

ALLIANCE MINERAL ASSETS LIMITED
(Company Registration Number: ACN 147 393 735)
(Incorporated in Australia on 6 December 2010)

**Unaudited Financial Statement and Dividend Announcement
For the Financial Year Ended 30 June 2014 (“FY 2014”)**

Alliance Mineral Assets Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 25 July 2014. The initial public offering of the Company (the “IPO”) was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of SGX-ST. The Sponsor has not independently verified the contents of this announcement and has not drawn on any specific technical expertise in its review of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 62298088.

Background

The Company was incorporated in the Commonwealth of Australia on 6 December 2010 under the Corporations Act as a public company limited by shares, under the name of “HRM Resources Australia Ltd”. On 13 March 2014, the Company’s name was changed to “Alliance Mineral Assets Limited.” The Company was admitted to the Catalist on 25 July 2014.

The Company is currently headquartered in Perth, Western Australia, and possesses the right to explore and mine Tantalum at the Bald Hill Tantalite Mine, and surrounding areas. The Bald Hill Project, which spans 59,000 hectares, is located within the Eastern Goldfields Province of the Archaean Yilgran Block, within the Shire of Coolgardie, approximately 50 km east of Widgiemooltha, the nearest township.

Upon the successful completion of the refurbishment of the Bald Hill Treatment Plant and recommissioning of the Bald Hill Tantalite Mine infrastructure, the Company aims to commence trial mining and treatment of Tantalite Ore at the Bald Hill Project, which is processed into Tantalite concentrate.

The Company has no subsidiary companies and therefore, all figures presented herein are those of the Company.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Financial year ended 30 June		
	2014 (Unaudited) A\$	2013 (Audited) A\$	Increase / (Decrease) %
Interest income	7,187	6,373	12.8
Other income	70,169	-	n.m
Loss on foreign exchange	(183,169)	-	n.m
Loss on settlement of financial instruments	(72,839)	-	n.m
Fair value movement on derivatives	(1,098,651)	-	n.m
Accounting and audit expenses	(242,101)	(77,840)	211.0
Consulting and directors' fees	(304,559)	(100,345)	203.5
Tenement expenses	(103,270)	(78,095)	32.2
Bald Hill project expenses	(122,194)	(96,951)	26.0
Listing expenses	(3,629,259)	-	n.m
Administrative expenses	(169,411)	(127,390)	33.0
Employee salaries and other benefits expenses	(68,235)	-	n.m
Share based payment expense	(255,561)	-	n.m
Borrowing costs	(123,763)	(31,640)	291.2
Loss before income tax	(6,295,656)	(505,888)	1,144.5
Income tax expense	-	-	
Loss after tax	(6,295,656)	(505,888)	1,144.5
Other comprehensive income	-	-	-
Total comprehensive loss for the year attributable to owners of the Company	(6,295,656)	(505,888)	1,144.5

(i) n.m = not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Financial year ended		Increase / (Decrease) %
	30 June		
	2014 (Unaudited) A\$	2013 (Audited) A\$	
Interest income	7,187	6,373	12.8
Gain from early settlement of secured loan	70,169	-	n.m
Loss on settlement of financial instruments	(72,839)	-	n.m
Loss on foreign exchange	(183,169)	-	n.m
Fair value movement on derivatives ⁽¹⁾	(1,098,651)	-	n.m
Borrowing costs	(123,763)	(31,640)	291.2
Depreciation expense	(6,918)	-	n.m
Listing expenses	(3,629,259)	-	n.m
Share based payment expense	(255,561)	-	n.m

- (1) In accordance with IAS 39 Financial Instruments, the mandatory conversion right has been bifurcated and accounted for on a fair value basis with all movements recognized in profit and loss.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	As at 30 June	
	2014	2013
	(Unaudited)	(Audited)
	A\$	A\$
CURRENT ASSETS		
Cash and cash equivalents	3,686,272	14,471
Other receivables	382,386	141,092
Other current asset	510,486	-
TOTAL CURRENT ASSETS	4,579,144	155,563
NON CURRENT ASSETS		
Deferred exploration and evaluation expenditure	5,582,001	9,310,000
Mine development	3,882,594	-
Property plant & equipment	10,257,281	8,005,673
TOTAL NON CURRENT ASSETS	19,721,876	17,315,673
TOTAL ASSETS	24,301,020	17,471,236
CURRENT LIABILITIES		
Trade and other payables	1,485,061	4,164,483
Interest bearing loans and borrowings	3,251,746	1,070,204
TOTAL CURRENT LIABILITIES	4,736,807	5,234,687
NON CURRENT LIABILITIES		
Amount due to controlling entity, Living Waters Mining	3,169,938	-
Provision for rehabilitation	600,000	600,000
Interest bearing loans and borrowings	28,990	-
TOTAL NON CURRENT LIABILITIES	3,798,929	600,000
TOTAL LIABILITIES	8,535,736	5,834,687
NET ASSETS	15,765,284	11,636,549
EQUITY		
Issued capital	20,157,971	13,374,625
Reserves	4,317,728	676,683
Accumulated losses	(8,710,415)	(2,414,759)
TOTAL EQUITY	15,765,284	11,636,549

(b)(ii) **Aggregate amount of group's borrowings and debt securities**

Amount repayable in one year or less, or on demand

As at 30 June 2014 (Unaudited)		As at 30 June 2013 (Audited)	
Secured A\$	Unsecured A\$	Secured A\$	Unsecured A\$
7,229	3,244,517	-	-

Amount repayable after one year

As at 30 June 2014 (Unaudited)		As at 30 June 2013 (Audited)	
Secured A\$	Unsecured A\$	Secured A\$	Unsecured A\$
28,990	-	-	-

Details of any collateral

The secured borrowings comprised finance lease liabilities of A\$36,219 (30 June 2013: Nil), which were secured on the Company's motor vehicles

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	For the financial year ended	
	2014	2013
	Unaudited	Audited
	A\$	A\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	7,187	6,373
Interest paid	(1,530)	-
Payments to suppliers and employees	(1,775,993)	(446,514)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(1,770,336)	(440,141)
CASH FLOWS FROM INVESTING ACTIVITIES		
Release/(Payments) of performance bonds	133,470	(3,412)
Payments for mine development	(154,595)	-
Purchase and refurbishment of plant & equipment	(2,218,851)	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(2,239,976)	(3,412)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	4,869,102	-
Payments for share issue costs	(239,629)	-
Proceeds from share with buyback clause	2,200,060	-
Proceeds from issue of convertible loan	2,131,133	-
Payment to finance lease principle	(3,456)	-
Loan drawdowns	-	69,355
Repayment of secured loan	(1,000,035)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	7,957,175	69,355
Net increase/(decrease) in cash and cash equivalents	3,946,864	(374,198)
Cash and cash equivalents at beginning of year	14,471	388,669
Net foreign exchange difference on cash balances	(275,063)	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	3,686,272	14,471

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Issued Capital A\$	Reserves A\$	Accumulated Losses A\$	Total A\$
(Audited)				
Balance as at 1 July 2012	13,374,625	676,683	(1,908,871)	12,142,437
Loss for the year	-	-	(505,888)	(505,888)
Total comprehensive loss for the year	-	-	(505,888)	(505,888)
Balance as at 30 June 2013	13,374,625	676,683	(2,414,759)	11,636,549
(Unaudited)				
Balance as at 1 July 2013	13,374,625	676,683	(2,414,759)	11,636,549
Loss for the year	-	-	(6,295,656)	(6,295,656)
Total comprehensive loss for the year	-	-	(6,295,656)	(6,295,656)
<u>Equity Transactions:</u>				
Parent equity contributions:				
- Share based payment	-	255,561	-	255,561
- Interest free loan	-	849,419	-	849,419
Share based payment reserve	-	2,536,065	-	2,536,065
Issued of 5,645,161 shares	2,669,039	-	-	2,669,039
Issued of 2,478,364 shares without buy back clause	2,200,063	-	-	2,200,063
Equity element of shares issued with buyback clause	-	599,733	-	599,733
Issued of 2,478,364 shares with extinguishment of share buy back obligation	2,153,873	(599,733)	-	1,554,140
Transaction costs on share issued	(239,629)	-	-	(239,629)
Balance as at 30 June 2014	20,157,971	4,317,728	(8,710,415)	15,765,284

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of ordinary shares	Share Capital A\$
Opening balance as at 1 July 2013	35,000,000	13,374,625
Issue of shares to investor	5,645,161	2,669,039
Share issued without buyback clause to various investors	2,478,364	2,200,063
Share issued with buyback clause to various investors	2,478,364	2,153,873
Transaction costs on share issue		(239,629)
Balance prior to share split as at 15 June 2014	45,601,889	20,157,971
1 to 7 Share split on 16 June 2014	273,611,334	-
Closing balance as at 30 June 2014	319,213,223	20,157,971

Options

There were 750,000 outstanding options ("**Options**") as at 30 June 2013 and as at 30 June 2014, convertible into 750,000 shares of the Company. No Options were exercised prior to or on their expiration on 1 July 2014.

The Company had on 16 June 2014, adopted the Alliance Employee Share Option Scheme ("**Scheme**") and as at 30 June 2014 and as at the date of this announcement, no options has been granted under the Scheme.

Convertible Loan

In February 2014, the Company entered into a convertible loan agreement for a principal amount of S\$2.5 million at an interest rate of 3% per annum that converts into ordinary shares in the share capital of the company ("**Shares**") at a 40% discount to the issue price equivalent to the initial public offering price ("**IPO Price**") of the Company ("**Convertible Loan**"). The term of the Convertible Loan is 12 months from the drawdown date. The Company had on 4 March 2014 executed the drawdown notice.

Subsequently, the Company had on 4 July 2014 received the conversion notice by each lender to convert the entire outstanding amount of the Convertible Loan owing to each lender into Shares. Pursuant thereto, the Company had on 7 July 2014 issued 18,115,943 Shares at an issue price of S\$0.14, which resulted in an increase of A\$3,566,680 (based on an exchange rate of S\$1.00 to A\$0.856) in the Company's share capital.

Save as disclosed above, there were no other outstanding convertibles as at 30 June 2014 and 30 June 2013.

The Company did not have any treasury shares as at 30 June 2014 and 30 June 2013.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

The total number of issued ordinary shares was 319,213,223 as at 30 June 2014 and 35,000,000 as at 30 June 2013.

The Company did not have any treasury shares as at 30 June 2014 and 30 June 2013.

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the Company has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the most recently audited financial statements for the financial year ended 30 June 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Company adopted a number of new International Financial Reporting Standards ("IFRS"), amendments to standards and interpretations that are effective for annual periods beginning on or after 1 July 2013. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Company for the current financial period reported on.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Financial year ended 30 June	
	2014 (Unaudited)	2013 (Audited)
Basic and diluted loss per share (AU cents) ⁽¹⁾	(2.2)	(0.2) ⁽²⁾
Adjusted basic and diluted loss per share (AU cents) ^{(1), (3)}	(1.6)	(0.1)
Loss for the period attributable to owners of the Company (A\$)	<u>(6,295,656)</u>	<u>(505,888)</u>
Number of weighted ordinary shares used in calculating basic and diluted loss per share for the respective financial years	<u>281,677,662</u>	<u>245,000,000</u>
Number of ordinary shares used in calculating adjusted basic and diluted adjusted loss per share	<u>393,930,427</u>	<u>393,930,427</u>

Notes:

- (1) The basic and diluted loss per share for the respective financial years under review were the same, as the potential ordinary shares to be converted are anti-dilutive as the effect of the share conversions would result in a more favourable loss per share.
- (2) For comparison and illustrative purposes, the basic and diluted loss per share for the financial year ended 30 June 2013 ("FY2013") have been computed based on the loss attributable to owners of the Company for FY2013 and the ordinary shares of 245,000,000, assuming that the share split of 1 to 7 had taken place at the beginning of FY2013.
- (3) For comparison and illustrative purposes, adjusted loss per share for FY2014 and FY2013 have been computed based on the loss attributable to owners of the Company for the respective financial years and the post-Placement share capital of 393,930,427 shares.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and**
- (b) immediately preceding financial year.**

	As at 30 June	
	2014 (Unaudited)	2013 (Audited)
Net asset value per ordinary share based on issued share capital (AU cents)	<u>4.9</u>	<u>4.7⁽¹⁾</u>
Adjusted net asset value per ordinary share based on post-placement issued share capital (AU cents) ⁽²⁾	<u>4.0</u>	<u>3.0</u>
Net asset value as at the end of the respective financial years (A\$)	15,765,284	11,636,549
Number of ordinary shares as at the end of the respective financial years	319,213,223	245,000,000
Number of ordinary shares post-placement	393,930,427	393,930,427

Notes:

- (1) For comparison and illustrative purposes, the net asset value per share as at 30 June 2013 has been computed based on the net asset value as at 30 June 2013 and the ordinary shares of 245,000,000 as at 30 June 2013, assuming that the share split of 1 to 7 had taken place on 30 June 2013.
- (2) For comparison and illustrative purposes, adjusted net asset value per ordinary share as at 30 June 2014 and 30 June 2013 have been computed based on the net asset values as at the end of the respective financial years and the post-Placement share capital of 393,930,427 shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Financial year ended 30 June 2014 ("FY2014") vs. 30 June 2013 ("FY2013")

Review of the Income Statement

Revenue

There was no revenue in FY2013 and FY2014 as we had not commenced the production and sale of Tantalite concentrate.

Interest income

Interest income had increased by A\$814 or 12.8% from A\$6,373 in FY2013 to A\$7,187 in FY2014 due to an increase in our cash balances in banks.

Other income

The other income of A\$70,169 in FY2014 (FY2013: Nil) is related to the gain on early settlement of the secured loan.

Loss on foreign exchange

The loss on foreign exchange of A\$183,169 in FY2014 (FY2013: Nil) is mainly due to the loss on foreign exchange movement on translation of our Singapore dollar bank balance to Australia dollar of A\$275,063 offset by gain on foreign exchange movements on translation of the convertible loan of A\$45,707 and shares with buyback clause of A\$46,187, upon initial recognition as a financial liabilities.

Loss on settlement of financial instruments

The loss on settlement of financial instruments of A\$72,839 in FY2014 (FY2013: Nil) relates to the loss on extinguishment of share buyback liability due to the novation of the share buyback clause to a third party in March 2014 ("**Novation**").

Fair value movement on derivatives

The fair value movement on derivatives of A\$1,098,651 in FY2014 (FY2013: Nil) relates to the fair value movements of the convertible loan due to the International Accounting Standard (“IAS”) 39 financial instruments requiring the embedded derivative components of the convertible loan to be revalued to fair value at each reporting period with gains or losses being recognised in profit and loss.

Accounting and audit expenses

Accounting and audit expenses increased by A\$164,261 or 211.0% from A\$77,840 in FY2013 to A\$242,101 in FY2014 mainly due to an increase in engaging more senior consultants in preparation for the Listing.

Consulting and directors fees

Consulting and directors fees increased by A\$204,214 or 203.5% from A\$100,345 in FY2013 to A\$304,559 in FY2014 mainly due to an increase in directors fees and engaging more consultants in preparation for Listing.

Tenement expenses

Tenement expenses increased by A\$25,175 or 32.2% from A\$78,095 in FY2013 to A\$103,270 in FY2014 due to undertaking engineering, geological and environmental work performed on the mining Tenements and statutory rents and rates to maintained tenure over the Tenements.

Bald Hill Project expenses

Bald Hill Project expenses increased by A\$25,243 or 26.0% from A\$96,951 in FY2013 to A\$122,194 in FY2014 due to the increase in manpower and engagement of mining contractors for the refurbishment of processing plant for Bald Hill Project.

Listing expenses

Listing expenses of A\$3,629,259 in FY2014 (FY2013: Nil) relates mainly to professional fees incurred in relation to the listing of the Company on the Catalist of SGX-ST (“Listing”) of A\$1,457,584 and success fees of A\$2,171,675 payable to the Company’s full sponsor and advisor in relation to the Listing, being PrimePartners Corporate Finance Pte. Ltd. (“PPCF”) and Lionbridge Group Pte.Ltd. (“Lionbridge”) pursuant to the respective engagement terms which will be paid via the issuance of new Shares upon the Company’s Listing (“Success Fees”).

Administrative expenses

Administrative expenses increased by A\$42,021 or 33.0% from A\$127,390 in FY2013 to A\$169,411 in FY2014 due mainly to an increase in travelling expenses, professional fees and printing & stationery costs which relates to the preparation of the Listing. In addition, there is a depreciation expense of A\$6,918 in FY2014.

Employee salaries and other benefits

Employee salaries and other benefits of A\$68,235 in FY2014 (FY2013: Nil) is due to the payment of salaries and on-costs for taking onboard 5 full time employees who were previously engaged as consultants to the Company.

Share based payment expenses

Share based payment expenses of A\$255,561 in FY2014 (FY2013: Nil) relates to the shares transferred by controlling shareholders, Living Waters Mining to a present director, former

directors, chief operating officer and company secretary. Please refer to the section “Share Capital” of our offer document dated 16 July 2014 (“**Offer Document**”) for further information.

Borrowing costs

Borrowing costs increased by A\$92,123, from A\$31,640 in FY2013 to A\$123,763 in FY2014 is due to the notional interest on the convertible loan of A\$60,440, shares with buyback clause of A\$22,587 and amount owing to Living Waters Mining of A\$19,357.

The aforementioned notional interest expenses arise from the Company’s financial liabilities held at amortised cost whereby the initial carrying value of the liability is accreted to its principal amount over the life of the loan. This accretion is recognised as a borrowing costs.

Loss before income tax

In view of the foregoing, loss before taxation increased by A\$5,789,768 or 1144.5% from A\$505,888 in FY2013 to A\$6,295,656 in FY2014.

Review of the Financial Position of the Group

Non-current assets

As at 30 June 2014, our non-current assets of A\$19,721,876 accounted for 81.2% of our total assets. Our non-current assets comprised exploration and evaluation expenditure, mine development and property, plant and equipment.

Exploration and evaluation expenditure of A\$5,582,001 representing 28.3% of our total non-current assets mainly relates to the acquisition cost for the Tenements and surrounding Tenements that are prospective for similar minerals of the Bald Hill Project. The decrease in exploration and evaluation expenditure from A\$9,310,000 as at 30 June 2013 is due to the reclassification of the A\$3,727,999 to mine development in accordance with IFRS 6: Exploration for and Evaluation of Mineral Resources.

Mine development of A\$3,882,594 representing 19.7% of our total non-current assets, comprised of the reclassification amount from exploration and evaluation expenditure of A\$3,727,999 and the further capitalisation of direct and indirect site costs of A\$154,595 in accordance with the IAS 16: Property, Plant & Equipment.

Property, plant and equipment amounting to A\$10,257,281 representing 52.0% of our total non-current assets, comprised the processing plant, site accommodation facilities and other minor assets.

The increase in plant and equipment of A\$2,251,608 or 28.1% from A\$8,005,673 as at 30 June 2013 is pursuant to the purchase of Tantalum Mine Plant & Equipment of A\$1,404,794, employee mine camp of \$703,645, Shed & Storages of \$108,073, a light vehicle of A\$38,994 under finance lease and office computer hardware and software of A\$2,566, partially offset by accumulated depreciation of \$6,918.

Current assets

As at 30 June 2014, our current assets of A\$4,579,144, represents 18.8% of our total assets. Our current assets consist of cash and cash equivalents, other receivables and other current asset.

Other receivables of A\$382,386, representing 8.4% of our total current assets comprised Goods and Services Tax receivable of A\$329,321 and deposits and advances paid to supplier and employees of A\$53,065. The increase in other receivables of A\$241,294 or 171.0% from

A\$141,092 as at 30 June 2013 is mainly due to higher Goods and Services Tax receivables in line with higher trade and other payables.

Other current asset of A\$510,486, representing 11.1% of our total current assets consists of the deferred expenses which relate to capitalisation of equity raising expenses that will be accounted for as a deduction from equity upon the Company's Listing.

Cash and cash equivalents of A\$3,686,272 represents 80.5% of total current assets. The increase in cash and cash equivalents of A\$3,671,801 from A\$14,471 as at 30 June 2013 is mainly due to proceeds from the issue of shares, offset by the purchase and refurbishment of plant and equipment as well as the repayment of secured loan of A\$1,000,035.

Non-current liabilities

As at 30 June 2014, our non-current liabilities of A\$3,798,929 represented 44.5% of our total liabilities. Our non-current liabilities relates to the provision for rehabilitation required at the Bald Hill Tantalite Mine, interest bearing loans and borrowings and amount due to controlling entity, Living Waters Mining.

Provision for rehabilitation of A\$600,000, representing 15.8% of our total non-current liabilities, represents management's best estimate as at balance sheet date to rehabilitate the existing Bald Hill tantalum mine site.

Interest bearing loans and borrowing of A\$28,990, representing 0.8% of our total non-current liabilities, comprised the finance lease liabilities which were secured on the Company's motor vehicles.

Amount due to controlling entity, Living Waters Mining of A\$3,169,938, representing 83.4% of our total non-current liabilities, comprises the A\$4,000,000 due under the Sale of Business Agreement ("Cash Component") which has been discounted by A\$849,419 to its fair value pursuant to the supplemental deed on 18 June 2014 between Living Waters Mining and the Company. The Cash Component (previously payable on demand) is now not to be paid for a period of 18 months commencing from the date of the Listing ("Minimum Non-Payment Period"). Under IAS 39, the financial liability has initially been recognised at fair value, then at amortised costs. On the initial recognition at fair value, the A\$849,419 has been recognised as parent equity contribution. The amortisation of discount recognised as at 30 June 2014 is A\$19,357 and hence the carrying amount as at 30 June 2014 is A\$3,169,938.

Current liabilities

As at 30 June 2014, our current liabilities of A\$4,736,807, representing 55.5% of our total liabilities comprised trade and other payables and interest bearing loans and borrowings.

Trade and other payables of A\$1,485,061, representing 31.4% of our total current liabilities. The decrease in trade and other payables of A\$2,679,422 from A\$4,164,483 as at 30 June 2013 is due to the reclassification of amount due to Living Waters Mining to non-current liabilities of A\$4,000,000 pursuant to the entry of a supplemental deed on 18 June 2014 between the Company and Living Waters Mining that resulted in the Cash Component not to be paid for a period of 18 months from the Listing date. This is offset by the increase in other trade payables of A\$1,320,578 due to higher professional fees relating to the preparation of the Listing and the costs associated to the refurbishment of Tantalum processing plant.

Interest bearing loans and borrowings, representing A\$3,251,746 or 68.6% of our total current liabilities comprised finance lease liabilities of A\$7,229 and a convertible loan of A\$3,244,517 which comprised two elements, the financial liability of A\$1,411,784 and the embedded derivative of A\$1,832,733. The increase of A\$2,181,542 from A\$1,070,204 as at 30 June 2013 is mainly due to the issuance of convertible loan offset by repayment of secured loan of A\$1,000,035.

Shareholders' equity

As at 30 June 2014, our Shareholders' equity amounted to A\$15,765,284 comprising A\$20,157,971 of issued share capital, A\$1,104,979 of parent equity contribution, A\$2,536,065 of PPCF & Lionbridge share based payment reserve, A\$676,683 of executive option reserve and A\$8,710,415 of accumulated losses. The increase in issued share capital of A\$6,783,346 or 50.7% is related to the issue of new shares and shares with and without buyback clause. As at 30 June 2014, the Company no longer has any obligation to repurchase the shares with a share buyback clause as a result of the Novation.

Review of the Cash Flow Statement of the Group

In FY2014, we recorded a net cash outflow from operating activities of A\$1,770,336 which comprised payments made to suppliers and employees of A\$1,775,993, interest paid on finance lease and cash advances of A\$1,530 offset by interest received of A\$7,187.

Net cash outflow from investing activities amounted to A\$2,239,976, which was attributable to purchases and refurbishment of plant & equipment of A\$2,218,851 and payments for mine developments of A\$154,595 offset by receipt of funds from the release of performance bonds of A\$133,470 due to a change in government regulations for security over a company's rehabilitation obligations.

Net cash inflow from financing activities amounted to A\$7,957,175 which were as a result of proceeds from the issue of shares A\$4,869,102, shares with buy back clause A\$2,200,060 and convertible loan of A\$2,131,133. These were offset by the equity raising related expenses of A\$239,629 as well as the repayment of the secured loan of A\$1,000,035 and payment for hire purchase of A\$3,456.

As at 30 June 2014, our cash and cash equivalents amounted to A\$3,686,272.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Company had, in page 140 of the Offer Document, stated that *"We are currently in the final stages of refurbishing our Bald Hill Treatment Plant. Work has progressed both in line with project milestones and our budget. In the second half of 2014, we expect to begin test production ahead of full production in preparation for the commissioning of our Bald Hill Treatment Plant in the second half of the year"* and in page 142 of the Offer Document stated that *"The Bald Hill Project is in the process of being refurbished and our Company plans to commence trial mining and processing of Tantalite concentrate at the Bald Hill Tantalite Mine site in the second half of 2014. The processing capacity is expected to be 350,000t to 400,000tpa of Ore. Production and sale of Tantalite concentrate is expected to commence in FY2015. As such, our Company is not expected to generate any revenue arising from the sale of Tantalite concentrate in FY2014."*

The Company is currently on track with the aforementioned prospect statements. Please refer to the Offer Document for more details on the aforementioned prospect statements. Save as disclosed, the Company did not issue any other prospect statement.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In FY2014, the Bald Hill Tantalite Mine and the Bald Hill Treatment Plant were and are both currently undergoing refurbishment. Upon successful refurbishment of the Bald Hill Processing Plant our Company plans to commence trial mining and processing of Tantalite concentrate at the Bald Hill Tantalite Mine site in the first half of FY2015.

Our Company is focusing on re-establishing mining and processing operations through the refurbishment of the existing facilities, reopening of the open pits, and construction of the new facilities at the Bald Hill Project to recommence the mining and production of the Tantalite concentrate for sale.

We intend to sell the processed Tantalite concentrate to third parties upon the successful commencement of the production of processed Tantalite concentrate. A distribution agreement entered into by our Company with Mitsubishi Corporation RtM Japan Ltd. ("Mitsubishi") dated 1 April 2014, appointing Mitsubishi as a non-exclusive distributor of our Tantalite concentrate in Asia, for a term of two (2) years, for the exclusive right to negotiate for up to 50% of the total Tantalite concentrate produced by our Company each month. Please refer to the section entitled "General Information on our Company – Business Strategies and Future Plans" of the Offer Document dated 16 July 2014 for further details on our Company's plans for off-take.

Currently, there is an increased global demand for Tantalum, especially for Tantalum from Australia. Therefore, our Directors believe that subject to the Company being able to successfully mine and process the Tantalite concentrate for sale, and the price and demand for Tantalum remaining steady, the overall outlook for our industry and business appears to be promising.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared for FY2014.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) Book closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for FY2014.

- 13. If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate for recurrent interested person transactions. Other than the interested person transactions as disclosed on pages 171 to 173 of the Company’s Offer Document, there were no new interested person transactions which were more than S\$100,000 entered into during the financial year reported on.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year**

For management purposes, the Company is organised into one main operating segment, which involves exploration for tantalum. All of the Company’s activities are interrelated, and discrete financial information is reported to the Board of Directors (Chief Operating Decision Makers) as a single segment.

Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole. Total expenditure incurred by the Company arises in Australia and all of the Company’s non-current assets reside in Australia.

- 15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments**

Not applicable.

- 16. A breakdown of sales**

As the Company was listed on the Catalist of the SGX-ST on 25 July 2014, this announcement is the Company’s first Financial Statement and Dividend announcement in respect of the full financial year ended 30 June 2014. As such, no comparative half year numbers are available.

- 17. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year.**

Not applicable. No dividend had been declared during FY2014 and FY2013.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year

Tjandra Pramoko	43	Spouse of our Executive Director, Suen Sze Man	Chief Executive Officer since 2014. Responsibility includes general business development, through liaising with existing and potential mining contractors as well as identifying new business opportunities, in charge of overseeing the project management at the Bald Hill Tantalite Mine site.	Nil.
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19. Use of IPO proceeds

The listing of the Company did not take place in FY2014. The Company would report the use of its IPO proceeds in its upcoming annual report.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

20a. Rule 705 (6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the quarter:-

For the quarter ended 30 June 2014 ("4Q 2014"), funds / cash were mainly used for the following activities:-

Purpose	Amount (A\$) Actual Usage
Purchase of property, plant & equipment	2,175,272
Payment for listing expenses	731,853
Accounting and audit fees	91,152
Consulting and director fees	165,487
Total	3,163,764

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (financial period from 1 July 2014 to 30 September 2014 ("1Q 2015")), the Group's use of funds/cash for development activities are expected to be as follows:-

Purpose	Amount (A\$) Actual Usage
Purchase of property, plant & equipment	2,791,769
Working capital (i)	1,131,018
Payment of listing expenses	255,066
Corporate administrative expenses	342,101
Total	4,519,954

(i) The amount of working capital is intended to be used for minesite production ramp up at the Bald Hill Tantalite Mine and for the increase in raw materials, manpower and engagement of mining contractors leading up to commencement of production of the Bald Hill Project, as well as for related office and personnel expenses.

20b. Rule 705 (6)(b) of the Catalyst Listing Manual

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

21a. Rule 705 (7)(a) of the Catalyst Listing Manual

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated;

In FY2014 limited exploration activities were undertaken as the focus was on the IPO of the Company and the re-establishment of existing facilities at the Bald Hill Tantalite Mine and the refurbishment of the Bald Hill Treatment Plant. These activities were conducted to support plans to commence trial mining and processing of Tantalite concentrate at the Bald Hill Tantalite Mine site in the first half of FY2015.

In anticipation for mining and selling of Tantalite concentrate, mine development and production activities included various geotechnical, environmental, engineering, geological and mineralogy studies.

21b. Rule 705 (7)(b) of the Catalist Listing Manual

Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

The Group has no material updates on the reserves and resources as set out in the IQPR (Independent Qualified Person's Report) dated 13 June 2014. A copy of the IQPR can be found in the Company's Offer Document dated 16 July 2014.

BY ORDER OF THE BOARD

Simone Suen
Executive Director
29 August 2014