$	31 December 2013 \$
(a) Employee Benefits Expense		
Salaries, wages and fees	-	687,840
Share based payment	-	(335,847)
	-	351,993

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(Continued)



4. DISCONTINUED OPERATIONS

In October 2014, as part of the re-structure process, the Company commenced winding up proceedings or assessing options to divest entities associated with the exploration and evaluation assets for the Hungary Coal, Hungary Uranium and Central Europe segments. The Hungary Uranium segment was not previously classified as discontinued. The impairment expense recognised in the prior period resulted in a nil value of exploration and evaluation assets for these entities and further restructuring and impairment costs for the half year.

	31 December 2014 \$	<i>Restated</i> 31 December 2013 \$
(a) Loss attributable to the discontinued operation		
Income	-	12,164
Expenses	(134,323)	(899,195)
Loss on disposal of assets	(32,872)	-
Non-recoverable deposits and other receivables	(215,732)	-
Loss of non-controlling interest	(75,966)	-
Impairment of exploration expense	-	(29,992,307)
Results of discontinued operations before tax	(458,893)	(30,879,338)
Income tax (expense)/benefit	-	111,750
Result from discontinued operations, net of tax	(458,893)	(30,767,588)
Basic and diluted loss per share – discontinued operations (cents per share) ¹	(3.18)	(228.81)
(b) Cash flows from discontinued operations		
Net cash from (used) in operating activities	(328,430)	12,164
Net cash from (used) in investing activities	52,627	(546,121)
Net cash from (used) in discontinued operations	(275,803)	(533,957)

Note:

1. The 31 December 2013 comparatives for basic and diluted loss per share have been restated to take into account the 1 for 30 Consolidation that occurred during the period.

At 30 June 2014, Directors decided to relinquish Cikó, Bátorfőszék, Abaliget, Pécs CBM and Alwernia projects based on the performed exploration and evaluation work. As a result of year end fair value assessment, the remaining Hungarian uranium; and Hungarian and Czech UCG assets were written off to a fair value of zero. An impairment charge of \$37,631,330 was recorded in the statement of comprehensive income (\$28,171 for the Cikó project, \$343,554 for the Bátorfőszék project, \$6,570 for the Abaliget project, \$10,491,666 for the Pécs CBM project, \$42,870 for the Polish Alwernia project, \$3,664,773 for the Hungarian uranium projects, \$22,987,267 for the Hungarian UCG project and \$66,459 for the Czech UCG project) in the year ended 30 June 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(Continued)



5. SHORT TERM LOAN

	31 December 2014 \$	30 June 2014 \$
Short term loan ⁽¹⁾	50,000	-
	50,000	-

Note:

- On 27 November 2014, the Company executed a loan agreement with an unrelated proprietary company for a six month term at 4 percent interest per annum. The Company anticipates repaying the loan at the completion of the Entitlement Issue with funds raised.

6. CONTRIBUTED EQUITY

	31 December 2014 \$	30 June 2014 \$
(a) Share Capital		
15,133,766 (30 June 2014:410,240,284) Ordinary Shares	92,586,223	92,500,223
	92,586,223	92,500,223

(b) Movement in Share Capital during the past six months

		Number of Ordinary Shares	Issue Price \$	\$
01-Jul-14	Opening Balance	410,240,284	-	92,500,223
1-Oct-14	Share Issue ¹	3,000,000	0.006	18,000
8-Dec-14	Consolidation of Capital ²	(399,466,518)	-	-
9-Dec-14	Share Issue to creditors ³	1,360,000	0.05	68,000
31-Dec-14	Share issue costs ⁴	-	-	-
31-Dec-14	Closing balance	15,133,766	-	92,586,223

Notes:

- Shares issued to GMP Securities Europe LLP in lieu of fees for broking services provided.
- The Company completed a 1 for 30 Consolidation of capital.
- As approved by Shareholders at the Company's Annual General Meeting on 25 November 2014, shares were issued to non-related party creditors at \$0.05 per Share.
- Share issue costs of \$46,128 include expenses relating the Company's five for one Entitlement Issue is recognised as a prepayment at 31 December 2014. This will be transferred to equity when the shares are issued.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(Continued)



7. EARNING PER SHARE

On 8 December 2014, the Company completed a 1 for 30 Consolidation. The weighted average number of ordinary shares used in calculating basic and diluted earnings per share has been retrospectively adjusted in both the current and prior periods to reflect the impact of the Consolidation.

	31 December 2014 \$	31 December 2013 \$
<i>The following reflects the income and share data used in the calculations of basic and diluted earnings per share:</i>		
Loss from continuing operations attributable to the owners of the Company used in calculating basic and diluted earnings per share – continuing operations	(251,981)	(1,115,988)
Net loss attributable to the owners of the Company from discontinued operations (net of income tax)	(458,893)	(30,762,446)
Net loss attributable to the owners of the Company used in calculating basic and diluted earnings per share	(710,874)	(31,878,434)

	Number of Shares 2014	Number of Shares 2013
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	14,408,622	13,446,880

8. RESERVES

	Notes	31 December 2014 \$	30 June 2014 \$
Share-based payment reserve	8(a)	349,317	1,284,248
Foreign currency translation reserve		398,141	421,682
		747,458	1,705,930

(a) Movement in share-based payment reserve during the past six months

		Number of Incentive Options	\$
01-Jul-14	Opening Balance	12,963,514	1,284,248
22-Nov-14	Expiry of incentive options	(4,800,000)	(934,931)
8-Dec-14	Consolidation of Capital	(7,891,405)	-
31-Dec-14	Share-based payment expense	-	-
31-Dec-14	Closing balance	272,109	349,317

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(Continued)



9. COMMITMENTS AND CONTINGENCIES

There have been no changes to the commitments or contingencies disclosed in the most recent annual financial report of the Company.

10. DIVIDENDS PAID OR PROVIDED FOR

No dividend has been paid or provided for during the half year (31 December 2013: nil).

11. FINANCIAL INSTRUMENTS

(a) Fair Value Measurement

At 31 December 2014 the Group had no material financial assets and liabilities that are measured on a recurring basis and at 31 December 2014, the carrying amount of financial assets and financial liabilities for the Group is considered to approximate their fair values.

12. SUBSEQUENT EVENTS AFTER BALANCE DATE

Other than as disclosed below, at the date of this report there were no significant events occurring after balance date requiring disclosure.

- (i) On 6 February 2015, the Company issued 19,158,525 Shares to raise \$957,926 pursuant to the Entitlements Issue offer; and
- (ii) On 27 February 2015, the Company issued 28,500,000 Shares to raise \$1,425,000 under the Shortfall Offer. The placement included shares issued to Directors which was approved by Shareholders at a general meeting of the Company held on 28 January 2015.
- (iii) Under the Shortfall Offer, the Company has 28,010,305 Shares remaining to be issued. The Directors have allocated these remaining Shares to unrelated third parties and to date the Company has received application forms and monies for 24,150,000 Shares (A\$1,207,500). The Directors expect to issue the remaining Shares once all application forms and monies are received which is expected to be within the next one to two weeks.



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Wildhorse Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG.

KPMG

R Gambitta
Partner

Perth

13 March 2015



Independent auditor's review report to the members of Wildhorse Energy Limited

We have reviewed the accompanying interim financial report of Wildhorse Energy Limited (the company) which comprises the condensed consolidated statement of financial position as at 31 December 2014, and condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim 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 interim 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 interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2014 and its performance for the half-year period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Wildhorse Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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*.



Conclusion

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

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

KPMG.

KPMG

R Gambitta
Partner

Perth

13 March 2015