TriAusMin

INTERIM FINANCIAL REPORT

For the half-year ended 31 December 2011

23rd February 2012

TriAusMin Limited
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DIRECTORS REPORT

Your directors present their report together with the financial report on the consolidated entity (referred to hereafter as "TriAusMin", the "Company" or the 'Group') consisting of TriAusMin Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2011.

Directors

The following persons were directors of the Group throughout the half-year ended 31 December 2011 and up to the date of this report:

Mr. W F Killinger AM (Chairman)
Dr. J W Gill
Mr. A J E Snowden
Mr. W R Taylor
Dr. R I Valliant

Principal activities

The principal activities of the Group during the financial half-year were mineral exploration and project evaluation of the Group's tenements. There were no significant changes in the nature of the activities of the Group that occurred during the half-year.

Dividends

No dividends were paid or declared since the start of the financial half-year. No recommendation for payment of dividends has been made.

Operating result

During the half-year under review, the Company incurred a loss of $835,744 (2010: $387,286). During the half-year, the Group capitalised $1,584,022 (2010: $68,948) on project evaluation and exploration.

Property Assets and Strategy

The Company's main business activity is to conduct mineral exploration on its property assets located in the Lachlan Fold Belt of NSW in the search for new deposits of base and precious metals, in particular, gold, silver, copper, lead and zinc. The Company's tenements are 100%-owned (except as otherwise noted) and comprise early-stage exploration land holdings and advanced-stage, near-development decision projects. The Company has positioned itself to be able to build on its base and precious metal assets through new discoveries led by current, well-reasoned exploration plans.

The Woodlawn Project

The Company holds a significant land position at Woodlawn near Goulburn, New South Wales, Australia. It has delineated two significant poly-metallic resource-based assets; the Woodlawn Retreatment Project ("WRP") and the Woodlawn Underground Project ("WUP"). The WRP involves recovering and reprocessing tailings produced from the previous Woodlawn open cut and underground operations. The WUP involves evaluating the underground resource for potential re-development of the high-grade ore that remained when the underground mining operations ceased in 1998.

While in production, the Woodlawn open pit and underground mine produced approximately 13.4 million tonnes of high-grade ore from a number of separate, fault-bounded massive sulphide zones mined to a maximum depth of 630 metres below surface.

Woodlawn Retreatment Project (WRP)

In 2009, an independently prepared Technical Report on the WRP which conforms to the Canadian NI 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") was published on January 14, 2010 by the authors, Scott Wilson Roscoe Postle Inc[1] ("Scott Wilson"). The Technical Report confirmed the findings of a feasibility study completed in 2008 and concluded that the Resource could be re-classified into 5.3 Mt of Proven Ore Reserves grading 0.52% copper, 1.33% lead, 2.33% zinc, 30.57 g/t silver and 0.30 g/t gold and a further 5.94 of Mt of Probable Ore Reserves grading 0.49% copper, 1.36% lead, 2.25% zinc, 31.05 g/t silver and 0.28 g/t gold. It further noted that at long term forecast metal prices, the WRP has the potential to achieve attractive project economics.

The past six months has seen a continuation of the work undertaken to advance the WRP to a development decision. Parsons Brinckerhoff was retained to compile the Environmental Assessment (EA) submission document required by the NSW Department of Planning & Infrastructure for the Part 3A development approval process. This is an extensive document that outlines the planned interaction of the operations with the environment and local community.

The draft Environmental Assessment (EA) document was lodged with the NSW Department of Planning and Infrastructure (DoPI) in August 2011 for adequacy review. The draft EA has been assessed by a number of government agencies to determine if the document has considered the requirements of those agencies. Final feedback was received in mid-December and points of clarification are currently being addressed, it is expected that the final EA will be lodged with DoPI in Q1 2012.

GR Engineering Services was also appointed to undertake the Front End Engineering and Design Study (FEED) for the WRP project. This takes the 2008 feasibility study data and further upgrades the level of engineering design and cost accuracy. The result is a finalised process layout and design with capital and operating cost estimates to a +/-10-15% level of accuracy. As part of this work, further confirmatory metallurgical test work has been completed. This has assisted with the selection of the main grinding equipment for the WRP, and it will also assist in determining the final product qualities and associated recoveries. The final results of the FEED will be available during February 2012.

Upon review of the FEED study the Company will prepare a final business case for the Woodlawn Retreatment Project in order to advance to a development decision shortly thereafter.

Woodlawn Underground Project (WUP)

An Indicated Resource[2] of 8.6 million tonnes grading 10.3% zinc, 4.0% lead, 1.8% copper, 84 g/t silver and 0.5 g/t gold previously released by the Company exists in the vicinity of the historic underground workings. This is further support by an Inferred Resource[2] of 1.5 million tonnes grading 9.6% zinc, 4.1% lead, 1.7% copper, 87 g/t silver & 0.6 g/t gold. It is TriAusMin's objective to add to this Resource through continued exploration at Woodlawn.

A key objective of work for the WUP has been directed at to confirming that ore lenses mined at Woodlawn continued both at depth and along strike from where previous mining terminated in 1998. A two hole, deep drilling program was completed during 2010 with both holes intersecting zones of significant mineralisation (see company news releases April 6, 2010 and July 20, 2010).

An important new evaluation program has been initiated at Woodlawn to develop a mine scale structural model of the Woodlawn ore body. The structural environment setting has been recognized as having had a significant bearing on the mineralization at the Woodlawn Deposit and elsewhere on the property and the development of a reliable geologic model will greatly assist the exploration efforts on the entire Woodlawn property.

The targeted exploration programme that will be developed as a result of compiling the regional structural modelling will involve; assessing the "near-mine" potential for repetitions or extensions to the known resource at the mine, delineating targets for upcoming exploration and drilling programs to be conducted within SML 20 and interpreting regional exploration data relating to tenements held by the Company in the Woodlawn region.

During the quarter ended 31 December 2011, the Company finalised a targeting exercise focused on the down dip extensions to the main lenses that make up the Woodlawn ore body. The two largest lenses previously mined at the operation, B and C, have received the initial attention and a series of holes are planned to intercept the mineralisation below the base of the existing workings.

Subsequent to 31 December 2011, drill site preparation work has commenced and the drilling scope of work has awarded to a contractor to commence drilling in February 2012.

Lewis Ponds Project

The Lewis Ponds tenement (Exploration Licence ("EL") 5583) is located in the Lachlan Fold Belt near Orange, New South Wales and is approximately 25 kilometres to the north of, and along the same strike trend, as the McPhillamy's 3 million ounce gold deposit that is being explored under a joint venture between Alkane Resources Ltd and Newmont Australia Ltd.

The Company has assembled a significant geological database for the Lewis Ponds prospect and has previously reported JORC compliant Mineral Resources[2] of 6.6 Mt grading 2.4% zinc, 0.2% copper, 1.4% lead, 1.5 g/t gold and 69 g/t silver and containing 320,000 ounces of gold, 14,700,000 ounces of silver and 160,000 tonnes of zinc.

During the December quarter the Company completed 2,186m of drilling within the Lewis Ponds tenement. The drilling was comprised of 869m of reverse circulation (RC) drilling targeting the up plunge continuation of the Lewis Ponds "Main Zone" mineralisation and 1,317m of diamond drilling targeting a series of electromagnetic anomalies derived from the 2010 VTEM survey over the tenement.

The RC drilling results (ASX released December 15, 2011) returned a number of significant intercepts from the up-plunge zone targeted including;

- LPRC039: 37m @ 1.65% Zn, 0.91% Pb, 0.19% Cu, 0.53g/t Au & 53g/t Ag (from 35m)
  including 4m @ 9.07% Zn, 3.95% Pb, 0.81% Cu, 3.63g/t Au & 253g/t Ag (from 66m)

- LPRC037: 28m @ 1.85% Zn, 0.57% Pb, 0.20% Cu, 0.40g/t Au & 44g/t Ag (from 55m)
  including 9m @ 4.19% Zn, 1.25% Pb, 0.42% Cu, 0.73 g/t Au & 76g/t Ag (from 69m)

- LPRC038: 32m @ 1.36% Zn, 0.53% Pb, 0.13% Cu, 0.50g/t Au & 36g/t Ag (from 82m)
  including 5m @ 3.38% Zn, 1.16% Pb, 0.31% Cu, 1.20g/t Au & 92g/t Ag (from 102m)

- LPRC041: 56m @ 1.11% Zn, 0.81% Pb, 0.19% Cu, 0.26g/t Au & 49g/t Ag (from 13m)
  including 7m @ 3.35% Zn, 1.43% Pb, 0.38% Cu, 0.88g/t Au & 88g/t Ag (from 60m)

These very encouraging results represent the first phase in testing the near-surface extension to the Main Zone mineralisation. Further exploration and project assessment work is envisaged with the aim of establishing a resource base that would support an open pit mining operation.

The diamond drilling program targeted four (4) electromagnetic (EM) anomalies derived from the interpretation of the VTEM survey flown over the licence in 2010 and that lie along a series of historic mine workings approximately 7 to 12km south of the Lewis Ponds deposit.

Three holes were drilled at White Rock intersecting a mineralised skarn with significant sulfide mineralisation in the form of sphalerite, pyrrhotite and pyrite.

Drill hole WRDD001 returned an intercept of 7m @ 1.02% Zn from 76m including 2m @ 2.28% Zn from 81m down hole.

Drill hole WRDD002 returned an intercept of 2m @ 0.79% Zn, 0.43% Pb and 10.2g/t Ag from 116m - 118m down hole.

Drill hole WRDD003 returned a result of 4m @ 0.94% Zn from 69m – 73m down hole.

The single drill hole (WRDD004) drilled on the Browns Creek line of lode intersected a hydrothermal alteration zone from 13.8m to 85.6m containing a number of chalcopyrite and chalcocite zones. Assay results reflected this alteration envelope with elevated base metals. The most significant result returned 1m @ 2.4% Cu and 15.2g/t Ag from 57m down hole depth.

The Mount Nicholas EM anomaly, with access limited due to terrain and weather, was tested by a single drill hole (MNDD001) completed to 139.4m depth on the periphery of the anomaly. This drill hole intersected a broad zone of stringer chalcopyrite mineralisation from 33m to 50.9 m. Assay results returned a 16m zone of elevated Cu and Zn between 34m - 50m down hole depth, with peak values of 0.35% Cu and 0.28% Zn.

Calarie (100% TriAusMin) – Goodrich Resources Limited

On July 11 2011, TriAusMin entered into a Farm-In Agreement with Goodrich Resources Limited whereby Goodrich may earn a 75% interest in the Calarie project tenements through exploration expenditure over a three year period.

Goodrich has completed an initial exploration programme comprising two induced polarisation (IP) surveys; 3D modelling and reprocessing of existing and new IP data; and also the drilling of six (6) reverse circulation (RC) holes (totalling 1,002 m) into three target zones. The results of the IP work and drilling programme are being compiled.

JORC Compliance and Declarations

NOTE 1:

The information in this report that relates to Ore Reserves associated with the Woodlawn Retreatment Project is based on information compiled by Richard Lambert, P.E. a professional engineer and Registered Member of SME (a recognised overseas professional organization under AusIM. Richard Lambert is Principal Mining Engineer and Executive Vice President of Scott Wilson Roscoe Postle Associates, Inc a wholly owned Canadian subsidiary of Scott Wilson Group plc. He has sufficient experience relevant to the style of mineralization and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). He consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

NOTE 2:

The information contained in this report insofar as it relates to Mineral Resources and exploration results is based on information compiled by Mr Robin Rankin (Woodlawn Resource estimates), who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and is registered as a Chartered Professional Geologist and Mr. Robert Cotton (Lewis Pond Resource estimates), who is a Fellow of the AusIMM and Dr. Robert Valliant (exploration results) who is a member of the Australian Institute of Geoscientists). They each have sufficient relevant experience to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". This Report accurately reflects the information compiled by Messrs Rankin, Cotton and Valliant. Each of Messrs. Rankin, Cotton and Valliant consent to the inclusion in the Report of the matters in the form and context in which they appear based on information derived from their technical work.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group that occurred during the financial year.

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 31 December 2011 that have significantly affected or may significantly affect:

- The Group's operations in future years;
- The results of those operations in future years; or
- The Group's state of affairs in future years.

Likely developments, prospects and business strategies

The Group intends to continue with its plans to develop the WRP and evaluate the exploration potential for the Woodlawn, and Lewis Ponds tenements. It also intends to implement field exploration activities on its other tenements to progress the further potential discovery of gold and base metal occurrences. The Group will continue to monitor global metals and capital markets for opportunities to advance both the marketing and financing arrangements required for the WRP with a view to facilitating a development decision of the project.

Specific details of likely developments in the operations of the Group, prospects and business strategies and their expected results in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

W.F. Killinger AM
Chairman

A. J. E. Snowden
Chairman- Audit Committee

Sydney
23 February 2012

PKF

Chartered Accountants
& Business Advisers

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: the directors of TriAusMin Limited and the entities it controlled during the half-year

I declare to the best of my knowledge and belief, in relation to the review for the financial half-year ended 31 December 2011 there have been:

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

This declaration is in respect of Triausmin Limited and the entities it controlled during the half-year.

John Bresolin
Partner

PKF

Sydney, 23 February 2012

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TRIAUSMIN LIMITED
ABN 22 062 002 475

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the half-year ended 31 December 2011

All amounts shown are expressed in Australian dollars	Note	Six months ended December 31	
		2011	2010
		$	$
Continuing operations			
Other income		51,123	19,699
Salary costs (including directors' fees)		(411,549)	(158,485)
Share based payments – (expense)/credit		(55,852)	112,235
Professional and legal fees		(55,070)	(97,121)
Occupancy expense		(37,631)	(38,130)
Share registry expenses		(71,402)	(36,568)
Travel and accommodation		(102,485)	(46,184)
Insurance expense		(55,924)	(19,877)
Depreciation and amortisation		(11,577)	(41,635)
Other expenses		(85,377)	(81,220)
Loss before income tax expense		**(835,744)**	**(387,286)**
Income tax expense		-	-
Loss for the half-year		**(835,744)**	**(387,286)**
Other comprehensive income		-	-
Total comprehensive income for the half-year		**(835,744)**	**(387,286)**
Loss attributable to members		**(835,744)**	**(387,286)**
Total comprehensive income attributable to members		**(835,744)**	**(387,286)**
Earnings per share attributable to the ordinary equity holders of the company			
Basic loss per share (cents)		(0.52)	(0.31)
Diluted loss per share (cents)		(0.52)	(0.31)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2011

	Note	31 December 2011 $	30 June 2011 $
CURRENT ASSETS			
Cash and cash equivalents	2	3,715,382	3,074,711
Trade and other receivables		274,206	103,988
Other assets		22,200	51,782
TOTAL CURRENT ASSETS		**4,011,788**	**3,230,481**
NON-CURRENT ASSETS			
Property, plant and equipment		222,621	197,314
Exploration and evaluation expenditure	4	24,973,433	23,389,411
TOTAL NON-CURRENT ASSETS		**25,196,054**	**23,586,725**
TOTAL ASSETS		**29,207,842**	**26,817,206**
CURRENT LIABILITIES			
Trade and other payables		336,289	545,837
Provisions		8,160	8,160
TOTAL CURRENT LIABILITIES		**344,449**	**553,997**
NON-CURRENT LIABILITIES			
Provisions		30,000	30,000
TOTAL NON-CURRENT LIABILITIES		30,000	30,000
TOTAL LIABILITIES		**374,449**	583,997
NET ASSETS		**28,833,393**	**26,233,209**
EQUITY			
Contributed equity		38,224,583	35,167,279
Reserves		3,160,624	2,782,000
Accumulated losses		(12,551,814)	(11,716,070)
TOTAL EQUITY		**28,833,393**	**26,233,209**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half-year ended 31 December 2011

	Note	CONTRIBUTED EQUITY Ordinary Shares $	FULLY PAID UNISSUED CAPITAL $	OPTIONS RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
Balance at 1 July 2010		**30,825,742**	**-**	**2,889,965**	**(10,685,188)**	**23,030,519**
Shares issued during the half-year		1,441,365				1,441,365
Transaction costs		(72,477)	-			(72,477)
Share based reversal			-	(112,235)		(112,235)
Total comprehensive loss attributable to members		-	-	-	(387,286)	(387,286)
Balance at 31 December 2010	4	**32,194,630**	**-**	**2,777,730**	**(11,072,474)**	**23,899,886**
Balance at 1 July 2011		**35,167,279**	**-**	**2,782,000**	**(11,716,070)**	**26,233,209**
Shares issued during half-year		3,095,013	-	-	-	3,095,013
Transaction costs		(37,709)	-	-	-	(37,709)
Fully paid unissued capital	3	-	322,771	-	-	322,771
Share based charge		-	-	55,853	-	55,853
Total comprehensive loss attributable to members		-	-	-	(835,744)	(835,744)
Balance at 31 December 2011	4	**38,224,583**	**322,771**	**2,837,853**	**(12,551,814)**	**28,833,393**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2011

	Note	Six months ended December 31 2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(824,905)	(574,376)
Interest paid		-	(546)
Interest received		51,123	19,699
Net cash used in operating activities		**(773,782)**	**(555,223)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(36,885)	(565)
Payments for exploration activities		(1,793,570)	(68,948)
Net cash used in investing activities		**(1,830,455)**	**(69,513)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		3,282,617	1,441,365
Payment of share issue cost		(37,709)	(72,477)
Net cash provided by financing activities		**3,244,908**	**1,368,888**
Net increase in cash & cash equivalents held		640,671	744,152
Cash & cash equivalents at beginning of the half-year		3,074,711	434,497
Cash & cash equivalents at the end of the half-year	2	**3,715,382**	**1,178,649**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) General

This general purpose financial report for the half-year reporting period ended 31 December 2011 has 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 for the year ended 30 June 2011 and any public announcements made by TriAusMin Limited (ASX:TRO) ("TriAusMin" or the "Company") during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. The financial report was authorized for issue by the Directors on 23 February 2012.

The accounting policies adopted in the preparation of the half-year financial report are consistent with those of the previous financial year and corresponding half-year reporting periods.

b) Going concern basis of accounting

The half-year Financial Report has been prepared on the basis of a Going Concern, notwithstanding the fact that material uncertainties exist, going forward, which cast significant doubt on the Company's ability to continue as a going concern. The Group incurred a loss for the half-year after tax of $835,744 (2010: $387,286) and a net cash out flow from operating activities of $773,782 (2010: $555,223). The Company acquires mineral tenements and then applies its expertise to conduct mineral exploration in search of base and precious metals deposits. In addition to the many uncertainties inherent in the mineral exploration and development industry, the Company does not yet have a significant revenue stream and must rely on raising money in the capital markets. Management has a long history of successfully raising money, but there is no guarantee that adequate funds will be available when needed in the future.

The half-year Financial Report has been prepared on the basis of a Going Concern, as the Directors believe that adequate funding will be raised to enable the Group to pay its debts as and when they become due for a period of twelve months from the date of approving this Report. In the event that the Group is delayed in raising development funding and or committing to development of its core tenement, the Group may need to either reduce its rate of expenditure or raise additional working capital to ensure that it can continue to meet its obligations as and when they fall due.

Expenditure commitments include obligations arising from farm-in arrangements, and annual minimum work obligation for exploration permits. Minimum work obligation, may be subject to negotiation and approval and could be varied, they may also be satisfied by farm-out, sale, relinquishment or surrender.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Going concern basis of accounting (continued)

The Group has limited financial resources and will need to raise additional capital from time to time. Any such fund raisings will be subject to factors beyond the control of the Group and its Directors. When the Group requires further funding for its program, then it is the Group's intention that the additional funds would be raised in a manner deemed most expedient by the Board of Directors at the time, taking into account working capital, exploration results, budgets, share market conditional, capital raising opportunities and the interest of industry in co-participations in the Group's programs.

It is the Group plan that this capital will be raised by any one or a combination of the following: placement of shares to excluded offerees, pro-rata issue to shareholders, and/or a further issue of shares to the public.

Should these methods not be considered to be viable, or in the best interest of shareholders, then it would be the Group's intention to meet its obligations by either partial sale of the Group's interests or through farm-out arrangements.

In the event that the Group is not able to raise sufficient working capital within the time frame required, it may not be able to realise its assets and crystallise its liabilities in the normal course of business at the amounts stated in this half-year Financial Report.

Should the company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the company be unable to continue as a going concern and meet its debts as and when they fall due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 31 December 2011

NOTE 2: CASH

	31 December 2011 $	30 June 2011 $
Cash is shown in the statement of financial position as:		
Cash at bank	189,037	266,316
Term deposits	3,526,345	2,808,395
	3,715,382	3,074,711

NOTE 3: FULLY PAID UNISSUED CAPITAL

An amount of $322,771 (C$335,000) is shown in Reserves on the Statement of Changes in Equity. This amount relates to subscription monies received by the Company from Directors as part of the private placement completed in November 2011. This amount is shown separately due to the fact the ASX requires Directors participation in a private placement to be approved by shareholders. On February 8th 2012 shareholders approved the issue of shares to Directors.

NOTE 4 EXPLORATION EXPENDITURE

Exploration and evaluation expenditure carried forward in respect of mining areas of interest.

	31 December 2011 $	30 June 2011 $
Balance at beginning of period	23,389,411	22,539,973
Capitalised exploration expenditure written off	-	(21,133)
Capitalised exploration expenditure, at cost	1,584,022	870,571
Balance at end of period	24,973,433	23,389,411

The Director's have determined that the carrying values of exploration and evaluation expenditure has not been impaired as of 31 December 2011 (2010: Nil), based on the current values they are expected to be recouped through successful development, or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, and progress in the area of interest is continuing.

The above carrying values do not purport to represent the amount receivable by the Company in the event the interests in the mining tenements were farmed out or sold or the future value in use to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2011

NOTE 5: CONTRIBUTED EQUITY

	31 December 2011 $	30 June 2011 $
197,170,063 (2010:138,514,734) Ordinary fully paid shares	**38,224,583**	35,167,279

	31 Dec 2011 $	30 Jun 2011 $	31 Dec 2011 Number	30 Jun 2011 Number
Reconciliation of issued capital				
a) *Ordinary shares*				
Opening balance	**35,167,279**	**30,825,742**	158,995,945	116,724,734
Shares issued	**3,095,013**	**4,674,896**	38,174,118	42,271,211
Cost of share issue	**(37,709)**	**(333,359)**	-	-
Closing balance	**38,224,583**	**35,167,279**	197,170,063	158,995,945

b) *Unquoted options:*

Date	Details	Exercise price[2]	Expiry date	Number
1 July 2011	Opening balance[1]	**77.0**	**Various**	**6,653,334**
	Options cancelled	**-**	**-**	**-**
	Options Issued[1]	**14.6**	**Various**	**2,600,000**
31 December 2011	Closing balance[1]	**59.4**	**Various**	**9,253,334**

Note 1: Outstanding and exercisable

Note 2: Weighted average price in cents

NOTE 6: JOINT VENTURES

The Group has the following material joint ventures	31/12/11	30/06/11
Black Range JV[1]	70%	70%
Cullarin JV[2]	66.2%	65.1%
Calarie JV Goodrich [3]	-	-
Interest shown in the Statement of Financial Position as Exploration expenditure	$421,644	$393,930

Note 1: TriAusmin has a 70% interest in the Black Range JV with Mount Conqueror Minerals NL and Central West Gold NL to explore on 6 of the 16 units that comprise EL 5878.

2: Cullarin JV relates to EL 6292 and EL 6686.

3: In July 2011, the Company reached an agreement with Goodrich Resources Ltd, whereby Goodrich may earn a 75% interest in the Calarie project tenements through the expenditure of A$2,500,000 within a three year period. The key terms of the agreement include;

- milestone payments to TriAusMin totalling A$180,000,
- a 5 year buyout option for Goodrich
- a NSR royalty payment should TriAusMin's interest fall to less than 10% or Goodrich purchases TriAusMin's remaining interest in the joint venture

NOTE 7: COMMITMENTS FOR EXPENDITURE

a) Exploration commitments

In order to maintain current rights of tenure to granted exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various state governments. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report. The annual minimum expenditure requirements for each of the Company's tenements are as follows:

Tenement Number	Tenement Name	Expenditure Commitment
Exploration Licence 5583	Lewis Ponds	$87,000
Exploration Licence 7257	Woodlawn	$51,000
S(C&PL)L 20 (Special Mining Lease)	Woodlawn	N/A
Exploration Licence 5878	Overflow	$46,000
Mining Lease 739	Calarie	$35,000
Exploration Licence 7468	Cullarin South	$26,500
Exploration Licence 7469	Mulloon	$52,500
Exploration Licence 6686[1]	Cullarin	$48,000
Exploration Licence 6292	Cullarin	$56,000
Exploration License 7023	Calarie	$42,000
		$444,000

Note: 1) TriAusMin has earned a 66.2% interest in EL 6292 (currently held by Golden Cross Pty Ltd) which together with EL 6686, is the subject of the Cullarin Joint Venture with Golden Cross Pty Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2011

NOTE 7: COMMITMENTS FOR EXPENDITURE (CONTINUED)

b) Operating lease commitment

Operating lease commitment on rental property amounts to $4,183 per month over the remaining period of the lease until October 2013

NOTE 8: CONTINGENT LIABILITIES

a) Performance bonds

The Company has entered into performance bonds with the National Australia Bank Limited in relation to environmental rehabilitation amounting to $116,000 and rental commitments amounting to $115,929. These bonds are secured by a way of mortgage against the Company's Lewis Ponds freehold land.

b) Agreement with Veolia Environmental Services (Australia) Pty Ltd ("Veolia")

On the 30 November 2011, the Company, TriAusMin Ltd ("TRO") and Tarago Operations Pty Ltd ("TOP") entered into an agreement with Veolia in which it was agreed that Special Mining Lease 20 (SML 20) would be transferred to TOP. Under the terms of this agreement and subject to completion of the transfer of SML 20 to TOP, the Company has agreed:

(i) To assume the environmental liabilities associated with the Woodlawn site, excluding Veolia's area of operation. The value of the environment liability will be determined as part of the development approval process for the Woodlawn Zinc-Copper Projects. The Company will be required to provide a performance bond with the NSW Department of Primary Industries ("DPI") as surety against completion of environmental rehabilitation once mining on the site is complete. The Company estimates that the bond will be for an amount of approximately $4-12 million, although this amount is yet to be confirmed.
(ii) Subject to certain approvals being received by Veolia and the Company, the Company will receive "free-on-board" compost from Veolia to be utilized in the rehabilitation of the site.
(iii) To fully indemnify Veolia for all direct and or consequential loss and damage suffered by Veolia as a result of or caused by or contributed to by any act or omission or default of the Company, or TOP, connected with its operation at the Woodlawn site.

None of these contingent liabilities has been provided for in the financial report.

NOTE 9: MATTERS SUBSEQUENT TO BALANCE DATE

On February 8th 2012, shareholders approved the issue of 3,941,177 shares to Directors who had subscribed for shares in the private placement which was completed in December 2011 (per ASX Listing rule 10.11). The shares were subscribed for by the Directors under the same terms and conditions as investors in the private placement. The Directors subscription raised an additional C$335,000 bringing the total private placement raise to an aggregate C$3.6M.

On February 9th 2012, the company announced that it had finalised terms and executed a work contract to undertake a series of diamond drill holes targeting the plunge extensions at the Woodlawn Underground Project and that drilling has commenced on site in February 2012.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the financial half-year ended on that date; and
- 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 made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the directors

W.F. Killinger AM
Chairman

A. J. E. Snowden
Chairman- Audit Committee

Sydney
23 February 2011

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF TRIAUSMIN LIMITED

Chartered Accountants
& Business Advisers

Report on the Half-Year Financial Report

We have reviewed the accompanying consolidated half-year financial report of TriAusMin Limited which comprises the statement of financial position as at 31 December 2011, 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 of the consolidated entity. The consolidated entity comprises TriAusMin Limited ("the Company") and the entities it controlled at 31 December 2011 or from time to time during the half-year ended on that date.

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 control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing 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 consolidated entity's financial position as at 31 December 2011 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 TriAusMin 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of TriAusMin Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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Chartered Accountants
& Business Advisers

Basis for Qualified Conclusion

Included in the Statement of Financial Position is an amount of $24,973,433 representing Exploration and Evaluation Expenditure. Included within this amount is $11,559,978 where appropriate records have not been made available to us, and therefore we have been unable to obtain sufficient audit evidence regarding this amount.

Qualified Conclusion

Based on our review, which is not an audit, we have not become aware of any matter, except for the matter described in the preceding paragraph, that makes us believe that the half-year financial report of the consolidated entity is not in accordance with the Corporations Act 2001 including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

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

Emphasis of Matter

Without further qualifying our conclusion, we draw attention to Note 1 (b) in the financial report, which indicates that the company incurred a net loss of $835,744 during the half-year ended 31 December 2011 and reflected net operating cash outflows of $773,782. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

PKF

John Bresolin
Partner

23 February 2012
Sydney