



Eleckra Mines Limited ABN 13 109 289 527

## **Condensed Financial Report**

**For The Half-Year Ended 31 December 2009**

Eleckra Mines Limited  
ABN 13 109 289 527

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## Directors' Report

The Directors present their interim report on Eleckra Mines Limited for the half-year ended 31 December 2009.

### Directors

The following persons were directors of Eleckra Mines Limited during the half-year and up to the date of this report. Directors were in office for the entire period unless otherwise stated.

Ian Murray (*Executive Chairman*)  
Russell Davis (*Non-executive Director*)  
Kevin Hart (*Non-executive Director*)

### Company Secretary

Kevin Hart

### Review of Operations

The net loss after income tax for the half-year was \$754,660 (31 December 2008: \$1,745,552).

Included in the loss for the current half-year is a write-off of deferred exploration expenditure totalling \$138,748 (31 December 2008: \$1,041,330).

At the end of the half-year the Company had \$3,030,880 (31 December 2008: \$620,963) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure is \$4,403,838 (31 December 2008: \$3,874,826).

Expenditure was principally focused on the Yamarna Projects.

### Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on page 4.

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

DATED at Perth this 9<sup>th</sup> day of March 2010.



Ian Murray  
Executive Chairman

# Stantons International

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9 March 2010

Board of Directors  
Eleckra Mines Limited  
6 Altona Street  
West Perth WA 6005

Dear Sirs

**RE: ELECKRA MINES LIMITED**

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

As Audit Director for the review of the financial statements of Eleckra Mines Limited for the period ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

**STANTONS INTERNATIONAL**  
**(Authorised Audit Company)**



**JP Van Dieren**  
**Director**

**Condensed Statement of Comprehensive Income  
 For the half-year ended 31 December 2009**

	Note	31 December 2009 \$	31 December 2008 \$
Revenue		25,703	33,317
<b>Total revenue</b>		<b>25,703</b>	33,317
Employee expenses		(172,088)	(90,625)
Employee expenses recharged to exploration		162,900	47,687
Equity based remuneration expense		(100,424)	(306,811)
Director's fees		(67,500)	(65,000)
Depreciation expense		(11,951)	(17,170)
Corporate expenses		(303,476)	(209,007)
Legal costs		(39,655)	(4,829)
Insurance		(12,045)	(12,754)
Travel expenses		(26,765)	(18,452)
Office expenses		(62,374)	(52,648)
Other expenses from ordinary activities		(8,237)	(7,930)
Exploration costs written off and expensed		(138,748)	(1,041,330)
<b>Loss before income tax</b>	<b>2</b>	<b>(754,660)</b>	(1,745,552)
Income tax expense		-	-
<b>Loss for the period</b>		<b>(754,660)</b>	(1,745,552)
Other comprehensive income for the period		-	-
<b>Total comprehensive loss for the period</b>		<b>(754,660)</b>	(1,745,552)
Basic loss per share (cents)		(0.44)	(2.81)
Diluted loss per share (cents)		(0.44)	(2.81)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

**Condensed Statement of Financial Position  
 As At 31 December 2009**

	Note	31 December 2009 \$	30 June 2009 \$
<b>Current assets</b>			
Cash and cash equivalents	6	3,030,880	2,354,675
Trade and other receivables		60,987	50,636
<b>Total current assets</b>		<b>3,091,867</b>	<b>2,405,311</b>
<b>Non-current assets</b>			
Property, plant and equipment		168,268	169,468
Investment in subsidiary	3	598	598
Capitalised mineral exploration and evaluation expenditure		4,403,838	3,487,596
<b>Total non-current assets</b>		<b>4,572,704</b>	<b>3,657,662</b>
<b>Total assets</b>		<b>7,664,571</b>	<b>6,062,973</b>
<b>Current liabilities</b>			
Trade and other payables		92,883	76,194
Provisions		6,822	-
<b>Total current liabilities</b>		<b>99,705</b>	<b>76,194</b>
<b>Total liabilities</b>		<b>99,705</b>	<b>76,194</b>
<b>Net assets</b>		<b>7,564,866</b>	<b>5,986,779</b>
<b>Equity</b>			
Contributed equity	5	14,839,709	12,607,387
Accumulated losses		(8,314,970)	(7,560,310)
Equity remuneration reserve		1,040,127	939,702
<b>Total equity</b>		<b>7,564,866</b>	<b>5,986,779</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

**Condensed Statement of Changes in Equity  
 For the half-year ended 31 December 2009**

	<b>Ordinary Shares</b> \$	<b>Accumulated losses</b> \$	<b>Equity Remuneration Reserve</b> \$	<b>Total</b> \$
<b>Balance as at 1 July 2009</b>	<b>12,607,387</b>	<b>(7,560,310)</b>	<b>939,702</b>	<b>5,986,779</b>
Loss for the period	-	(754,660)	-	(754,660)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	(754,660)	-	(754,660)
Movement in equity remuneration reserve	-	-	100,425	100,425
Transactions with equity holders in their capacity as equity holders:				
Contributions of equity	2,355,500	-	-	2,355,500
Transaction costs of equity issued	(123,178)	-	-	(123,178)
<b>Balance at 31 December 2009</b>	<b>14,839,709</b>	<b>(8,314,970)</b>	<b>1,040,127</b>	<b>7,564,866</b>

	<b>Ordinary Shares</b> \$	<b>Accumulated losses</b> \$	<b>Equity Remuneration Reserve</b> \$	<b>Total</b> \$
<b>Balance as at 1 July 2008</b>	10,062,882	(4,581,488)	525,192	6,006,586
Loss for the period	-	(1,745,552)	-	(1,745,552)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	(1,745,552)	-	(1,745,552)
Movement in equity remuneration reserve	-	-	306,811	306,811
<b>Balance at 31 December 2008</b>	<b>10,062,882</b>	<b>(6,327,040)</b>	<b>832,003</b>	<b>4,567,845</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Condensed Statement of Cash Flows  
 For the half-year ended 31 December 2009**

	Note	31 December 2009 \$	31 December 2008 \$
<b>Cash flows from operating activities</b>			
Interest received		25,303	34,422
Payments to suppliers and employees		<b>(513,368)</b>	(443,461)
<b>Net cash (used in) operating activities</b>		<b>(488,065)</b>	(409,039)
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation		<b>(1,057,302)</b>	(524,855)
Payments for plant and equipment		<b>(10,750)</b>	(19,138)
<b>Net cash (used in) investing activities</b>		<b>(1,068,052)</b>	(543,993)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		<b>2,355,500</b>	-
Payments for share issue costs		<b>(123,178)</b>	-
<b>Net cash provided by financing activities</b>		<b>2,232,322</b>	-
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>676,205</b>	(953,032)
<b>Cash and cash equivalents at the beginning of the period</b>		<b>2,354,675</b>	1,573,995
<b>Cash and cash equivalents at the end of the period</b>	<b>6</b>	<b>3,030,880</b>	620,963

The above statement of cash flows should be read in conjunction with the accompanying notes.

**Condensed Notes to the Financial Statements  
For the half-year ended 31 December 2009**

**Note 1 Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the financial periods presented unless otherwise stated.

**(a) Basis of preparation**

The interim financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2009 and any public announcements made by Eleckra Mines Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The interim financial statements were approved by the Board of Directors on 9<sup>th</sup> March 2010.

**(b) Going Concern**

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realization of assets and discharge of liabilities in the ordinary course of business. The ability of the Company to continue to adopt the going concern assumption will depend on future successful capital raisings, the successful exploration and subsequent exploitation of the Company's tenements and/or sale of non-core assets. The Directors are confident of securing funds if and when necessary to meet the Company's obligations as and when they fall due.

**Condensed Notes to the Financial Statements  
For the half-year ended 31 December 2009**

**Note 1 Summary of significant accounting policies (continued)**

**(b) Going Concern (continued)**

Should the Company not be successful in raising additional funding by capital raisings or other alternative funding arrangements fail to eventuate, there is uncertainty as to whether the Company will be able to continue as a going concern.

If the Company is unable to continue as a going concern, it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts that may be different to those stated in the final report.

**(c) New Accounting Standards and Interpretations**

In the half-year ended 31 December 2009, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2009.

During the current period, certain accounting policies have changed as a result of new or revised accounting standards which became operative for the annual reporting period commencing on 1 July 2009.

The affected policies and standards are:

*Presentation of Financial Statements*

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of income statement with statement of comprehensive income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the statement of changes in equity;
- the adoption of the single statement approach to the presentation of the statement of comprehensive income; and
- other financial statements are renamed in accordance with the Standard.

*Operating Segments*

From 1 July 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker which, for the Company, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of comprehensive income and statement of financial position.

**Condensed Notes to the Financial Statements  
 For the half-year ended 31 December 2009**

**Note 2 Loss before income tax**

Loss before income tax includes the following specific expenses:

	<b>31 December 2009 \$</b>	31 December 2008 \$
Depreciation		
Field equipment	<b>6,636</b>	5,792
Office furniture	<b>817</b>	817
Office equipment	<b>714</b>	714
Computer equipment	<b>1,248</b>	7,311
Vehicles	<b>2,536</b>	2,536
Rental expenses on operating leases – minimum lease payments	<b>30,294</b>	26,772
Exploration expenditure written off and expensed	<b>138,748</b>	1,041,330
Equity based remuneration expense	<b>100,424</b>	306,811

**Note 3 Investment in subsidiary**

During 2007 Eleckra Mines Limited acquired 100% of Thatcher's Soak Uranium Pty Ltd for \$598, this Company was incorporated in Western Australia on 22 March 2007.

The subsidiary company had no material assets or liabilities at the reporting date and in addition had no revenue or expenses during the period of incorporation to the end of the financial reporting period.

Consolidated financial statements have not been prepared as the Directors consider to do so would be immaterial to the reporting entity's net assets at the reporting date and its result and cash flows for the reporting period.

**Condensed Notes to the Financial Statements  
 For the half-year ended 31 December 2009**

**Note 4 Share based payments**

Share based compensation payments are made available to directors and employees/consultants.

The fair value at grant date is independently determined using a Black and Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date expected price volatility of the underlying share and the risk free rate for the term of the option.

During the period the following options were issued:

Issued to	Number of Options	Exercise price	Vesting date	Expire
Employees and management	900,000	15 cents each	31 December 2010	31 December 2012

**Note 5 Contributed equity**

		<b>31 December 2009 No.</b>	30 June 2009 No.	<b>31 December 2009 \$</b>	30 June 2009 \$
<i>a) Share capital</i>					
Issued share capital		<b>192,843,333</b>	170,410,000	<b>14,839,709</b>	12,607,387
<i>b) Share movements during the period</i>					
Balance brought forward		<b>170,410,000</b>	62,100,000	<b>12,607,387</b>	10,062,882
Placement	\$0.025	-	40,000,000	-	1,000,000
Entitlement Issue	\$0.025	-	68,310,000	-	1,707,750
Placement	\$0.105	<b>22,433,333</b>	-	<b>2,355,500</b>	-
Less: costs related to shares issued		-	-	<b>(123,178)</b>	(163,245)
At the end of the period		<b>192,843,333</b>	170,410,000	<b>14,839,709</b>	12,607,387

**Condensed Notes to the Financial Statements  
For the half-year ended 31 December 2009**

**Note 6 Cash and cash equivalents**

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

	<b>31 December 2009</b>	30 June 2009
Cash at bank and in hand	<b>\$ 3,030,880</b>	\$ 2,354,675

**Note 8 Segment information**

From 1 July 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker which, for the Company, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of comprehensive income and statement of financial position.

*Business segments*

The Company is involved in the mineral exploration sector.

*Geographical segments*

The Company is organised on a regional basis with exploration and development interests within Western Australia.

**Note 9 Dividends**

No dividends were paid or proposed during the period.

**Note 10 Contingencies**

*(i) Contingent liabilities*

There has been no change in contingent liabilities since the last annual reporting date.

*(ii) Contingent assets*

There were no material contingent assets as at the reporting dates.

**Condensed Notes to the Financial Statements  
For the half-year ended 31 December 2009**

**Note 11 Events occurring after the balance sheet date**

Other than the matters below, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

On 8 January 2010 the Company completed a placement of 3,000,000 ordinary fully paid shares at 10.5 cents each to raise \$315,000.

**Directors' Declaration**

In the opinion of the Directors of Eleckra Mines Limited ("the Company")

- (a) the interim financial statements and notes set out on pages 5 to 14 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
  - (ii) giving a true and fair view of the financial position of the company as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (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 Directors.

Signed at Perth this 9<sup>th</sup> day of March 2010.



**Ian Murray**  
**Executive Chairman**

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ELECKRA MINES LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Eleckra Mines Limited, which comprises the condensed statement of financial position as at 31 December 2009, and the condensed statement of comprehensive income, condensed statement of changes in equity, and condensed statement of cash flows for the half-year ended on that date, a condensed statement of accounting policies, other selected explanatory notes and the directors' declaration.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of Eleckra Mines Limited (the Company) are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *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 Interim Financial and Other Financial Reports 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 2009 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 Eleckra Mines Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

*Independence*

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*, has been provided to the directors of Eleckra Mines Limited on 9 March 2010.

*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 Eleckra Mines 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 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**STANTONS INTERNATIONAL**  
**(An Authorised Audit Company)**

*Stantons International*  


**John P Van Dieren**  
**Director**

West Perth, Western Australia  
9 March 2010