Impact Minerals Limited
(and Controlled Entities)
(ABN 52 119 062 261)

Interim Financial Report
For the half year ended
31 December 2013

Contents

Impact Minerals Limited ABN 52 119 062 261

Directors Report

For the half year ended 31 December 2013

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2013.

Directors

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Peter Unsworth	Non-Executive Chairman
Michael Jones	Managing Director
Paul Ingram	Non-Executive Director
Markus Elsasser	Non-Executive Director

Review of Operations

Exploration expenditure (before impairment and re-imbursement) of $ 2,263,384 was capitalised in the half year to 31 December 2013. The balance of deferred exploration expenditure carried forward as at 31 December 2013 is $10,413,074.

The consolidated entity registered a net loss for the half year to 31 December 2013 of $4,628,266 (2012: $2,555,126).

During the period the Company raised $3,000,000 through the issue of 78,947,368 new ordinary shares at 3.8 cents per share.

The consolidated entity had cash assets of $2,037,349 at 31 December 2013 (30 June 2013: $2,514,656).

Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Bentleys, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 2 and forms part of this directors' report for the half-year ended 31 December 2013.

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

Michael Jones

Michael G Jones
Managing Director

Dated this 12th day of March 2014

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To the Board of Directors

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

As lead audit director for the review of the financial statements of Impact Minerals Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

DATED at PERTH this 12th day of March 2014

Impact Minerals Limited ABN 52 119 062 261

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2013

		Consolidated	
	Note	**31 Dec 2013**	**31 Dec 2012**
		$	**$**
Interest income and others		**23,748**	300,801
Gain recognised on deemed disposal of interest in former associate		**-**	466,280
Discount on acquisition of subsidiary		**-**	677
		23,748	767,758
Employee benefits expenses		**(484,558)**	(257,665)
Corporate and administration expenditure		**(691,815)**	(339,632)
Depreciation and amortisation expense		**(7,343)**	(11,008)
Occupancy		**(36,188)**	(32,054)
Impairment of exploration expenditure	**3**	**(3,432,110)**	(313,167)
Share of associates net loss for period		**-**	(2,369,358)
Loss before income tax expense		**(4,628,266)**	(2,555,126)
Income tax expense		**-**	-
Net loss for the period		**(4,628,266)**	(2,555,126)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gain on revaluation of financial assets		**-**	688
Exchange differences on translating foreign operations		**(72,909)**	(162,659)
Other comprehensive income (net of tax)		**(72,909)**	(161,971)
Total comprehensive income for the period		**(4,701,175)**	(2,717,097)
Loss for the period **attributable to**			
Members of the parent entity		**(3,739,375)**	(2,547,327)
Non-controlling interest		**(888,891)**	(7,799)
		(4,628,266)	(2,555,126)
Total comprehensive income attributable to:			
Members of the parent entity		**(3,810,522)**	(2,709,298)
Non-controlling interest		**(890,653)**	(7,799)
		(4,701,175)	(2,717,097)
Basic loss per share (Cents)		**(1.15)**	(1.10)

The accompanying notes form part of these condensed consolidated financial statements

Impact Minerals Limited ABN 52 119 062 261

Condensed Consolidated Statement of Financial Position

As at 31 December 2013

	Note	Consolidated 31 Dec 2013 $	Consolidated 30 Jun 2013 $
Current Assets			
Cash and cash equivalents		**2,037,349**	2,514,656
Trade and other receivables		**215,681**	151,972
Total Current Assets		**2,253,030**	2,666,628
Non-Current Assets			
Property and equipment		**16,745**	23,052
Deferred exploration expenditure	**3**	**10,413,074**	11,581,800
Other non-current assets		**365,054**	249,899
Total Non-Current Assets		**10,794,873**	11,854,751
Total Assets		**13,047,903**	14,521,379
Current Liabilities			
Trade and other payables		**717,384**	770,450
Provisions		**100,671**	103,689
Total Current Liabilities		**818,055**	874,139
Total Liabilities		**818,055**	874,139
Net Assets		**12,229,848**	13,647,240
Equity			
Issued capital	**4**	**27,320,041**	24,366,377
Option reserve		**675,941**	353,638
Foreign currency translation reserve		**(526,064)**	(454,917)
Accumulated losses		**(15,444,488)**	(11,705,113)
Parent interest		**12,025,430**	12,559,985
Non-controlling interest		**204,418**	1,087,255
Total Equity		**12,229,848**	13,647,240

The accompanying notes form part of these condensed consolidated financial statements

Impact Minerals Limited ABN 52 119 062 261

Condensed Consolidated Statement of Changes in Equity

For the half year ended 31 December 2013

	Consolidated						
	Issued Capital	Option Reserve	Foreign currency translation reserve	Asset revaluation reserve	Accumulated Losses	Non-Controlling Interest	Total Equity
	$	$		$	$	$	$
Balance at 1 July 2012	17,284,498	140,314	(427,553)	(688)	(7,753,788)	-	9,242,783
Loss for the period	-	-	-	-	(2,547,327)	(7,799)	(2,555,126)
Other Comprehensive Income							
Gain on revaluation of properties	-	-	-	688	-	-	688
Exchange differences on translation of foreign operations	-	-	(162,659)	-	-	-	(162,659)
Total comprehensive income for the half year	-	-	(162,659)	688	(2,547,327)	(7,799)	(2,717,097)
Shares issued	5,725,930	-	-	-	-	-	5,725,930
Share based payment	-	86,869	-	-	-	10,587	97,456
Non-controlling interest arising on the acquisition of Invictus Gold Limited (Note-5)	-	-	-	-	-	1,067,790	1,067,790
Balance at 31 December 2012	**23,010,428**	**227,183**	**(590,212)**	**-**	**(10,301,115)**	**1,070,578**	**13,416,862**
Balance at 1 July 2013	24,366,377	353,638	(454,917)	-	(11,705,113)	1,087,255	13,647,240
Loss for the period	-	-	-	-	(3,739,375)	(888,891)	(4,628,266)
Other Comprehensive Income							
Exchange differences on translation of foreign operations	-	-	(71,147)	-	-	(1,762)	(72,909)
Total comprehensive income for the half year	-	-	(71,147)	-	(3,739,375)	(890,653)	(4,701,175)
Shares issued	3,000,000	-	-	-	-	-	3,000,000
Share issue costs	(46,336)	-	-	-	-	-	(46,336)
Share based payment	-	322,303	-	-	-	7,816	330,119
Balance at 31 December 2013	**27,320,041**	**675,941**	**(526,064)**	**-**	**(15,444,488)**	**204,418**	**12,229,848**

The accompanying notes form part of these condensed consolidated financial statements

Condensed Consolidated Statement of Cash Flow

For the half year ended 31 December 2013

		Consolidated	
	Note	**31 Dec 2013 $**	**31 Dec 2012 $**
Cash flows from operating activities			
Payments to suppliers and employees		**(883,246)**	(656,668)
Interest received		**23,748**	322,540
Payments for exploration activities		**(2,571,473)**	(1,842,783)
Net cash used in operating activities		**(3,430,971)**	(2,176,911)
Cash flows from investing activities			
Net cash outflow arising on acquisition		**-**	(28,966)
Payment for sale of financial assets		**-**	297,369
Net cash used in investing activities		**-**	268,403
Cash flows from financing activities			
Proceeds from issue of shares		**3,000,000**	5,992,987
Share issue costs		**(46,336)**	-
Net cash provided by financing activities		**2,953,664**	5,992,987
Net increase/(decrease) in cash held		**(477,307)**	4,084,479
Cash and cash equivalents at the start of the period		**2,514,656**	1,064,434
Cash and cash equivalents at the end of the period		**2,037,349**	5,148,912

The accompanying notes form part of these condensed consolidated financial statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: interim financial reporting.

This interim report is intended to provide users with an update on the latest annual financial statements of Invictus Gold Limited and its controlled entities (the consolidated entity). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the consolidated entity. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the consolidated entity for the year ended 30 June 2013, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The relevant amendments and their effects on the current period or prior periods are described below.

The accounting policies have been applied consistently throughout the consolidated entity for the purposes of preparation of these interim financial statements.

Going Concern

The interim financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Consolidated Group incurred a loss for the year of $4,628,266 (2012: $2,555,126) and net cash outflows from operating activities of $3,430,971 (2012: Cash outflows of $2,176,911).

The ability of the Consolidated Group to continue as a going concern is principally dependent upon the ability of the Consolidated Group to secure funds by raising capital from equity markets and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Consolidated Group to continue as a going concern

The directors have prepared a cash flow forecast that takes into consideration of the successful completion of the merger with Invictus Gold Limited on the 6 January 2014 and future proposed capital raisings, which indicates that the Consolidated Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Consolidated Group and parent entities history of raising capital to date, the directors are confident of the Consolidated Group's ability to raise additional funds as and when they are required.

Should the Consolidated Group be unable to continue as a going concern it may be required to realise its assets and extinguish 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 to the amount and classification of liabilities that might result should the Consolidated Group be unable to continue as a going concern and meet its debts as and when they fall due.

New or revised standards and interpretations that are first effective in the current reporting 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 their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year include:

- AASB 10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 11 'Joint Arrangements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 12 'Disclosure of Interests in Other Entities' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 127 'Separate Financial Statements' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 128 'Investments in Associates and Joint Ventures' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards

- AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'
- AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'
- AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'
- AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle'
- AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'

The above standards have extensive disclosure requirements, however these do not effect this half year financial report.

The adoption of the above standards have not had a material impact on this half year financial report.

NOTE 2: SEGMENT REPORTING

Segment Information

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of its exploration and corporate activities. Operating segments are therefore determined on the same basis.

The results of Invictus Group are reviewed as a separate operating segment by the Board of Directors.

NOTE 2: SEGMENT REPORTING *(Continued)*

Consolidated 31 December 2013

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
REVENUE For the year ended 31 December 2013							
Total segment revenue	-	231	-	71,643	71,874	(48,126)	23,748
Total segment expenses	-	(44,789)	(18,848)	(990,524)	(1,054,161)	(3,597,852)	(4,652,014)
Segment net loss before tax	-	(44,558)	(18,848)	(918,881)	(982,287)	(3,645,978)	(4,628,266)
Reconciliation of segment performance to group performance							(4,628,266)

Assets

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
As at 31 December 2013							
Total segment assets	100	5,711,358	140,629	6,685,450	12,537,537	510,366	13,047,903
Reconciliation of segment assets to group assets							
Intersegment elimination							
Total group assets							13,047,903
Segment asset movement for the period:	100	771,684	(13,544)	(1,512,273)	(754,034)	(719,443)	(1,473,477)

Liabilities

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
As at 31 December 2013							
Total segment liabilities	-	(11,692)	(7,572)	688,484	669,220	148,835	818,055
Reconciliation of segment liabilities to group liabilities							
Total group liabilities							818,055

I. CONSOLIDATED 31 DECEMBER 2012

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
REVENUE For the year ended 31 December 2012							
Total segment revenue	-	29	-	761,341	761,370	6,388	767,758
Total segment expenses	-	(86,951)	(11,523)	(3,186,075)	(3,284,549)	(38,335)	(3,322,884)
Segment net loss before tax	-	(86,922)	(11,523)	(2,424,734)	(2,523,179)	(31,947)	(2,555,126)
Reconciliation of segment performance to group performance							(2,555,126)

Assets

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
As at 30 June 2013							
Total segment assets	-	4,939,674	154,174	8,197,724	13,291,75	1,229,808	14,521,379
Reconciliation of segment assets to group assets							
Intersegment elimination							
Total group assets							14,521,379
Segment asset movement for the period:	(24,449)	115,192	154,174	3,426,866	3,671,782	1,229,483	4,901,591

Liabilities

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
As at 30 June 2013							
Total segment liabilities	-	43,377	2,012	362,960	408,348	465,791	874,139
Reconciliation of segment liabilities to group liabilities							
Total group liabilities							

NOTE 3: EXPLORATION EXPENDITURE	**31 December 2013 $**	**30 June 2013 $**
Capitalised cost at the beginning of the period	11,581,800	5,445,201
Opening balances of interests in tenement acquired through the acquisition of Invictus Gold Limited	-	1,954,697
Acquisition of tenements	-	1,060,000
Impairment of exploration expenditure	(3,432,110)	(1,406,096)
Exploration expenditure for the year	2,263,384	4,527,998
Cost carried forward	10,413,074	11,581,800

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.
During the half- year ended 31 December 2013, Group impaired exploration expenditure of $3,432,110 *(30 June 2013: $1,406,096).*

NOTE 4: ISSUED CAPITAL	**31 December 2013 $**	**30 June 2013 $**
450,859,920 fully paid ordinary shares with no par value	28,191,983	25,194,770
Share issue costs	(871,942)	(828,393)
	27,320,041	24,366,377

	31 December 2013 No.	**30 June 2013 No.**	**31 December 2013 $**	**30 June 2013 $**
a. Ordinary shares				
At the beginning of reporting period	371,912,552	134,335,328	24,366,377	17,284,498
Shares issued during the year				
- Placement	78,947,368	50,000,000	3,000,000	1,500,000
- Transaction costs	-	-	(46,336)	(44,036)
- Shares issued pursuant to Entitlement Issue	-	180,864,342	-	5,425,915
- Endeavour acquisition	-	6,712,882		200,000
At the end of the reporting period	450,859,920	371,912,552	27,320,041	24,366,377

NOTE 5: SHARE BASED PAYMENTS

i. During the period share options were granted to employees to take up ordinary shares at the following exercise prices. The options hold no voting or dividend rights, are not, without the approval of the Board of Directors, transferrable and are exercisable on or before the expiry date as se out below. All options were granted to key management personnel.

Impact Minerals Limited

Grant date	Vest date	Expiry date	Exercise price	Number
14.11.2013	30.11.2013	30.11.2015	$0.06	2,800,000
14.11.2013	30.11.2014	30.11.2016	$0.10	3,550,000

Invictus Gold Limited

Grant date	Vest date	Expiry date	Exercise price	Number
-	-	-	-	-

ii. A summary of the movements of all company options issued is as follows:

	Impact		Invictus	
	Number	**Weighted Average Exercise Price**	**Number**	**Weighted Average Exercise Price**
Options outstanding as at 30 June 2013	28,250,000	8c	35,700,000	21c
Expired	(300,000)	-	-	-
Granted	6,350,000	8c	-	-
Options outstanding as at 31 December 2013	34,300,000	8c	35,700,000	21c

As at the date of exercise, the weighted average of share price of options exercised during the year was nil.

The weighted average remaining contractual life of options outstanding at year end was 3.23 years. The weighted average exercise price of outstanding options at the end of the reporting period was 8 cents. The fair value of options granted to employees is deemed to represent the value of employee services received over the vesting period. The weighted average fair value of options granted during the year was 1 cent. These values were calculated using the Black Scholes option pricing model applying the following inputs:

The model inputs for options granted during the period ended 31 December 2013 are set out below.

Impact Minerals Limited

Grant Date	Vesting Date	Expiry Date	Exercise Price	Options	Share price at Grant	Risk Rate	Fair value as at the Grant date
14.11.13	30.11.13	30.11.15	$0.06	2,800,000	$0.81	2.74%	$0.04
14.11.13	30.11.14	30.11.16	$0.10	3,550,000	$0.81	2.74%	$0.04

The level of volatility anticipated for the purposes of the model was 85.22% for all options, The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Dividends were assumed to be NIL.

NOTE 6: SUBSEQUENT EVENTS

Merger with Invictus Gold Limited via Scheme of Arrangement

On the 6th January 2014 a merger of Impact Minerals Limited with Invictus Gold Limited was implemented by way of a scheme of arrangement. Under the terms of the scheme of arrangement all Invictus shares have been transferred to Impact in exchange for 5 new Impact shares for every 4 Invictus shares held. All listed Invictus options have also been cancelled in conjunction with the issue of 1 new Impact option for every 1 Invictus option held. This has seen Impact issue 36,203,364 new ordinary shares and 8,000,000 listed options and removal of Invictus securities from official quotation of the Australian Securities Exchange.

No other matters or circumstances has arisen since 31 December 2013, which has significantly affected, or may significantly affect the operations of the Group, the result of those operation, or in state of affairs of the Group in subsequent financial years.

NOTE 7: CONTINGENCIES

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

NOTE 8: FINANCIAL INSTRUMENTS

The Group's financial instruments consist of trade and other receivables and trade and other payables. These financial instruments are measured at amortised costs, less any provision for non-recovery. The carrying amounts of the financial assets and liabilities approximate their fair value.

Director's Declaration

For the half year ended 31 December 2013

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 2 to 13 are in accordance with the *Corporations Act 2001;* including:
    a. Complying with the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
    b. give a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year then ended; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Michael G Jones

Managing Director

Dated this 12th day of March 2014

Bentleys
THINKING AHEAD

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Independent Auditor's Review Report

To the Members of Impact Minerals Limited

We have reviewed the accompanying half-year financial report of Impact Minerals Limited ("the Company") and its Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2013, the 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 comprising a summary of significant accounting policies and other selected explanatory information and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2013 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 the Company, 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*.

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 Impact Minerals Limited 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 2013 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

Material uncertainty regarding continuation as a going concern

Without qualifying our conclusion, we draw attention to Note 1 of the half-year financial report which indicates that the Consolidated Entity incurred a net loss of $4,628,266 during the period ended 31 December 2013. This condition, along with other matters as set forth in note 1, indicate the existence of a material uncertainty which may cast significant doubt about the Consolidated Entity's ability to continue as a going concern and therefore, the Consolidated Entity may be unable to realise its assets and settle its liabilities in the normal course of the business and at the amounts stated in the half-year financial report.

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Director

DATED at PERTH this 12th day of March 2014