



**RESOURCE MINING CORPORATION LIMITED**

**ABN 97 008 045 083**

**FINANCIAL REPORT**

**HALF-YEAR ENDED 31 DECEMBER 2013**

**Resource Mining Corporation Limited**  
**Half-year Ended 31 December 2013**

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## Resource Mining Corporation Limited Corporate Directory

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<b>ABN</b>	97 008 045 083
<b>Directors</b>	William (Bill) Mackenzie (Non-Executive Chairman) Warwick Davies (Managing Director) Zhang Chi (Andy) (Non-Executive Director)
<b>Company Secretary</b>	Ann Hadden
<b>Registered Office</b>	702 Murray Street WEST PERTH, WESTERN AUSTRALIA 6005
<b>Principal Place of Business</b>	702 Murray Street WEST PERTH, WESTERN AUSTRALIA 6005  Telephone: +61 8 9213 9400 Facsimile: +61 8 9213 9444 Website: www.resmin.com.au
<b>Share Registry</b>	Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St Georges Terrace PERTH, WESTERN AUSTRALIA 6000  Telephone: +61 8 9323 2000 Facsimile: +61 8 9323 2033
<b>Auditor</b>	BDO Audit (WA) Pty Ltd 38 Station Street SUBIACO, WESTERN AUSTRALIA 6008  Telephone: +61 8 6382 4600 Facsimile: +61 8 6382 6401
<b>Bankers</b>	Westpac Bank 116 James Street NORTHBRIDGE, WESTERN AUSTRALIA 6000
<b>Securities Exchange Listing</b>	Resource Mining Corporation Limited shares are listed on the Australian Securities Exchange (Home Exchange – Perth) ASX Code: Shares RMI

# Resource Mining Corporation Limited

## Half Year Directors' Report

### December 2013

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The Directors present the financial report of the consolidated entity, consisting of Resource Mining Corporation Limited ('RMC') and its controlled entities ("Consolidated Entity"), for the half-year ended 31 December 2013.

#### HIGHLIGHTS

1. Focus on our goal to continue to add value to EL 1165 Wowo Gap tenement in PNG, milestones achieved during the half year include:
  - General industry interest in potential development of alternate direct nickel ore shipping from countries other than Indonesia and Philippines. Wowo Gap remains a potential interest target.
  - Further Ni mineralisation found within the surface laterite material on EL1980 to the west of the Wowo Gap
  - Significant progress in the Social Awareness and Social Mapping campaigns for EL 1165 both essential for any future mine development; and for changes being considered for PNG Mines Act
2. Rationalisation of WA tenements based on likely prospectivity

#### DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in the office for the entire period unless otherwise stated.

William (Bill) Mackenzie	Non-Executive Chairman
Warwick Davies	Managing Director
Zhang Chi (Andy)	Non-Executive Director

# Resource Mining Corporation Limited

## Half Year Directors' Report

### December 2013

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#### COMPANY REVIEW

#### REVIEW OF OPERATIONS

#### **Wowo Gap Project Activities (Niugini Nickel 100% - A 100% owned subsidiary of RMC)**

The major focus of Resource Mining Corporation remains on the development of its wholly owned Wowo Gap Project located 200 kilometres from the PNG capital of Port Moresby.

#### ***Tenement Renewal***

The current two year term for EL 1165 expired 28<sup>th</sup> February 2014. A two year extension to the lease has been submitted to the Mineral and Resources Authority ("MRA"). Tenure of the tenement remains in good standing during the renewal process. It is not unusual that the renewal process is lengthy, with a past renewal taking over 18 months to complete.

Subsequent to 31 December 2013 notice has been received from the MRA, that the Warden's Court hearing for the tenement renewal process will be conducted on 27 March 2014. Hearings will take place in two villages adjacent to the Wowo Gap Project. At the Warden's Court hearing, local landowners and villagers have the opportunity to express their views regarding the continuation of tenement ownership by Niugini Nickel. Tenure of the tenement remains in good standing during the renewal process and RMC is confident the renewal of tenement will be granted.

#### ***Other Tenements***

As well as the renewal of EL 1165, Niugini Nickel has other exploration licences in the area: EL 1979 and EL 1980. Both tenements are adjacent to EL 1165 and contain similar ultra-mafic rocks to the Wowo Gap Project that have the potential to host nickel laterite mineralisation.

With the growth of interest in alternative sources of nickel laterite ore to Indonesia and Philippines, RMC has become aware of the need to investigate the opportunity for further nickel laterite resources. Major end users of nickel laterite ore are understood to support companies with extensive resources.

#### ***Social Mapping and Social Awareness Campaign***

RMC has been undertaking an important and significant Social Awareness and Social Mapping Program in the villages in immediate and near-by proximity to EL 1165. There are two main tribes associated with EL 1165, the Foyo tribe and the Boure tribe. In each tribe there are clan and sub clan groups. The social mapping identified and mapped the tribal boundaries as well as clan boundaries. Land ownership is traditional with no written records, however, for any future development, the Company needs to be aware of these boundaries when compensation payments are made. The report is in final draft stages and will be made available to the traditional owners for final signoff, once it has been finalised. All agreed boundaries will be registered with the Provincial Land Authorities on completion of the task.

#### ***Hydro Power Potential***

Following the identification of two waterfalls adjacent to the Wowo Gap ore-body, regular visits to two water-flow measuring sites have been initiated. Water flow, rainfall and other data essential for understanding the hydro power potential is being collected on a 2 weekly basis. The proximity of a significant potential hydro power source in close proximity to the ore-body could be important for any future mining development.

# Resource Mining Corporation Limited

## Half Year Directors' Report

### December 2013

#### **Results of sampling on EL1980**

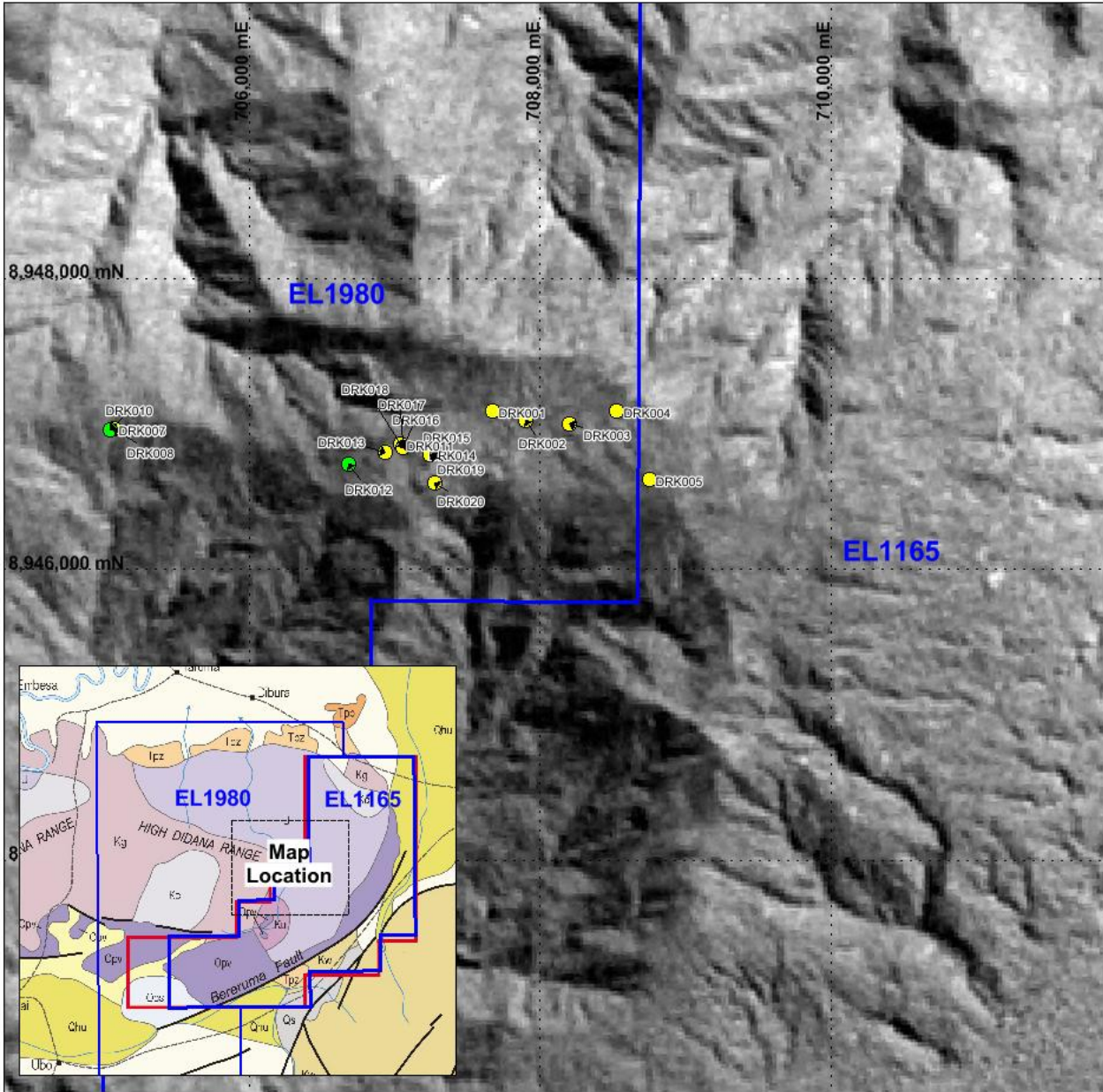
Ground exploration was undertaken to the north west of EL1165 along the Didina Ridge line. Twenty grab samples were taken from surface material along the ridge sampling soils to assess the potential for further Ni laterite mineralisation (Table 1, Figure 1). The samples were submitted for XRF analysis for Ni, Co, Al<sub>2</sub>O<sub>3</sub>, CaO, Cr<sub>2</sub>O<sub>3</sub>, Fe<sub>2</sub>O<sub>3</sub>, MgO, MnO and SiO<sub>2</sub>. The geochemistry was used to interpret the geology of the sampled material, which indicated nine of the samples were probably limonite material. Results from the limonite samples were encouraging with nickel values ranging from 0.35 to 1.01% Ni.

A series of core holes will be drilled along the ridge line to assess the thickness of the laterite profile in early 2014.

**Table 1: Soil Sample Results from EL1980**

Sample #	AMG_East	AMG_North	Ni (%)	Co (%)	Fe <sub>2</sub> O <sub>3</sub>	MgO	SiO <sub>2</sub>	Lith_code
DRK001	707563	8946918	1.01	0.18	63.3	3.77	8.76	Limonite
DRK002	707788	8946857	0.13	0.04	19	4.57	28.4	Ash
DRK003	708088	8946834	0.35	0.01	66.2	2.79	7.52	Limonite
DRK004	708417	8946917	0.11	<0.01	28.7	2.03	25.7	Ash
DRK005	708641	8946445	0.06	0.02	6.31	0.42	41.9	Ash
DRK006	704954	8946794	0.28	0.04	41	4.08	27.3	Ash (Ma?)
DRK007	704954	8946794	0.5	0.04	45.2	6.31	23.8	Mafic?
DRK008	704954	8946794	0.44	0.04	22	5.23	35	Ash/Lim
DRK009	794954	8946794	0.45	0.06	46.6	4.95	25	Mafic?
DRK010	704930	8946793	0.4	0.03	31	12.5	39	Mafic?
DRK011	706928	8946690	0.96	0.07	68.2	1.01	4.53	Limonite
DRK012	706573	8946555	0.21	0.02	28.6	7.08	32.4	Mafic?
DRK013	706822	8946635	0.43	0.08	47.2	0.77	13.5	Lim/Ash
DRK014	706947	8946670	0.31	0.03	40	0.92	12	Ash/Lim
DRK015	706947	8946670	0.73	0.05	66.3	0.86	4.7	Limonite
DRK016	706947	8946670	0.57	0.02	57.3	0.84	9.03	Limonite
DRK017	706947	8946670	0.44	0.02	52.8	1.06	10.6	Limonite
DRK018	706947	8946670	0.59	0.03	56.2	1.24	9.37	Limonite
DRK019	707130	8946622	0.56	0.05	53.2	1.12	9.62	Limonite
DRK020	707162	8946422	0.52	0.12	53.6	0.86	11.4	Limonite

**Resource Mining Corporation Limited  
 Half Year Directors' Report  
 December 2013**



**Figure 1: Location of Soil Samples within EL1980 (Map Datum is MGA'94, zone 55).**

# Resource Mining Corporation Limited

## Half Year Directors' Report

### December 2013

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#### ***Direct Shipping Ore Interest***

Based on the regulatory changes in Indonesia where the Government has announced restrictions in the export of nickel ores from 1<sup>st</sup> January 2014, there is general and considerable industry interest in seeking alternate sources of Nickel ore supply. The Company believes the Wowo Gap Project could supply this market and has focussed recent project activity towards understanding what is required to achieve this outcome and planning accordingly.

There has been recent general interest shown in potential development of a direct shipping of Ni ore from PNG and possibly the Wowo Gap Project. Ongoing activity is focussed on gathering information and refining previous in-house studies on the key factors required for a future mining and shipping operation.

Matters of activity include:

- completion of comprehensive Social Mapping and Social Awareness projects to ultimately arrange and agree a Compensation Agreement with local landowners;
- completion of environmental study and plans;
- completion of mine study plans;
- investigation of port and road haul options; and
- engagement with all relevant stakeholders including the PNG Government departments including regular dialogue with the Minerals Resources Authority (MRA) for all matters pertaining to future development options.

#### **Western Australian Projects (Resource Exploration 100% - A 100% owned subsidiary of RMC)**

##### ***St Patrick's Project: EL 37/1064, EL 37/1078, EL 37/1091, EL 37/110, and EL 37/1118***

Following the disappointing results from the 30 hole RC drilling campaign in June 2013, a full review of drill sample geochemistry and sample magnetic intensity is being conducted to assess potential for the hypothesized greenstone mineralisation to occur at a depth greater than 60m, the depth of the 2013 RC drilling program project. Results of these reviews are due in March 2014.

##### ***Blackstone Range Project: EL 69/2108 and EL 69/2109***

Joint Venture with Redstone Resources Limited, (ASX-RDS). Redstone Resources earned a 90% interest in this project whilst RMC has a 10%, non-contributory free carried interest.



# Resource Mining Corporation Limited

## Half Year Directors' Report

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#### **MATTERS SUBSEQUENT TO 31 DECEMBER 2013**

There has not been any material events subsequent to the end of the reporting date and the date of this half year financial report that has not been recognised in this financial report.

#### **RESULT**

The operating result for the half-year ended 31 December 2013 was a loss after income tax of \$469,225 (2012: \$682,238 loss).

#### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included in this half-year financial report.

Signed in accordance with a resolution of the Board of Directors.



**William (Bill) Mackenzie**  
Chairman

Signed on the 11 March 2014

# Resource Mining Corporation Limited

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

Half-year Ended 31 December 2013

	Note	2013 \$	2012 \$
Revenue		25,327	40,544
Corporate expenses		(128,417)	(117,252)
Employee & consultant fees		(174,383)	(164,246)
Administration & other expenses		(94,430)	(92,041)
Depreciation		(3,408)	(3,524)
Exploration expenditure		(13,656)	(30,403)
Impairment expenses		(8,295)	(200,297)
Research & development expenditure		(71,963)	(115,019)
<b>NET LOSS BEFORE INCOME TAX</b>		<b>(469,225)</b>	<b>(682,238)</b>
<b>INCOME TAX</b>		<b>-</b>	<b>-</b>
<b>LOSS FOR THE PERIOD</b>		<b>(469,225)</b>	<b>(682,238)</b>
<b>OTHER COMPREHENSIVE (LOSS)</b>			
<b>Items that will be reclassified to profit or loss</b>			
Exchange translation difference		(960,344)	(490,026)
<b>OTHER COMPREHENSIVE (LOSS)</b>		<b>(960,344)</b>	<b>(490,026)</b>
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD</b>		<b>(1,429,569)</b>	<b>(1,172,264)</b>
<b>LOSS PER SHARE FOR THE HALF YEAR ATTRIBUTABLE TO MEMBERS OF RESOURCE MINING CORPORATION LIMITED</b>			
Basic loss per share (cents per share)		(0.02)	(0.03)
Diluted loss per share (cents per share)		(0.02)	(0.03)

*The accompanying notes form part of this financial report*

**Resource Mining Corporation Limited**  
**Consolidated Statement of Financial Position**  
As at 31 December 2013

	Note	31 December 2013 \$	30 June 2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		926,766	1,730,283
Trade and other current assets		108,818	203,919
<b>Total Current Assets</b>		<b>1,035,584</b>	<b>1,934,202</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		55,308	62,500
Mineral exploration and evaluation costs	3	10,537,067	11,190,189
<b>Total Non-Current Assets</b>		<b>10,592,375</b>	<b>11,252,689</b>
<b>TOTAL ASSETS</b>		<b>11,627,959</b>	<b>13,186,891</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		94,675	202,204
Employee provisions		7,765	13,997
Interest bearing liability		-	16,276
<b>Total Current Liabilities</b>		<b>102,440</b>	<b>232,477</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee provisions		12,681	12,007
<b>Total Non-Current Liabilities</b>		<b>12,681</b>	<b>12,007</b>
<b>TOTAL LIABILITIES</b>		<b>115,121</b>	<b>244,484</b>
<b>NET ASSETS</b>		<b>11,512,838</b>	<b>12,942,407</b>
<b>EQUITY</b>			
Issued capital		61,942,247	61,942,247
Accumulated losses		(51,183,144)	(50,713,919)
Reserves		753,735	1,714,079
<b>TOTAL EQUITY</b>		<b>11,512,838</b>	<b>12,942,407</b>

*The accompanying notes form part of this financial report*

**Resource Mining Corporation Limited**  
**Consolidated Statement of Changes in Equity**  
Half-year ended 31 December 2013

Consolidated Entity	Note	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Convertible Notes Share Reserve	Total
		\$	\$	\$	\$	\$
<b>6 Months to December 2013</b>						
Balance at 1 July 2013		61,942,247	(50,713,919)	1,714,079	-	12,942,407
Loss for the half year		-	(469,225)	-	-	(469,225)
Other comprehensive loss for the half year		-	-	(960,344)	-	(960,344)
<b>Total comprehensive income/(loss) for the half year</b>		<b>-</b>	<b>(469,225)</b>	<b>(960,344)</b>	<b>-</b>	<b>(1,429,569)</b>
<b>Transactions with owners in their capacity as owners</b>						
Reversal of previous convertible note share reserve to accumulated losses		-	-	-	-	-
Contribution of equity net of transaction costs		-	-	-	-	-
<b>Balance at 31 December 2013</b>		<b>61,942,247</b>	<b>(51,183,144)</b>	<b>753,735</b>	<b>-</b>	<b>11,512,838</b>

Consolidated Entity	Note	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Convertible Notes Share Reserve	Total
		\$	\$	\$	\$	\$
<b>6 Months to December 2012</b>						
Balance at 1 July 2012		61,942,247	(50,947,830)	1,748,825	177,887	12,921,129
Loss for the half year		-	(682,238)	-	-	(682,238)
Other comprehensive loss for the half year		-	-	(490,026)	-	(490,026)
<b>Total comprehensive income/(loss) for the half year</b>		<b>-</b>	<b>(682,238)</b>	<b>(490,026)</b>	<b>-</b>	<b>(1,172,264)</b>
<b>Transactions with owners in their capacity as owners</b>						
Reversal of previous convertible note share reserve to accumulated losses		-	177,887	-	(177,887)	-
Contribution of equity net of transaction costs		-	-	-	-	-
<b>Balance at 31 December 2012</b>		<b>61,942,247</b>	<b>(51,452,181)</b>	<b>1,258,799</b>	<b>-</b>	<b>11,748,865</b>

*The accompanying notes form part of this financial report*

**Resource Mining Corporation Limited**  
**Consolidated Statement of Cash Flows**  
Half-year ended 31 December 2013

	31 December 2013 \$	31 December 2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers	(466,505)	(503,806)
Interest income received	26,698	39,659
Other income received	3,537	4,087
Research and development tax concession	123,599	63,941
Research and development expenditure	(117,887)	-
Government Grant	55,000	-
Interest charges paid	(438)	(1,895)
<b>Net Cash Outflow Used In Operating Activities</b>	<b>(375,996)</b>	<b>(398,014)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for plant and equipment	(1,777)	(3,161)
Payments for exploration expenditure	(406,928)	(569,573)
Proceeds from sale of tenements	10,000	-
<b>Net Cash Outflow Used In Investing Activities</b>	<b>(398,705)</b>	<b>(572,734)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loan	-	62,145
Repayment of borrowings	(16,741)	(28,784)
<b>Net Cash Flows From/(Used In) Financing Activities</b>	<b>(16,741)</b>	<b>33,361</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(791,442)</b>	<b>(937,387)</b>
Cash and cash equivalents at beginning of the period	1,730,283	2,000,049
Effect of exchange rate changes on cash and cash equivalents	(12,075)	(7,097)
<b>Cash and cash equivalents at the end of this period</b>	<b>926,766</b>	<b>1,055,565</b>

*The accompanying notes form part of this financial report*

# Resource Mining Corporation Limited

## Notes to the Half-Year Consolidated Financial Statements

Half-year ended 31 December 2013

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### NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The half year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Resource Mining Corporation Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

#### **Going Concern**

The Consolidated Entity has incurred a net loss after tax of \$469,225 (2012: \$682,238) and experiences net cash outflows from operations of \$375,996 (2012: \$398,014) for the half-year ended 31 December 2013.

The directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the existing balance of cash on hand of \$926,766 at 31 December 2013, and the Consolidated Entity's history of successful capital raising to date, the Directors are confident of the Consolidated Entity's ability to raise additional funds as required and to meet the expenditure commitments of tenement leases held.

The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the company be unable to continue as a going concern.

The consolidated half year report was approved by the Board of Directors on 11 March 2014.

#### **New and Revised Accounting Standards**

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Consolidated Entity's annual financial report for the financial year ended 30 June 2013. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period.

The following Accounting Standards are most relevant to the Consolidated Entity:

- AASB 10 Consolidated Financial Statements
- AASB 11 Joint Arrangements
- AASB 13 Fair Value Measurement
- AASB 119 Employee Benefits

The adoption of all of the new and revised Standards and Interpretations has not resulted in any changes to the Consolidated Entity's accounting policies and has had no effect on the amounts reported for the current or prior periods.

**Resource Mining Corporation Limited**  
**Notes to the Half-Year Consolidated Financial Statements**  
Half-year ended 31 December 2013

**NOTE 2 SEGMENT INFORMATION**

For management purposes, the Consolidated Entity has one segment which is exploration activities relating to minerals and the exploration in 2 countries; Papua New Guinea and Australia.

**For the 6 months ended 31 December 2013:**

	Exploration		Unallocated	Total
	Papua New Guinea	Australia		
	\$	\$	\$	\$
Segment revenue from external customers	-	-	-	-
Revenue from external customers	615	-	24,712	25,327
<b>Total revenue from external customers</b>	<b>615</b>	<b>-</b>	<b>24,712</b>	<b>25,327</b>
Reportable segment loss before income tax	(43,050)	(9,471)	-	(52,521)
Corporate costs (net)	-	-	(370,068)	(370,068)
Research & development expenditure	-	-	(71,963)	(71,963)
<b>Loss before income tax</b>	<b>(42,435)</b>	<b>(9,471)</b>	<b>(417,319)</b>	<b>(469,225)</b>

**As at 31 December 2013**

Segment assets	10,252,455	332,861	-	10,585,316
Cash and cash equivalents	50,148	-	876,618	926,766
Other assets	-	-	115,877	115,877
<b>Total assets</b>	<b>10,302,603</b>	<b>332,861</b>	<b>992,495</b>	<b>11,627,959</b>
Segment liabilities	33,746	-	-	33,746
Other liabilities	-	-	81,375	81,375
<b>Total liabilities</b>	<b>33,746</b>	<b>-</b>	<b>81,375</b>	<b>115,121</b>

**For the 6 months ended 31 December 2012:**

	Exploration		Unallocated	Total
	Papua New Guinea	Australia		
	\$	\$	\$	\$
Segment revenue from external customers	-	-	-	-
Revenue from external customers	-	-	40,544	40,544
<b>Total revenue from external customers</b>	<b>-</b>	<b>-</b>	<b>40,544</b>	<b>40,544</b>
Reportable segment loss before income tax	(35,464)	(204,941)	-	(240,405)
Corporate costs (net)	-	-	(367,358)	(367,358)
Research & development expenditure	-	-	(115,019)	(115,019)
<b>Loss before income tax</b>	<b>(35,464)</b>	<b>(204,941)</b>	<b>(441,833)</b>	<b>(682,238)</b>

**As at 31 December 2012**

Segment assets	10,152,149	705,168	-	10,857,317
Cash and cash equivalents	53,075	-	1,002,490	1,055,565
Other assets	-	-	130,795	130,795
<b>Total assets</b>	<b>10,205,224</b>	<b>705,168</b>	<b>1,133,285</b>	<b>12,043,677</b>
Segment liabilities	78,072	-	-	78,072
Other liabilities	-	-	216,740	216,740
<b>Total liabilities</b>	<b>78,072</b>	<b>-</b>	<b>216,740</b>	<b>294,812</b>

**Resource Mining Corporation Limited**  
**Notes to the Half-Year Consolidated Financial Statements**  
Half-year ended 31 December 2013

**NOTE 3 MINERAL EXPLORATION AND EVALUATION**

	31 December 2013 \$ (6 Months)	31 December 2012 \$ (6 Months)
At cost less impairment brought forward	11,190,189	10,926,053
Foreign exchange adjustment	(948,778)	(482,650)
Expenditure during the period	353,951	528,738
Exploration expenditure written off	(8,295)	(182,237)
Government Grant	(50,000)	-
At cost less impairment carried forward	<b>10,537,067</b>	<b>10,789,904</b>

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

Royalties for Regions Co-funded Government- Industry Drilling Program 2013 funding of \$50,000 was recognised during the period.

***WOWO Gap Project – EL1165 Renewal***

EL 1165, the exploration licence for the tenement with a carry value of \$10,204,206 (2012: \$10,084,736), expired on the 28th February 2014. An application for its renewal for a period of two years has been lodged by the Niugini Nickel Ltd with the Government of Papua New Guinea. Tenure of the tenement remains in good standing during the renewal process. It is not unusual that the renewal process is lengthy, with a past renewal taking over 18 months to complete.

**NOTE 4 OPTIONS**

***Listed options on issue at 31 December 2013***

226,177,905 listed options remain on issue exercisable at \$0.006 on or before 31 January 2015.

**NOTE 5 DIVIDENDS**

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

**NOTE 6 COMMITMENTS**

There has been no material change to the Consolidated Entity's commitments to what was disclosed in the 30 June 2013 financial statements.

**NOTE 7 CONTINGENCIES**

***Contingent Asset***

Resource Mining Corporation Limited and its controlled entities do not have a known material contingent asset, as at 31 December 2013.

***Contingent Liability***

Resource Mining Corporation Limited and its controlled entities do not have a known material contingent liability, as at 31 December 2013.



**Resource Mining Corporation Limited**  
**Notes to the Half-Year Consolidated Financial Statements**  
Half-year ended 31 December 2013

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**NOTE 8 FAIR VALUE FINANCIAL INSTRUMENTS**

***Recurring fair value measurements***

The Consolidated Entity does not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

***Fair values of financial instruments not measured at fair value***

The Consolidated Entity does not have any financial instruments that are not measured at fair value.

**NOTE 9 EVENTS SUBSEQUENT TO REPORTING PERIOD**

There has not been any material events subsequent to the end of the reporting date and the date of this half year financial report that has not been recognised in this financial report.

## DIRECTORS' DECLARATION

The directors of Resource Mining Corporation Limited declare that:

- 1) The financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - (a) comply with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements;
  - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance, as represented by the results of its operations, changes in equity and its cash flows for the half-year ended 31 December 2013.
- 2) At the date of this declaration there are reasonable grounds to believe that Resource Mining Corporation Limited will be able to pay its debts when they become due and payable.

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



**William (Bill) Mackenzie**  
**Chairman**

Dated 11 March 2014

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Resource Mining Corporation Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Resource Mining Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2013, 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 statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

#### Directors' Responsibility for the 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 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 Resource Mining Corporation 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 Resource Mining Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



## 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 Resource Mining Corporation 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 *Corporations Regulations 2001*

## Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding. This condition, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that 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 discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Peter Toll', with the BDO logo above it.

Peter Toll

Director

Perth, 11 March 2014

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF RESOURCE MINING CORPORATION LIMITED

As lead auditor for the review of Resource Mining Corporation 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
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Resource Mining Corporation Limited and the entities it controlled during the period.



Peter Toll

Director

BDO Audit (WA) Pty Ltd

Perth, 11 March 2014