

**COUNTY COAL LIMITED**

ABN 40 149 136 783

AND CONTROLLED ENTITIES

**Appendix 4D and Half-Year Financial Report****31 December 2014**

This half-year report is for the six months ended 31 December 2014. The previous corresponding period is the half-year ended 31 December 2013.

The information in this report should be read in conjunction with the most recent annual financial report.

**Results for announcement to the market**

		\$		\$
Revenues from ordinary activities	Decreased 70.82%	30,970	to	12,761
Loss from ordinary activities after tax attributable to members	Decreased 44.41%	381,938	to	478,168
Loss for the period attributable to members	Decreased 44.41%	381,938	to	478,168
<b>Dividends</b>		Amount per security		Franked amount per security
Final dividend		- ¢		- ¢
Interim dividend		- ¢		- ¢
Record date for determining entitlements to the dividend	Not applicable			
Brief explanation of any of the figures reported above:	Refer to comments in the attached Directors' Report.			
<b>NTA Backing</b>		31 December 2014		30 June 2014
Net tangible asset backing per share		13.61 cents		12.38 cents

# **County Coal Limited**

(ABN 40 149 136 783)

## **Half Year Report**

**31 December 2014**

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**Company Directory**

**Directors**

Robert Cameron AO

Rodney Ruston

David Miller

**Company Secretary**

Terry Flitcroft

**Principal and Registered Office**

Level 2 Kyle House

27 Macquarie Place

Sydney NSW 2000

Telephone: (02) 9251 3311

Facsimile: (02) 9521 6550

**Auditors**

Stirling International

**Share Registrar**

Boardroom Pty Limited

Level 7, 207 Kent Street

Sydney NSW 2000

Telephone: (02) 9290 9600

Facsimile: (02) 9279 0664

**Stock Exchange Listing**

Ordinary Shares: CCJ

**Bankers**

Westpac Banking Corporation

**Website**

[www.countycoal.com](http://www.countycoal.com)

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## DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

### Directors

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

Robert Cameron AO - Chairman

Rodney Ruston - Managing Director

David Miller

### REPORT ON OPERATIONS

#### North American Coal Export Terminal

During the half year County Coal Limited (CCJ.ASX) concentrated its activities on the bulk export terminal site identified in the F2015 First Quarter Report.

At the end of October 2014, County signed an agreement to pursue the approval and construction of a multi-product bulk loading facility in North West USA with the company that approached County regarding this opportunity.

Since that time County focused on consolidating the business agreement by forming a new company to undertake the Loader Project. This new company focused on:

- a) Identifying and engaging industry specialists, such as a Washington based land agent, to assist with activities identified as critical in the short term,
- b) Engaging key advisors including legal and public relations expertise,
- c) Approaching key businesses in the region that are likely to be supportive of the project and
- d) Having preliminary discussions with local government representatives to provide a broad insight into the proposal.

This project would allow County to build and operate a ship loading facility, on the US North West coast, with capacity to load a range of bulk commodities including coal, grain and fertilizer. In addition, County believes the site is ideally placed for the construction and operation of an LNG facility adjacent to the bulk loading facility. This strategy will significantly reduce the risk, inherent in the cyclical nature of the coal business, by opening up opportunities to secure revenue from a range of bulk export products and LNG.

The area identified for the proposed terminal is on a brownfields industrial site. Water depth is currently not sufficient for full panamax sized vessels (60,000 DWT) but it is believed the channel can be dredged to allow for this capacity. The size of the available land and water frontage is significantly greater than the other opportunities investigated, thus allowing for a larger facility that could include multi-product loading capacity for bulk commodities such as coal, grain and potash and also have sufficient area for an LNG facility.

The company with which County has negotiated a business agreement has spent three years investigating the project area and researching and developing strategies and budget estimates for every aspect of the project requirements covering land access, rail transport, stakeholder (community, native tribe, local business and government) impacts, environmental impacts and engineering needs.

Technical assistance on this project commenced in the first quarter of F2015 with an international engineering group using the extensive information database developed by the proponent company to give the County board confidence to move forward with this project over all others being studied.

A bulk coal handling terminal in this location has been scoped by the proponent company to be economically viable at a throughput capacity of 18.5 mtpa. However, the land size could also allow for loaders for other bulk products, such as grain and fertiliser, significantly improving the potential economics and at the same time reducing the risk inherent in a one-product project.

## DIRECTORS' REPORT

### REPORT ON OPERATIONS (cont)

#### North American Coal Export Terminal (continued)

With the signing of the agreement, County committed to support the first stage of developing the opportunity and commence the process of securing some of the key assets, such as land and rail access rights needed for the project and to advance the feasibility study. This initial work has commenced and is expected to take approximately six months to complete, although this may be extended. On completion of the initial work the project will be reviewed and a decision made on the merits of proceeding to a second development stage, which will be focused on further extending the feasibility studies, extensive community consultation and commencing the permitting process. Should the project proceed to approval, County, through a series of steps, will own an 85% share in the facility.

As previously highlighted, other potential terminal sites, currently entering or navigating the permitting process, provide valuable information and insights as to the timelines, challenges and requirements to achieve a successful project. County has the advantage of being able to benefit from this information to minimize both the costs and timelines associated with the permitting process.

County is convinced the key to its US business strategy is to secure as much control as possible over the mine-to-customer supply chain and to develop a diversified loading facility to reduce the inherent cyclic risk of coal and increase revenue opportunities through access to multiple bulk product markets in Asia.

With this in mind, since it identified a significant mineable resource across its holdings, County has minimised the cash used to just holding costs in relation to these coal assets. The focus of the expenditure through the end of F2014 and into F2015 has been on identifying potential bulk terminal sites, including undertaking preliminary engineering studies to gain confidence that the sites being considered were feasible.

### FINANCE

In the near future expenditure will be generally related to further work as detailed above on securing port access.

At 31<sup>st</sup> December 2014 cash of \$966k was on hand. County Coal considers it has sufficient funds to continue its business activities as outlined above.

### OUTLOOK

County is convinced the key to its US business strategy is to secure as much control as possible over the mine-to-customer supply chain and to develop a diversified loading facility to reduce the inherent cyclic risk of coal and increase revenue opportunities through access to multiple bulk product markets in Asia.

### COAL EXPORTS

No further work was carried out on County Coal's coal projects in the Powder River Basin (PRB) during the half year. County Coal has previously announced some 730 million tonnes of JORC measured coal resource in its exploration areas in Wyoming's PRB. At this stage, the Company considers it has sufficient information regarding the resource and does not intend to undertake any further significant work on the resource until a viable, cost-efficient export path has been identified and secured.

**DIRECTORS' REPORT**

**COAL RESOURCE SUMMARY**

A summary of County Coal's current Coal Resources is contained in the following table.

Prospect	JORC Inferred Coal Resource	JORC Indicated Coal Resource	JORC Measured Coal Resource	Total JORC Coal Resource
Shell Creek Coal Project	59 Mt	17 Mt	344 Mt	420 Mt
Miller Coal Project	-	-	310 Mt	310 Mt
Total JORC Coal Resource	59 Mt	17 Mt	654 Mt	730 Mt

Notes: (a) The information in the table "JORC-Compliant Coal Resources" is based on Independent Geologist's Report, Aqua Terra Consultants Inc., October 2012. The information in this table that relates to Geology, Exploration results and Mineral resources is based on information compiled by Steven J Stresky, who is a member of the American Institute of Professional Geologists, and a full time employee of Aqua Terra Consultants Inc. (the geology consultants to County Coal). Mr Stresky has sufficient experience which is relevant to the style of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Stresky consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

**Auditor's Independence Declaration**

The auditor's independence declaration for the half year ended 31<sup>st</sup> December 2014 is set out on page 15 of these half yearly accounts.

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



Rodney Ruston

Managing Director

Dated this 26<sup>th</sup> February 2015

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**CONSOLIDATED INCOME STATEMENT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
Interest revenue	2	12,761	43,731
Administration and corporate expenses		(490,928)	(903,833)
Interest paid		(1)	(4)
<b>Loss before income tax expense</b>		<b>(478,168)</b>	<b>(860,106)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(478,168)</b>	<b>(860,106)</b>
Basic earnings per share (cents per share)		<b>(0.51)</b>	<b>(0.91)</b>
Diluted earnings per share (cents per share)		<b>(0.51)</b>	<b>(0.91)</b>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Loss for the period	(478,168)	(860,106)
Other comprehensive income:		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Foreign exchange translation difference for foreign operations	1,635,302	245,106
Other comprehensive income for the period	1,635,302	245,106
<b>Total comprehensive profit/(loss) attributable to members of the parent entity</b>	<b>1,217,134</b>	<b>(615,000)</b>

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

	Notes	31 December 2014	30 June 2014
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		966,195	1,564,165
Trade and other receivables		41,018	107,640
<b>Total Current Assets</b>		<b>1,007,213</b>	<b>1,671,805</b>
<b>Non-Current Assets</b>			
Exploration expenditure capitalised	5	11,865,703	10,272,355
Property, plant and equipment		2,057	2,026
<b>Total Non-Current Assets</b>		<b>11,867,760</b>	<b>10,274,381</b>
<b>Total Assets</b>		<b>12,874,973</b>	<b>11,946,186</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		60,293	288,640
<b>Total Current Liabilities</b>		<b>60,293</b>	<b>288,640</b>
<b>Non-Current Liabilities</b>			
Other payables		-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>60,293</b>	<b>288,640</b>
<b>Net Assets</b>		<b>12,814,680</b>	<b>11,657,546</b>
<b>Equity</b>			
Issued Capital	3	16,054,410	16,054,410
Reserves	4	2,795,393	1,160,091
Accumulated losses		(6,035,123)	(5,556,955)
<b>Total Equity</b>		<b>12,814,680</b>	<b>11,657,546</b>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

	Foreign Currency Translation Reserve	Issued Capital	Share Option Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2013</b>	<b>1,194,759</b>	<b>16,054,410</b>	<b>160,000</b>	<b>(4,053,288)</b>	<b>13,355,881</b>
Loss attributable to members	-	-	-	(860,106)	(860,106)
Employee share option expense recognised during the period	-	-	80,000	-	80,000
Total other comprehensive income	245,106	-	-	-	245,106
<b>Balance at 31 December 2013</b>	<b>1,439,865</b>	<b>16,054,410</b>	<b>240,000</b>	<b>(4,913,394)</b>	<b>12,820,881</b>
<b>Balance at 1 July 2014</b>	<b>840,091</b>	<b>16,054,410</b>	<b>320,000</b>	<b>(5,556,955)</b>	<b>11,657,546</b>
Loss attributable to members	-	-	-	(478,168)	(478,168)
Employee share option expense recognised during the period	-	-	-	-	-
Total other comprehensive income	1,635,302	-	-	-	1,635,302
<b>Balance at 31 December 2014</b>	<b>2,475,393</b>	<b>16,054,410</b>	<b>320,000</b>	<b>(6,035,123)</b>	<b>12,814,680</b>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

	2014 \$	2013 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	-	-
Payments to suppliers and employees	(398,668)	(583,240)
Interest received	13,157	59,984
Net cash used in operating activities	<u>(385,511)</u>	<u>(523,256)</u>
<b>Cash flows from investing/financing activities</b>		
Acquisition of coal rights, freehold property and exploration and evaluation expenditure	(212,459)	(606,956)
Net cash used in/provided by investing/financing activities	<u>(212,459)</u>	<u>(606,956)</u>
Net increase/(decrease) in cash and cash equivalents held	(597,970)	(1,130,212)
Cash and cash equivalents at beginning of period	1,564,165	3,286,810
<b>Cash and cash equivalents at end of reporting period</b>	<b><u>966,195</u></b>	<b><u>2,156,598</u></b>

The accompanying notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2014****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

**Basis of preparation**

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

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 company's 2014 annual financial report for the financial year ended 30 June 2014, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

**Segment Reporting**

An operating segment is a component of The Consolidated Entity that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of The Consolidated Entity's other components if separately reported and monitored. An operating segment's operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Consolidated Entity operates only in one segment and accordingly no segment information is disclosed.

**Share based payments**

The Company has granted options to certain employees. The fair value of options and shares granted is recognised as a share and option expense with a corresponding increase in equity. The fair value is measured at the date the options or shares are granted taking into account market based criteria and expensed over the vesting period after which the employees become unconditionally entitled to the options and shares. The fair value of the options granted is measured using the Black-Scholes method, taking into account the terms and conditions attached to the options. The fair value of the performance shares granted is measured using the weighted average share price of ordinary shares in the Company, taking into account the terms and conditions attached to the shares. The amount recognised as an expense is adjusted to reflect the actual number of options and shares that vest except where forfeiture is due to market related conditions.

**Significant accounting policies**

Except as described below, the accounting policies applied by the Consolidated Entity in this Consolidated Interim Financial Report are the same as those applied by the Consolidated Entity in the Consolidated Annual Financial Report as at and for the year ended 30 June 2014. The following changes in accounting policy are expected to be reflected in the Consolidated Entity's consolidated financial statements as at and for the year ended 30 June 2014.

**New and amended standards adopted by the Consolidated Entity**

A number of new or amended standards became applicable for the current reporting period, however, the Consolidated Entity did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

**Impact of standards issued but not yet applied by the Consolidated Entity**

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The standard is not applicable until 1 January 2018 but is available for early adoption. The Directors do not expect this to have a significant impact on the recognition and measurement of the Consolidated Entity's financial instruments as they are carried at fair value through other comprehensive income. The derecognition rules have not been changed from the previous requirements, and the Consolidated Entity does not apply hedge accounting. The Consolidated Entity has not yet decided when to adopt AASB 9.

**NOTE 2: PROFIT/LOSS BEFORE INCOME TAX EXPENSE**

31 December 2014	31 December 2013
\$	\$

The following items are relevant in explaining the financial performance for the half-year:

Interest revenue – deposits	12,761	43,731
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**NOTE 3: ISSUED CAPITAL**

31 December 2014	30 June 2014
#	#

(a) Ordinary shares

Issued and fully paid	94,175,004	94,175,004
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No new shares were issued during the half year (2013: Nil).

(b) Options

No options were issued during the half year to 31<sup>st</sup> December 2014 (2013: nil). At 31<sup>st</sup> December 2014 a total of 10,200,000 options were on issue 7,200,000 with an exercise price of 40 cents per share until 31 March 2015 and 3,000,000 with an exercise price of 40 cents per share until 30 June 2017.

**NOTE 4: RESERVES**

\$	\$
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Foreign currency translation reserve	2,475,393	840,091
Share option reserve	320,000	320,000
	<b>2,795,393</b>	<b>1,160,091</b>

**NOTE 5: EXPLORATION EXPENDITURE CAPITALISED**

Coal rights, freehold property and capitalised exploration and evaluation expenditure	11,865,703	10,272,355
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**NOTE 6: CONTINGENT LIABILITIES AND COMMITMENTS**

The Consolidated Entity is not aware of any contingent liabilities, which existed as at the end of the financial period or have arisen as at the date of this report other than as detailed below.

Pursuant to the property purchase agreements in relation to the properties/leasehold coal rights acquired during the previous financial years, certain royalties are payable to vendors of the various properties. No royalties are payable at the date of these accounts.

Pursuant to a property purchase agreement in relation to the Shell Creek Coal Project located in Johnson County, Wyoming, in addition to certain royalties payable in the future, an additional amount is payable to the vendors of US\$0.10 per short ton\* proved up to JORC Proved Coal Reserve status over 10 years, up to an estimated 220,000,000 short tons. An amount of US\$5 million was paid to the vendors in December 2011 in lieu of the first 50,000,000 short tons to be proven up.

\*Note that this agreement uses an imperial unit of measurement known as a "short ton" which is a unit of weight equivalent to 2,000 pounds or 907.18474 kilograms.

**NOTE 6: CONTINGENT LIABILITIES AND COMMITMENTS**

(cont)

31 December 2014	31 December 2013
\$	\$

**Lease Commitments**

Lease Commitments contracted for  
but not capitalised in the financial statements

Payable:

-not later than 1 year	20,250	40,500
-later than 1 year but not later than 5 years	-	20,250
-later than 5 years	-	-
	20,250	60,750

**Exploration Commitments**

Exploration commitments contracted for  
but not capitalised in the financial statements

Payable:

-not later than 1 year	-	-
-later than 1 year but not later than 5 years	-	-
-later than 5 years	-	-
	-	-

**North American Coal Export Terminal**

At the end of October 2014, County signed an agreement with a small, US based, consortium, which over the last three years has developed a comprehensive strategy to pursue the approval and construction of a multi-product bulk loading facility in North West USA.

With the signing of the agreement, County committed to support the first stage of developing the opportunity and commence the process of securing some of the key assets, such as land and rail access rights, needed for the project and to advance the feasibility study. Using the extensive database provided by the proponents, this initial work has commenced and is expected to take approximately six months to complete, which will be funded by County up to US\$750,000. On completion of the initial work the project will be reviewed and a decision made on the merits of proceeding to a second development stage, which will focus on further extending the feasibility studies, extensive community consultation and commencing the permitting process. A new company was formed to undertake the Loader Project. County currently holds a 30% share in the purpose-formed project company, which will own the facility. Should the project proceed to approval, County, through a series of steps, will own an 85% share in the project company.

**NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

Since the end of the half year, the directors are not aware of any matter that has significantly affected or may significantly affect the operations of the Company in subsequent financial periods.

In February 2015 3 million options were issued to an executive at an exercise price of 4 cents per share, subject to vesting conditions and expiring on 31<sup>st</sup> January 2020.

**NOTE 8: DIVIDENDS**

No dividends were paid during or subsequent to the half year ended 31<sup>st</sup> December 2014.

**NOTE 9: ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND RESTRUCTURINGS**

No subsidiaries were acquired or disposed of during the half year ended 31<sup>st</sup> December 2014.

**NOTE 10: DISCONTINUING OPERATIONS**

No operations were discontinued during the half-year ended 31<sup>st</sup> December 2014.

**COUNTY COAL LIMITED**  
ACN 003255221  
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes thereto, as set out on pages 4 to 11:
  - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
  - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year then ended.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Rodney Ruston  
Managing Director

Dated this 26<sup>th</sup> February 2015



**STIRLING INTERNATIONAL**  
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF COUNTY COAL LIMITED**

We have reviewed the accompanying half-year financial report of County Coal Limited and Controlled Entities (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2014, and the consolidated income statement, consolidated statement of comprehensive income, 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, other selected explanatory notes and the directors' declaration.

*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 (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 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 County Coal Limited and Controlled Entities, 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*, provided to the Directors of County Coal Limited would be in the same terms if provided to the Directors as at the date of this auditor's review report.

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*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 County Coal Limited 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 2014 and of its performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Stirling International  
Chartered Accountants



.....  
**Keanu Arya**

Partner

26<sup>th</sup> February 2015

283-285 Clarence St Sydney 2000

**LEAD AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF COUNTY COAL LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2014 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Stirling International  
Chartered Accountants



.....  
**Keanu Arya**

Partner

26<sup>th</sup> February 2015

283-285 Clarence St Sydney 2000

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