



**EMERALD**  
RESOURCES NL

ABN 72 009 795 046

# Half-Year Report

31 December 2018

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**Directors**

*Non-Executive Chairman*  
Simon Lee AO

*Managing Director*  
Morgan Hart

*Executive Director*  
Michael Evans

*Non-Executive Directors*  
Ross Stanley  
Ross Williams

*Company Secretary*  
Mark Clements

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**Share Registry**

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**Auditors**

HLB Mann Judd  
Level 4, 130 Stirling Street  
PERTH WA 6000

**Bankers**

National Australia Bank  
Level 14, St Georges Terrace  
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**Securities Exchange Listing**

Australian Securities Exchange  
Home Exchange: Perth, Western Australia  
Level 40, Central Park  
152-158 St George's Terrace  
PERTH WA 6000  
Code: EMR

## Directors' Report

Your directors present their report on the consolidated entity consisting of Emerald Resources NL ('Emerald' or the 'Company') and the entities it controlled at the end of, or during, the half-year ended 31 December 2018.

### 1. Directors

The following persons were directors of Emerald during the half-year and up to the date of this report:

Simon Lee AO  
Morgan Hart  
Michael Evans (appointed 3 October 2018)  
Ross Stanley  
Ross Williams

Justin Tremain was a Non-Executive Director from the beginning of the financial year until his resignation on 3 October 2018.

Michael Evans was appointed as an Executive Director on 3 October 2018 and continues in office to the date of this report.

### 2. Review of Operations

#### Cambodian Gold Project

##### Background

Emerald's main focus is the exploration and future development of its Cambodian Gold Projects which comprise of a combination of 100% owned granted licences, applications and earn-in & joint venture agreements covering a combined area of 1,442 km<sup>2</sup>. The 100% owned Okvau Gold Project ('Okvau Gold Project') is the Company's most advanced project which is located approximately 275 kilometres north-east of Cambodia's capital city of Phnom Penh in the province of Mondulakiri (refer Figures 1 and 2). The town of Kratie is located on the Mekong River approximately 90 kilometres to the west of the Okvau Gold Project and the capital of Mondulakiri, Saen Monorom is located approximately 60 kilometres to the south-east. In May 2017, Emerald completed a Definitive Feasibility Study ('DFS') on the development of the Okvau Gold Project which demonstrated a robust project producing approximately 106,000 ounces of gold per annum on average over 7 years from a single open pit (refer to ASX Announcement dated 1 May 2017).

In July 2018 the Company was granted the Industrial Mining Licence covering 11.5 km<sup>2</sup> which allows for the development of the Okvau Gold Project. The Mining Licence has an initial 15-year period with the right to two renewals of up to 10-years for each renewal in accordance with Cambodian laws. The grant of the Mining Licence followed approval of the Okvau Gold Project by the Office of Council Ministers for both the rezoning of the project area to 'Sustainable Use' within the Phnom Prich Wildlife Sanctuary ('PPWS') and the granting of the Mining Licence. The rezoning of the Mining Licence area to 'Sustainable Use' lawfully permits commercial development under Cambodian law and follows the successful negotiation and approval by the Minister of Environment ('MoE') of the environmental contract (the 'Environmental Contract') and environmental licence ('Environmental Licence') in December 2017.

Topography of the tenure area is relatively flat with low relief of 80 metres to 200 metres above sea level. There are isolated scattered hills rising to around 400 metres. The area is sparsely populated with some limited historical small-scale mining activity. All-weather gravel haulage roads in the area provide good access to within 25 kilometres of the Okvau exploration camp site. A new 18 kilometre access road will be constructed as part of development of the Okvau Gold Project.

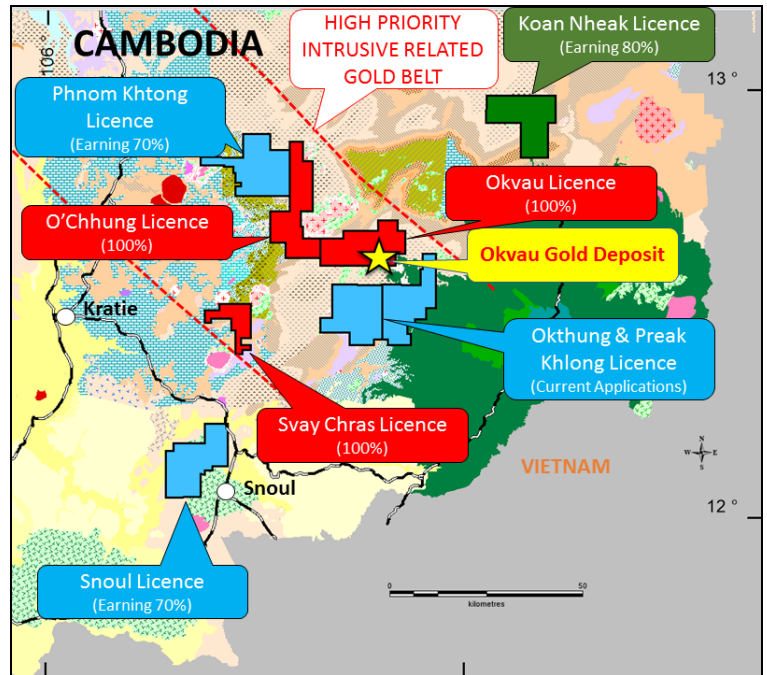
The Okvau Deposit and other gold occurrences within the tenure are directly associated with diorite and granodiorite intrusions and are best classed as Intrusive Related Gold mineralisation. Exploration to date has demonstrated the potential for large scale gold deposits with the geology and geochemistry analogous to other world class Intrusive Related Gold districts, in particular the Tintina Gold Belt in Alaska (Donlin Creek 38Moz, Pogo 6Moz, Fort Knox 10Moz, Livengood 20Moz).

2. Review of Operations (continued)

Figure 1 | Cambodian Gold Project | Location



Figure 2 | Cambodian Gold Project | Exploration Licence Areas



**Okvau Gold Project | Definitive Feasibility Study**

The DFS was completed in May 2017 on the development of a 2.0Mtpa operation at the Okvau Gold Project and was completed to +/-15% level of accuracy (refer Table Three). The completion of the DFS fulfilled a milestone set by Emerald since becoming involved in the project in March 2016.

The DFS confirms an initial operating LOM of over 7 years, producing approximately 106,000 ounces of gold per annum on average, with ore processed through a plant utilising a single stage crushing circuit and SAG mill, sulphide flotation, regrind mill followed by conventional cyanide leaching.

The estimated operating costs highlight a financially robust project with an average LOM AISC of US\$731/oz. The estimated development costs are US\$91M with a further US\$7M in mining contractor establishment costs and pre-production mining costs. The development costs include a US\$4.4M allowance for spare parts and first fills.

At a gold price of US\$1,250/oz, the Okvau Gold Project generates a NPV(5%) of US\$223M (A\$298M) pre-tax and US\$160M (A\$213M) post-tax with an Internal Rate of Return (IRR) of 48% pa pre-tax and 40% post-tax. The payback of the total capital funding requirement is expected to be 26 months pre-tax and 30 months post-tax, from first gold pour.

An updated independent JORC Indicated and Inferred Mineral Resource estimate for the Okvau Deposit of 17.7Mt grading 2.01g/t gold containing 1.141Moz (at 0.70g/t gold cut-off) was updated by independent resource consultant EGRM Consulting Pty Ltd as part of the DFS (refer Table One).

Table 1 | Okvau Mineral Resource Estimate

Okvau June 2017 Mineral Resource Estimate									
Cut-off (Au g/t)	Indicated Resource			Inferred Resource			Total Resource		
	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)
0.70	15.11	2.08	1,008	2.57	1.61	133	17.68	2.01	1,141

The Project has a JORC Ore Reserve (Probable) estimate of 14.26Mt @ 1.98g/t Au for 907,000 ounces gold (refer Table 2).

Table 2 | Okvau Ore Reserve Estimate

Okvau June 2017 Ore Reserve Estimate		
	Tonnage (Mt)	Grade (g/t Au)
Probable Ore Reserve	14.26Mt	1.98g/t Au
		Contained Au (Koz)
		907koz

## 2. Review of Operations (continued)

Key operating and financial outcomes of the DFS, prepared in accordance with the requirements of the JORC Code (2012 Edition), are presented in Table 3.

Table 3| DFS Economics<sup>1</sup>

Ore Reserve	14.3Mt @ 2.0g/t gold for 907koz contained		
LOM Strip Ratio (waste t : ore t)	5.8:1		
Throughput	2.0Mtpa		
Life of Mine	7.2 years		
Processing Recovery	84%		
Recovered Ounces	762koz		
Average Annual Production	106koz		
Pre-production Capital Costs <sup>2</sup>	US\$98M		
Sustaining Capital Costs <sup>3</sup>	US\$23M		
<b>Gold Price</b>	<b>US\$1,100/oz</b>	<b>US\$1,250/oz</b>	<b>US\$1,400/oz</b>
Gross Revenue	US\$838M	US\$952M	US\$1,066M
LOM Net Revenue (net of royalties <sup>4</sup> and refining)	US\$801M	US\$911M	US\$1,020M
Operating Cash Flow pre-tax	US\$309M	US\$419M	US\$528M
Project Cash Flow pre-tax	US\$188M	US\$298M	US\$407M
NPV <sub>(5%)</sub> pre-tax	US\$133M	US\$223M	US\$313M
NPV <sub>(5%)</sub> post-tax <sup>5</sup>	US\$95M	US\$160M	US\$224M
Payback pre-tax	3.0 years	2.2 years	1.6 years
Payback post-tax	3.3 years	2.5 years	1.8 years
IRR pre-tax	32%	48% pa	63%
IRR post-tax <sup>5</sup>	27%	40% pa	54%
LOM C1 Cash Costs <sup>6</sup>	US\$650/oz	US\$650/oz	US\$650/oz
LOM All-In Sustaining Costs ('AISC') <sup>7</sup>	US\$725/oz	US\$731/oz	US\$737/oz

<sup>1</sup> All economics are 100% attributable to Emerald.

<sup>2</sup> Includes US\$4.4M of capital spares and first fills and US\$7.0M of mining capital and pre-production mining costs.

<sup>3</sup> Includes US\$14.4M of rehabilitation and closure costs.

<sup>4</sup> Royalties include Government royalty of 2.5% gross and a third-party royalty of 1.5% gross (capped to A\$22.5M).

<sup>5</sup> Taxation is based on current Cambodian tax law and does not allow for any incentives or tax relief.

<sup>6</sup> C1 Cash Costs include site based mining, processing and admin operating costs plus transport and refining costs.

<sup>7</sup> Includes C1 Cash Costs plus royalties, sustaining capital costs, contributions to environmental & community funds and rehabilitation & closure costs.

### Okvau Gold Project | Pre-Development Activities

During the current half-year period, Emerald announced that it had achieved a significant milestone with the grant of the Okvau Mining Licence. Following the grant of the licence, the focus has been to put in place initial funding which would allow for development activities to commence at the Okvau Gold Project. Emerald was successful in completing a A\$28 million Placement and Share Purchase Plan in December 2018 and concurrently with the Placement, Emerald continued to advance a number of other ancillary items allowing for commencement of development activities.

#### Grid Power

The power line to supply grid power to the Okvau Gold Project was advanced with the execution of a Memorandum of Understanding ('MoU') imminent to confirm power availability from December 2019. Works completed and in progress to date include:

- Route survey completed;
- Power line corridor clearing completed to site;
- Concrete foundations – 54% complete;
- Transmission towers erected - 36% complete; and
- Stringing of power lines - 12% complete.

The power line contractor continues to advise works are scheduled for completion prior to end of 2019. The provision of grid power is a critical step to production and it is an extremely positive outcome that grid power availability is expected upon commissioning of the operations.

## 2. Review of Operations (continued)

### Access Road

Negotiations for the construction of the access road progressed during the period which includes the construction of a 35 tonne bridge across the Prek Te River. Independent to Emerald, a third party has commenced work to improve road access. Further, as part of the road access negotiations, Emerald will have the use of a temporary 20 tonne bridge to cross the Prek Te River to allow continuous access to the Okvau site throughout the May – September wet season.

### Mining Contract

Discussions relating to the mining contract were advanced during the period culminating in the announcement in January 2019 that an MoU was signed with MACA Limited ("MACA") to supply earthmoving equipment and conduct contract mining services at the Okvau Gold Project. The MoU remains subject to a final investment decision to develop the project by the Emerald Board of Directors and commits Emerald and MACA to collectively develop the Okvau Gold Project in a traditional principal contractor relationship. The MoU acknowledges that both parties are in agreement on the terms, conditions, schedule and schedule of earthmoving rates contained in a mutually negotiated mining services contract (to be signed and actioned on a final investment decision on the project by the Emerald Board of Directors). Emerald views the signing of the MoU with MACA as a very positive step in the development of the Okvau Gold Project adding a high level of confidence in the execution of the mining schedule with the highly experienced MACA earthmoving team. The contract provides for the use of new fit for purpose earthmoving equipment with an onsite expatriate management team experienced in similar international operations. The Board and Management of Emerald have worked closely with the team at MACA over the past 20 years in a multitude of different operations and are very pleased to continue the relationship on the Okvau Gold Mine Development.

### Resettlement

During the period the resettlement of a total of 62 local families has been agreed and successfully compensated to relocate away from the Okvau Mining Licence area. The relocation of the families clears a path for Emerald to commence site works on the project area as the schedule requires. The relocation process was governed by a committee of relevant stakeholders, and was conducted in a manner consistent with the IFC guidelines as set out in its approved Resettlement Action Plan (RAP).

### Grade Control Drilling

In order to further de-risk the development of the Okvau Gold Project, Emerald completed a 10,166m, 368 hole shallow (~25m) grade control program drilled on 10m by 10m spacing. The first phase of the program which was completed in December 2017 consisted of an initial 152 holes for a total of 4,672m. The second phase commenced in July 2018 and consisted of 216 holes for 5,494m, with assay results of the program announced in October 2018. Results to date support the DFS Ore Reserve, particularly in respect to gold grade. For full results refer to ASX Announcement dated 3 and 24 October 2018. The cost of the program will represent an operating cost saving.

### Mineral Investment Agreement

Emerald has continued to progress the negotiation of a Mineral Investment Agreement ('MIA') with further Inter-Ministerial Committee meetings attended by various Cambodian Ministries and bodies that are instrumental in the material components of the MIA, including the Ministry of Mines and Energy and the Ministry of Economy and Finance. The MIA is an agreement Emerald has requested and is allowed under the Cambodian Law on Mineral Resources to provide long term certainty regarding the operation of the Okvau Gold Project and the fiscal regime. The MIA is not required for the lawful development and operation of the Okvau Gold Project.

### Project Financing

Emerald continued discussions with a number of potential financiers for the development of the Okvau Gold Project. Funds that were raised under the recent Placement and Share Purchase Plan allow the Company to commence development activities as noted above, whilst these discussions are currently taking place. Completion of financing will be subject to lender due diligence, formal documentation and credit approval, typical for a transaction of this nature. However, significant progress was made during the period on the due diligence, particularly in respect to the technical independent expert report, which was completed following the recently completed infill drilling program which added confidence to the resource model. The technical report has been provided to prospective financiers to aid in the bidding process.

## 2. Review of Operations (continued)

### Okvau Gold Project | Resource Growth

#### Exploration Drilling

The DFS only considered an open pit mining operation. The Okvau Deposit remains open with potential to define additional ounces from shallow extensions along strike to the north-east. There is also potential at depth with high grade shoots providing longer term underground potential. High grade resources have been defined immediately below the floor of the final pit design. Subsequent to the end of the half-year period, Emerald have commenced a drill program designed to test the geological interpretation of the contact zone of the north-east extension of the Okvau Deposit.

#### Regional Exploration

##### Mekong Minerals Ltd | Joint Venture (Emerald Earning 70% Interest)

The Snoul and Phnom Khtong Projects cover 411km<sup>2</sup> of highly prospective tenure with historical drilling demonstrating significant gold discovery potential in close proximity to the Okvau Gold Project. During the period Emerald completed initial soils program on both the Snoul and Phnom Khtong Projects.

The initial regional soils program completed during the period within the Snoul Licence was designed to follow up on historical drilling results which consisted of a total of 10 RC holes and 37 diamond holes and was targeted partly on a gold anomaly defined by shallow soil samples. Emerald undertook a 427 auger soil sampling program which confirmed the large gold in soil anomaly and results will assist with the planning of a proposed drill program to infill the significant historical drilling results. For full results refer to ASX Announcement dated 3 August 2018.

Results were also received from its initial exploration program at the Phnom Khtong Project. The program consisted of 300 auger soil samples and 30 rock chips which were taken across the core of the surface geochemical anomalies previously identified at the Oh Tron prospect by Southern Gold. The program was planned to test and confirm the anomalies defined by historical exploration which included:

- A high resolution airborne magnetic and radiometric survey over the area which assisted in identifying several probable intrusive bodies;
- A regional 100 x 800 metre shallow soil sampling program over the licence with Oh Tron being infilled down to 50 x 100 metre spacing; and
- 29 shallow RC holes (581m) have been drilled within the Oh Tron prospect (refer to ASX Announcement dated 13 July 2017).

An additional auger soil sampling program is currently being planned to further refine anomalism prior to the commencement of a systematic drill out of the 1.3 km strike length +30ppb core zone of the central Oh Tron anomaly and the significant rock chips associated with the 1.0 km strike length +10ppb Oh Tron West soil anomaly. For full results refer to ASX Announcement dated 26 November 2018.

Emerald also commenced an Initial Environmental Impact Assessment ('IEIA') on both the Snoul and Phnom Khtong Projects and continued planning a follow up drilling program upon approval of the IEIAs by the MoE.

##### Angkor Gold Corp. | Earn-In Agreement (Emerald Earning 80% Interest)

The Koan Nheak Project is a Joint Venture with Angkor Gold Corp ('Angkor Gold', TSX listed) whereby Emerald may earn up to an 80% interest. Emerald has previously undertaken initial reconnaissance field work within the Koan Nheak exploration licence focusing in and around the Peacock Prospect. No drilling has ever been undertaken within the exploration licence.

During the period, follow up soil sampling was undertaken at the Peacock Prospect. The current program has now infilled the Peacock prospect to a 50m x 50m grid on the southern anomaly and 100m x 100m grid on the northern anomaly. To date, 596 Auger samples have been taken from the Peacock prospect. The follow up geochemical soil sampling program at the Peacock Prospect identified a second gold anomaly with the new discovery substantially increasing the target strike at the prospect. For full results refer to ASX Announcement dated 3 August 2018.

Following the results of the soil sampling program, Emerald has commenced the preparation and submission of an IEIA and continued planning a maiden drill program to commence upon approval of the IEIA by the MoE.



## 2. Review of Operations (continued)

### Other Tenure | New Grants and Applications

Emerald completed an IEIA and received approval by the MoE during the period on its 100% owned Svay Chras Project which covers 74.3km<sup>2</sup>. Following the approval by the MoE, Emerald commenced an initial broad spaced geochemical soils program with results to be released when available.

Emerald has submitted exploration licence applications in its own name over the Preak Khlong and O'Khtung Projects covering 392km<sup>2</sup>. Emerald has completed IEIAs over these two projects and were completed to allow for the progression of the application process.

### Corporate Activities

During the period, Emerald successfully completed a A\$28 million Placement consisting of a two tranche placement to existing and new institutional shareholders and a Share Purchase Plan to existing eligible shareholders. The Placement provides funding to be used towards:-

- commence development activities at the Okvau Project;
- regional exploration program on Emerald's 1,442km<sup>2</sup> Cambodian exploration footprint;
- repayment of unsecured loans; and
- ongoing working capital requirements and costs of the placement.

Funds raised under the placement has allowed for the commencement of development activities whilst the Company advances discussions with multiple parties on debt finance.

On 3 October 2018, the Company announced that Mr Michael Evans had joined the Board as an Executive Director. Mr Evans was appointed Chief Operating Officer of the Company in May 2016 and has over 20 years experience in various mining and processing industries throughout Australia and Africa. Prior to joining the Company he spent 7 years with Regis Resources Ltd (ASX:RRL) firstly as Projects Manager and in April 2014 he was appointed as Chief Development Officer and was responsible for the construction of the processing plant at the Moolart Well, Garden Well and Rosemont gold mines. Before that, Mr Evans spent 10 years with Equigold NL where he was instrumental in the construction of the Bonikro processing plant in Cote D'Ivoire.

Mr Evans has developed a very strong understanding of the Okvau Project and will take responsibility for all design, development and construction activities for the Project.

Emerald's consolidated cash and listed investment position at 31 December 2018 was approximately A\$24.7 million, comprising A\$24.5 million in cash plus A\$0.2 million in listed investments. Expenditure during the period mainly related to costs associated with the A\$28 million Placement, further work for project licencing, due diligence costs for development financing and exploration programs undertaken to meet joint venture and earn-in commitments.

The Company holds 2,361,528 shares and 1,180,764 options (20 cents) in Riversgold Limited ('Riversgold'; ASX:RGL). At the current Riversgold share price, Emerald's holding has a value of approximately A\$0.2 million.

During the period, entities associated with certain Directors provided unsecured loan facilities totalling up to A\$3 million 'Facility', with the Facility being drawn by A\$2 million in August 2018. The Facility was with an interest rate of 8.0% pa (6.5% plus RBA Cash Rate Target) capitalising quarterly. No other fees were payable on the Facility. Following the completion of the A\$28 million placement in December 2018, the Facility to the Directors was repaid in line with the use of funds as outlined for the Placement.

### About Cambodia

Cambodia is a constitutional monarchy with a constitution providing for elections every 5 years with last election recently held in July 2018. The population of Cambodia is approximately 16 million.

Cambodia has a relatively open trading regime and joined the World Trade Organisation in 2004. The government's adherence to the global market, freedom from exchange controls and unrestricted capital movement makes Cambodia one of the most business friendly countries in the region.

The Cambodian Government has implemented a strategy to create an appropriate investment environment to attract foreign companies, particularly in the mining industry. Cambodia has a modern and transparent mining code and the government is supportive of foreign investment particularly in mining and exploration to help realise the value of its potential mineral value.

Detailed information on all aspects of Emeralds' projects can be found on the Company's website [www.emeraldresources.com.au](http://www.emeraldresources.com.au).

**3. Lead Auditor's Independence Declaration**

A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

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

A handwritten signature in black ink, appearing to read 'Morgan Hart', written over a horizontal line.

Morgan Hart  
Managing Director

Perth, Western Australia, 15 March 2019

### Forward Looking Statement

This announcement contains certain forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about the industry in which Emerald Resources operates, and beliefs and assumptions regarding the Company's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known or unknown risks, uncertainties and other factors, some of which are beyond the control of the Company, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, which reflect the view of Emerald Resources only as of the date of this announcement. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Emerald Resources will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

This announcement has been prepared in compliance with the current JORC Code 2012 Edition and the ASX listing Rules. All material assumptions on which the forecast financial information is based have been included in this announcement.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets and financial estimates, based on the information contained in this announcement. All material assumptions underpinning the production target or the forecast financial information continue to apply and have not materially changed.

100% of the production target referred to in the 1 May 2017 announcement is based on Probable Ore Reserves.

Emerald has a highly experienced management team, undoubtedly one of the best credentialed gold development teams in Australia with a proven history of developing projects successfully, quickly and cost effectively. They are a team of highly competent mining engineers and geologists who have overseen the successful development of gold projects in developing countries such as the Bonikro Gold Project in Cote d'Ivoire for Equigold NL and more recently, Regis Resources Ltd.

The Company believes it has a reasonable basis to expect to be able to fund and develop the Okvau Gold Project for the reason set out above and in this announcement. However, there is no certainty that the Company can raise funding when required.

### Competent Persons Statements

The information in this report that relates to Exploration and Grade Control Results is based on information compiled by Mr Keith King, who is an employee of the Company and who is a Member of The Australasian Institute of Mining & Metallurgy. Mr Keith King has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Keith King has reviewed the contents of this release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources for the Okvau Gold Deposit was prepared by EGRM Consulting Pty Ltd, Mr Brett Gossage, who is a consultant to the Company, who is a Member of the Australasian Institute of Mining & Metallurgy (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Gossage has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

Information in this announcement that relates to Ore Reserves for the Okvau Gold Deposit is based on, and fairly represents, information and supporting documentation prepared by Mr Glenn Williamson, an independent specialist mining consultant. Mr Williamson is a Fellow of the Australasian Institute of Mining & Metallurgy. Mr Williamson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (or "CP") as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williamson has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Emerald Resources NL for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia  
15 March 2019



**N G Neill**  
Partner

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This interim 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 2018 and any public announcements made by Emerald Resources NL during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This interim financial report covers the consolidated entity consisting of Emerald Resources NL and its subsidiaries.

The financial report is presented in the Australian currency.

Emerald Resources NL is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Emerald Resources NL  
1110 Hay Street  
West Perth WA 6005

A description of the nature of the group's operations is included in the directors' report on pages 4 - 9, which is not part of this financial report.

The financial report was authorised for issue by the directors on 15 March 2019. The company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the company. All press releases, financial reports and other information are available on our website: [www.emeraldresources.com.au](http://www.emeraldresources.com.au).

Consolidated Statement of Profit or Loss and Other Comprehensive Income

**For the Half-Year Ended 31 December 2018**

	Notes	Consolidated	
		31 December 2018 \$	31 December 2017 \$
Revenue		31,038	63,615
Other income	4	135,744	403,663
Administrative costs		(141,292)	(172,031)
Consultancy expenses		(65,666)	(182,990)
Employee benefits expense		(288,296)	(460,895)
Share based payment expenses		(98,346)	(37,110)
Occupancy expenses		(43,830)	(63,610)
Compliance and regulatory expenses		(62,235)	(62,794)
Insurance expenses		(33,239)	(30,162)
Depreciation expense		(33,797)	(42,735)
Finance costs		(54,249)	(2,935)
Exploration and feasibility expenditure expensed	6	(3,506,324)	(3,300,871)
Exploration and feasibility acquisition costs expensed	6	-	(4,300,000)
Fair value loss on financial assets		(103,738)	-
Other expenditure		-	(16)
<b>(Loss) before income tax</b>		<b>(4,264,230)</b>	<b>(8,188,871)</b>
Income tax benefit/(expense)		-	-
<b>(Loss) attributable to owners</b>		<b>(4,264,230)</b>	<b>(8,188,871)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
- Exchange differences on translation of foreign operations	8	2,729	812
<b>Total comprehensive loss for the period</b>		<b>(4,261,501)</b>	<b>812</b>
<b>Loss for the period is attributable to</b>			
Owners of the company		(4,264,230)	(8,188,871)
Non-controlling interest		-	-
<b>Loss for the period</b>		<b>(4,264,230)</b>	<b>(8,188,871)</b>
<b>Total comprehensive loss for the period is attributable to</b>			
Owners of the company		(4,261,501)	(7,137)
Non-controlling interest		-	7,949
<b>Total comprehensive loss for the period</b>		<b>(4,261,501)</b>	<b>812</b>
<b>Earnings per share</b>			
Basic and diluted (loss) / earnings per share - cents per share		(0.19)	(0.39)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## As at 31 December 2018

	Notes	Consolidated	
		31 December 2018 \$	30 June 2018 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	24,456,164	1,177,887
Trade and other receivables		297,150	324,810
Financial assets at fair value		206,030	309,768
<b>Total Current Assets</b>		<b>24,959,344</b>	<b>1,812,465</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		142,790	170,811
Exploration and evaluation expenditure	6	33,600,933	33,600,933
<b>Total Non-Current Assets</b>		<b>33,743,723</b>	<b>33,771,744</b>
<b>Total Assets</b>		<b>58,703,067</b>	<b>35,584,209</b>
<b>Current Liabilities</b>			
Trade and other payables		920,939	783,399
<b>Total Current Liabilities</b>		<b>920,939</b>	<b>783,399</b>
<b>Non-Current Liabilities</b>			
Provisions		103,451	-
<b>Total Non-Current Liabilities</b>		<b>103,451</b>	<b>-</b>
<b>Total Liabilities</b>		<b>1,024,390</b>	<b>783,399</b>
<b>Net Assets</b>		<b>57,678,677</b>	<b>34,800,810</b>
<b>Equity</b>			
Issued capital	7	115,649,984	88,608,962
Reserves	8	2,439,850	2,338,775
Accumulated losses		(60,411,157)	(56,146,927)
<b>Total Equity</b>		<b>57,678,677</b>	<b>34,800,810</b>

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 2018

Consolidated	Issued Capital	Options Reserve	Foreign Exchange Translation Reserve	Accumulated Losses	Equity Attributable to the Owners of the Parent	Non-Controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	88,460,333	2,315,964	203,792	(44,723,325)	46,256,764	(102,544)	46,154,220
Net loss for the period	-	-	-	(8,188,871)	(8,188,871)	-	(8,188,871)
Exchange differences on translation of foreign operations	-	-	(7,137)	-	(7,137)	7,949	812
Total comprehensive loss for the period	-	-	(7,137)	(8,188,871)	(8,196,008)	7,949	(8,188,059)
<i>Transactions with owners recorded directly in equity:</i>							
Contributions of equity	-	-	-	-	-	-	-
Share based payment transactions	152,305	(27,662)	-	-	124,643	-	124,643
Transaction costs of issuing capital	(3,676)	-	-	-	(3,676)	-	(3,676)
	148,629	(27,662)	-	-	120,967	-	120,967
Total equity at 31 December 2017	88,608,962	2,288,302	196,655	(52,912,196)	38,181,723	(94,595)	38,087,128
Balance at 1 July 2018	88,608,962	2,339,644	(869)	(56,146,927)	34,800,810	-	34,800,810
Net loss for the period	-	-	-	(4,264,230)	(4,264,230)	-	(4,264,230)
Exchange differences on translation of foreign operations	-	-	2,729	-	2,729	-	2,729
Total comprehensive loss for the period	-	-	2,729	(4,264,230)	(4,261,501)	-	(4,261,501)
<i>Transactions with owners recorded directly in equity:</i>							
Contributions of equity	27,930,000	-	-	-	27,930,000	-	27,930,000
Share based payment transactions	-	98,346	-	-	98,346	-	98,346
Transaction costs of issuing capital	(888,978)	-	-	-	(888,978)	-	(888,978)
	27,041,022	98,346	-	-	27,139,368	-	27,139,368
Total equity at 31 December 2018	115,649,984	2,437,990	1,860	(60,411,157)	57,678,677	-	57,678,677

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



**For the Half-Year Ended 31 December 2018**

	Notes	Consolidated	
		31 December 2018 \$	31 December 2017 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(687,532)	(839,472)
Interest received		19,003	75,937
Payments for exploration and evaluation		(3,214,645)	(3,231,523)
Interest and other costs of finance paid		(52,281)	-
Research and development refund		-	146,006
<b>Net cash (used in) operating activities</b>		<b>(3,935,455)</b>	<b>(3,849,052)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(454)	(114,333)
Repayment of loan from other entities		124,935	-
<b>Net cash provided by/(used in) investing activities</b>		<b>124,481</b>	<b>(114,333)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares and other equity securities		27,930,000	87,533
Share issue transaction costs		(840,941)	(3,676)
<b>Net cash provided by financing activities</b>		<b>27,089,059</b>	<b>83,857</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>23,278,085</b>	<b>(3,879,528)</b>
Cash and cash equivalents at the beginning of the period	5	1,177,887	8,529,435
Effect of exchange rates on cash holding in foreign currencies		192	1,014
<b>Cash and cash equivalents at the end of the period</b>	<b>5</b>	<b>24,456,164</b>	<b>4,650,921</b>

Amounts shown above relating to payments to suppliers and employees include goods and services tax.

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

## 1. Statement of Significant Accounting Policies

### (a) Basis of preparation of half-year report

This general purpose interim financial report for the half-year reporting period ended 31 December 2018 has been 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*.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2018 and any public announcements made by Emerald Resources NL and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 July 2018 disclosed in section 1(b). These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments. 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 financial statements, the half-year has been treated as a discrete reporting period.

### (b) New and Revised Accounting Requirements Applicable to the Current Half-year Reporting *Standards and Interpretations applicable to 31 December 2018*

In the half-year ended 31 December 2018, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2018, specifically AASB 9 Financial Instruments and AASB 15 Revenue from contracts with customers.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

### *Standards and Interpretations on issue not yet effective to 31 December 2018*

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2018.

As a result of this review the Directors have determined that AASB 16 Leases may have a material effect on the application in future periods.

AASB 16 replaces AASB 117 Leases and related interpretations.

AASB 16 removes the classification of leases as either operating leases or finance leases – for the lessee – effectively treating all leases as finance leases. Most leases will be capitalised on the statement of financial position by recognising a lease liability for the present value obligation and a 'right of use' asset. The right of use asset is calculated based on the lease liability plus initial direct costs, prepaid lease payments and estimated restoration costs less lease incentives received. This will result in an increase in the recognised assets and liabilities in the statement of financial position as well as a change in the expense recognition with interest and depreciation replacing operating lease expense. There are exemptions for short-term leases and leases of low-value items.

## 1. Statement of Significant Accounting Policies (continued)

### (c) Statement of compliance

The interim financial statements were authorised for issue on 15 March 2019.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

### (d) Significant accounting judgments and key estimates

The preparation of half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2018.

#### *Exploration and evaluation expenditure*

The exploration and evaluation expenditure accounting policy is to expense expenditure as incurred other than for the capitalisation of acquisition costs.

Acquisition costs relating to exploration and evaluation expenditure is carried forward where right of tenure of the area of interest is current. This expenditure is carried forward at reporting date where either;

- Exploration and evaluation activities have not reached a stage that permits a reasonable assessment of the existence of economically recoverable reserves; or
- Exploration and evaluation activities provide a basis that capitalised expenditure will be recouped through commercial production.

The ultimate recoupment of expenditure carried forward for exploration and evaluation is dependent upon successful development and commercial exploitation or sale of respective areas.

#### *Taxation*

Balances disclosed in the financial statements related to taxation, are based on best estimates of Directors'. These estimates take into account both the financial performance and position of the group as they pertain to current income tax legislation and the Directors understanding thereto.

### (e) Going concern

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

## 2. Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified four operating segments, being exploration and evaluation within Cambodia, Australia and the corporate/head office function.

The segment information provided to the board of directors for the reportable segments for the half-year ended 31 December 2018 is as follows:

	Exploration and evaluation			Total \$
	Cambodia \$	Australia \$	Corporate \$	
Half-year ended 2018				
Total segment revenue	-	-	31,038	31,038
Interest revenue	-	-	31,038	31,038
Total segment gain/(loss) before income tax	(3,484,633)	(47,275)	(732,322)	(4,264,230)

## 2. Segment information (continued)

	Exploration and evaluation		Corporate	Total
	Cambodia	Australia		
	\$	\$	\$	\$
Half-year ended 2017				
Total segment revenue	-	-	63,615	63,615
Interest revenue	-	-	63,615	63,615
Total segment gain/(loss) before income tax	(7,509,375)	(125,284)	(554,212)	(8,188,871)
Total segment assets				
31 December 2018	33,776,539	-	24,926,528	58,703,067
30 June 2018	33,887,082	-	1,697,127	35,584,209
Total segment liabilities				
31 December 2018	(268,970)	-	(755,420)	(1,024,390)
30 June 2018	(206,238)	-	(577,161)	(783,399)

## 3. Dividends

No dividends have been paid or recommended during the current or prior interim reporting period or subsequent to reporting date.

	Consolidated	
	31 December 2018	31 December 2017
	\$	\$
<b>4. Other income</b>		
Foreign exchange gains	10,809	27,818
Fair value gains on financial assets	-	375,845
Repayment of loan from previously consolidated entity	124,935	-
Total other income	135,744	403,663

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
<b>5. Cash &amp; Cash Equivalents</b>		
(a) Cash & cash equivalents		
Cash at bank and in hand	8,386,164	807,887
Deposits	16,070,000	370,000
Total cash and cash equivalents	24,456,164	1,177,887
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.00% and 1.00% (30 June 2018: 0.00% and 0.50%).		
(c) Deposits		
Deposits are bearing an interest rates between 2.40% and 2.72% (30 June 2018: 2.55% and 2.57%).		

	Consolidated	
	Six months to 31 December 2018 \$	Twelve months to 30 June 2018 \$
<b>6. Exploration &amp; Evaluation Expenditure</b>		
Costs carried forward in respect of areas of interest:		
<i>Exploration and evaluation phase – at cost</i>		
Balance at the beginning of the period	33,600,933	37,900,933
Exploration and evaluation expenditure incurred	3,506,324	5,957,923
Exploration and evaluation expenditure expensed	(3,506,324)	(5,957,923)
Acquisition costs expensed	-	(4,300,000)
Closing balance at the end of the period	<u>33,600,933</u>	<u>33,600,933</u>
The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.		

	Consolidated			
	31 December 2018 Shares	30 June 2018 Shares	31 December 2018 \$	30 June 2018 \$
<b>7. Issued Capital</b>				
Ordinary shares - fully paid	3,042,252,533	2,111,252,533	115,649,984	88,608,962

	Date	Shares	Consolidated	
			Issue Price	Total \$
(a) Movements in issued capital				
Opening balance as at 1 July 2017		2,107,977,533		88,460,333
Exercise of options (including transfer from reserve)	1 Nov 2017	2,500,000	\$0.044	110,500
Exercise of options (including transfer from reserve)	14 Nov 2017	775,000	\$0.054	41,805
Less: Transaction costs				(3,676)
Closing balance as at 30 June 2018		<u>2,111,252,533</u>		<u>88,608,962</u>
Opening balance as at 1 July 2018		2,111,252,533		88,608,962
Share placement	12 Nov 2018	416,666,668	\$0.030	12,500,000
Share placement	7 Dec 2018	31,000,000	\$0.030	930,000
Share placement	19 Dec 2018	483,333,332	\$0.030	14,500,000
Less: Transaction costs				(888,978)
Closing balance as at 31 December 2018		<u>3,042,252,533</u>		<u>115,649,984</u>

	Consolidated	
	31 December 2018 \$	30 June 2018 \$
<b>8. Reserves</b>		
(a) Option reserves		
Opening balance	2,339,644	2,315,964
Options vesting as remuneration during the period	98,346	88,452
Exercise of options (transferred to issued capital)	-	(64,772)
Closing balance	<u>2,437,990</u>	<u>2,339,644</u>
(b) Foreign currency translation reserve		
Opening balance	(869)	203,792
Exchange differences arising on translation of foreign operations	2,729	(204,661)
Closing balance	<u>1,860</u>	<u>(869)</u>
(c) Total reserves		
Option reserve	2,437,990	2,339,644
Foreign currency translation reserve	1,860	(869)
Total reserves	<u>2,439,850</u>	<u>2,338,775</u>

## 9. Options

### (a) Movements in options

The following sets out a summary of option movements during the six month period ending 31 December 2018:

Expiry date	Exercise price	Balance at start of period	Issued during the period	Exercised during the period	Cancelled/lapsed during the period	Balance at end of the period
20 Jan 2020	\$0.025	17,500,000	-	-	-	17,500,000
30 Sep 2020	\$0.032	21,777,000	-	-	-	21,777,000
06 Jan 2022	\$0.052	2,500,000	-	-	-	2,500,000
08 Mar 2022	\$0.057	3,372,500	-	-	-	3,372,500
06 Jul 2022	\$0.049	2,500,000	-	-	-	2,500,000
21 Jan 2022	\$0.051	1,802,500	-	-	(1,337,500)	465,000
07 Jun 2022	\$0.043	15,000,000	-	-	-	15,000,000

### (b) Options issued to Directors, management, employees and consultants

There were no options issued during the six months to 31 December 2018.

The fair value of the options issued is recognised over the vesting period of the options. An amount of \$98,346 was recognised in the Consolidated Statement of Profit or Loss for the six-month period ending 31 December 2018 (December 2017: \$37,110).

All options are issued as part of the incentive component of remuneration packages and are all subject to vesting conditions as follows:

- 50% of options issued vest 24 months from the date of appointment of the employee; and
- The remaining 50% of options issued vest 36 months from the date of appointment.

## 10. Commitments and Contingencies

There are no material changes to commitments and contingences since 30 June 2018.

## 11. Events Occurring Subsequent to Reporting Date

There are no material events subsequent to balance date.

## 12. Financial Instruments

### *Fair value measurement*

This note provides information about how the Group determines fair value of various financial assets and financial liabilities.

### *Measured at fair value on a recurring basis*

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial assets within the statement of financial position of \$206,030 (June 2018: \$309,768) are Level 1 assets.

## Director's Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 13 to 23 are in accordance with the *Corporations Act 2001*, including:
  - i. complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Emerald Resources NL 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.



**Morgan Hart**  
**Managing Director**

Perth, Western Australia, 15 March 2019



## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Emerald Resources NL

### **Report on the Condensed Half-Year Financial Report**

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Emerald Resources NL (“the company”) which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors’ declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Emerald Resources NL 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 2018 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*.

#### *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 2018 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.

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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*.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**15 March 2019**



**N G Neill**  
**Partner**