COUNTY INTERNATIONAL LIMITED

ABN 40 149 136 783

AND CONTROLLED ENTITIES

Appendix 4D and Half-Year Financial Report

31 December 2015

This half-year report is for the six months ended 31 December 2015. The previous corresponding period is the half-year ended 31 December 2014.

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 89.28%	11,393	to	1,368
Loss from ordinary activities after tax attributable to members	Increased 23.62%	112,943	to	591,111
Loss for the period attributable to members	Increased 23.62%	112,943	to	591,111

Dividends	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.

NTA Backing	31 December 2015	30 June 2015
Net tangible asset backing per share	1.30 cents	2.59 cents

County International Limited

(ABN 40 149 136 783)

Half Year Report

31 December 2015

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.countyinternational.com

Contents

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2015. 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 – Non-Executive Chairman

Rodney Ruston – Chief Executive Officer and Managing Director

David Miller – Non-Executive Director

REPORT ON OPERATIONS

Business continues to be difficult for the world coal industry in general and the US based thermal coal industry in particular. With respect to the world view, the significant oversupply experienced in the first half of the year continues resulting in very depressed prices and prompting the devaluation of County International's (County's) coal assets. However, County is not a producer and as a result is not exposed to the current depressed prices in relation to its current business activities. In fact, the current US coal business environment is seen as an opportunity for County as existing mines, located in the US north west and with good export quality resources, look for new markets to replace their domestic sales that are severely threatened by the concerted US Federal Administration push to cease the use of coal in favour of gas, for domestic power generation. County management believes that this focus on phasing out coal-fired power generation has led to a glut in availability of export-quality domestic coal in Western USA and therefore an increasing demand for supply routes into the Asian export markets. At the same time, amongst Asia's current major suppliers of thermal coal, a combination of government domestic coal-use policy to reduce exports from Indonesia and increasingly high cost, high risk, complex mining approval processes in Australia has resulted in these countries becoming higher risk suppliers leading Asian buyers to look for opportunities to diversify. This situation bodes well for County's focus on developing a well located west coast port opportunity.

The decline in world coal prices has resulted in the cessation of any further exploration activity relating to County's 730 million tonnes of proven JORC coal resources, together with a write-down in the value of those coal resources and the decision not to exercise an option to purchase an additional coal bearing property. It should be noted that County's coal properties, covering some 900+ acres (400 hectares) in the Powder River Basin ("PRB") are not affected by the recent Federal Government action relating to stopping of new coal leases on Federal lands.

Commodities Transport Program

During the first half of F2016, County International Limited (CCJ.ASX) continued to concentrate its activities on the development of a bulk export facility at a potential terminal site identified in F2015. This included progressing negotiations to lease or purchase a railway asset. Unfortunately, this deal was not able to be concluded largely because of unacceptable outstanding issues that had not been addressed by the existing owner. County is now progressing other opportunities related to the rail operations in the vicinity of the proposed port.

County's proposal to build and operate a bulk commodity ship-loading facility on the US North West coast is well located to service the expected increase in demand for resources as world economic growth accelerates, further strengthened by the Trans-Pacific Free Trade Agreement.

The strategy will significantly reduce risk, inherent in the cyclical nature of the coal business, by opening up the opportunity for County to secure revenue from a range of bulk export products.

The area identified for the proposed terminal is a brownfields industrial site. Water depth is currently not sufficient for full panamax sized vessels (75,000 DWT). County has engaged in discussions to utilise a very modern and proven trans-shipment option using barges. This strategy has relatively low capital cost and is a more environmentally friendly alternative. It would also enhance the project by substantially eliminating the need for both initial and maintenance dredging of the bay and by providing a capability to load Cape-sized vessels.

DIRECTORS' REPORT (continued)

REPORT ON OPERATIONS (continued)

Commodities Transport Program (continued)

At the port site, 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 loading capacity for both coal and other commodities such as grain and potash.

The company with which County has negotiated a business agreement 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 commodity terminal in this location has been scoped by the proponent company and shown by the engineering assessment to be economically viable at a throughput capacity of 18.5 mtpa of coal. The land size can 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.

Should the project proceed to approval, County, through a series of funding 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.

COAL EXPORTS

No further work was carried out on County International's coal projects in the Powder River Basin (PRB) during the half year.

County International 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 work on the resource until a viable, cost-efficient export path has been identified and secured. County's two wholly-owned thermal coal projects, Shell Creek and Miller, are both located in the PRB of Wyoming in the U.S. and together host 730Mt of JORC-compliant thermal coal resources. Shell Creek, in the western region of the PRB, hosts a 420Mt open-cut and underground thermal coal resource and Miller, in the eastern part of the PRB, hosts a 310Mt shallow underground/deep open cut thermal coal resource.

FINANCIAL POSITION

As detailed above, the last six months for the world coal industry have continued to be difficult. In light of this fact, the Board believes that it was prudent to again reassess the value of the Company's coal rights, freehold property and capitalised exploration and evaluation expenditure. To this end, so as to comply with accounting standards, the Board has impaired these assets by a further A$211k in the accounts as at 31 December 2015. As detailed below, the Board has a positive view of the long-term demand for coal.

During the first half of the financial year, the Board continued to minimize cash used by the Company. Subsequent to the end of the previous financial year the Board, including the Managing Director and a number of the Company's key advisors, have agreed to reduce their remuneration to zero so as to reduce the future cash outgoings of the Company.

In early September the Company announced a Non-Renounceable Pro-Rata Rights Issue to raise approximately $470,875. The funds raised from this issue are being applied towards general administration costs and working capital requirements. In addition, towards the end of the half year, the Company sold a surplus land holding in the vicinity of its coal holdings to raise additional cash.

DIRECTORS' REPORT (continued)

OUTLOOK

While the world coal and potash industries are depressed, most commentators remain positive about two things. First, there is still strong support for the premise that there will be increasing long-term demand for these commodities in Asia and second, there is a strong view that a substantial proportion of this increased demand for both commodities will come from the North West US and Canada. County believes now is the time to build a bulk commodity export facility, underpinned by a coal export business sourcing coal from mines in the US North West, to meet the projected demand increase from 2019 onwards and servicing new mines in the Canadian potash industry.

The Company has identified an excellent site for the construction of a multi-product ship loading facility. In FY2016 the Company expects to continue the process of securing that site. The Company's focus is to build a port facility and service it with coal sourced from excess capacity already available in the US north western coal fields, while holding its own identified resources for potential exploitation at a later time.

FY2016 will see the Company further examining the availability of supply and concentrating on securing the rights to the land and other assets required for its proposed bulk product terminal.

No further work is planned on County International's coal projects in the PRB in the immediate future. County International has previously announced some 730 million tonnes of JORC coal resource in its exploration areas in Wyoming's PRB.

COAL RESOURCE SUMMARY

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

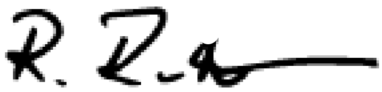
Prospect	JORC Inferred Coal Resource	JORC Indicated Coal Resource	JORC Measured Coal Resource	Total JORC Coal Resource
Shell Creek Coal Project	59 Mt	17 Mt	344 Mt	420 Mt
Miller Coal Project	-	-	310 Mt	310 Mt
Total JORC Coal Resource	59 Mt	17 Mt	654 Mt	730 Mt

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. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Auditor's Independence Declaration

The auditor's independence declaration for the half year ended 31st December 2015 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 19th February 2016

CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Notes	**2015 $**	**2014 $**
Interest revenue	2	1,368	12,761
Realised loss on sale of freehold property		(177,733)	-
Fair value decrement on assets held for resale		(144,572)	-
Impairment of coal rights		(67,673)	-
Administration, development and corporate expenses		(201,757)	(490,928)
Interest paid		(744)	(1)
Loss before income tax expense		**(591,111)**	**(478,168)**
Income tax expense		-	-
Loss for the period		**(591,111)**	**(478,168)**
Basic earnings per share (cents per share)		**(0.31)**	**(0.51)**
Diluted earnings per share (cents per share)		**(0.31)**	**(0.51)**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	2015 $	2014 $
Loss	(591,111)	(478,168)
Items that may be reclassified subsequently to profit or loss		
Other comprehensive income:		
Foreign exchange translation difference for foreign operations	136,104	1,635,302
Other comprehensive income for the period	136,104	1,635,302
Total comprehensive profit/(loss) attributable to members of the parent entity	**(455,007)**	**1,217,134**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	31 December 2015	30 June 2015
Assets		**$**	**$**
Current Assets			
Cash and cash equivalents		825,490	245,114
Trade and other receivables		31,264	41,714
Assets held for resale	12	523,117	1,168,418
Total Current Assets		**1,379,871**	**1,455,246**
Non-Current Assets			
Coal rights and capitalised exploration and evaluation expenditure	5	606,209	637,200
Interest in joint venture	11	507,847	431,907
Property, plant and equipment		638	650
Total Non-Current Assets		**1,114,694**	**1,069,757**
Total Assets		**2,494,565**	**2,525,003**
Liabilities			
Current Liabilities			
Trade and other payables		50,718	86,951
Total Current Liabilities		**50,718**	**86,951**
Non-Current Liabilities			
Trade and other payables		-	-
Total Non-Current Liabilities		**-**	**-**
Total Liabilities		**50,718**	**86,951**
Net Assets		**2,443,847**	**2,438,052**
Equity			
Issued Capital	3	16,515,212	16,054,410
Reserves	4	2,973,365	2,837,261
Accumulated losses		(17,044,730)	(16,453,619)
Total Equity		**2,443,847**	**2,438,052**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Foreign Currency Translation Reserve	Issued Capital	Share Option Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2014	**840,091**	**16,054,410**	**320,000**	**(5,556,955)**	**11,657,546**
Loss attributable to members	-	-	-	(478,168)	(478,168)
Share option reserve on recognition of remuneration options	-	-	-	-	-
Total other comprehensive income	1,635,302	-	-	-	1,635,302
Balance at 31 December 2014	**2,475,393**	**16,054,410**	**320,000**	**(6,035,123)**	**12,814,680**
Balance at 1 July 2015	**2,357,261**	**16,054,410**	**480,000**	**(16,453,619)**	**2,438,052**
Loss attributable to members	-	-	-	(591,111)	(591,111)
Share option reserve on recognition of remuneration options	-	-	-	-	-
Issue of shares (net of issue costs)	-	460,802	-	-	460,802
Total other comprehensive income	136,104	-	-	-	136,104
Balance at 31 December 2015	**2,493,365**	**16,515,212**	**480,000**	**(17,044,730)**	**2,443,847**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	2015 $	2014 $
Cash flows from operating activities		
Receipts from customers	-	-
Payments to suppliers and employees (inclusive of GST)	(216,996)	(398,668)
Interest received	1,367	13,157
Coal bond released	39,982	-
Interest paid	(451)	-
Net cash (used in) operating activities	(176,098)	(385,511)
Cash flows from investing/financing activities		
Funds advanced to joint venture	(94,087)	(212,459)
Funds received from rights issue (net of issue costs)	460,802	-
Sale of freehold property	389,729	-
Net cash provided/(used in) by investing/financing activities	756,444	(212,459)
Net increase/(decrease) in cash and cash equivalents held	580,346	(597,970)
Cash and cash equivalents at beginning of period	245,144	1,564,165
Cash and cash equivalents at end of reporting period	**825,490**	**966,195**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

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 2015 annual financial report for the financial year ended 30 June 2015, 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

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 2015. There are no new and revised accounting requirements significantly affecting the half year financial statements.

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE	31 December 2015 $	31 December 2014 $
The following items are relevant in explaining the financial performance for the half-year:		
Interest revenue – deposits	1,368	12,761

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 3: ISSUED CAPITAL	**31 December 2015 #**	**30 June 2015 #**
(a) Ordinary shares		
Issued and fully paid	188,350,008	94,175,004

94,175,004 (2014: Nil) new shares were issued during the half year pursuant to the Company's Non-Renounceable Pro-Rata Rights Issue for consideration of 0.5 cents per share, which was completed in September 2015.

(b) Options

5,000,000 options were issued during the half year to 31st December 2015 (2014: nil). At 31st December 2015 a total of 11,100,000 (2014: 10,200,000) options were on issue, 3,000,000 with an exercise price of 40 cents per share until 9 July 2017, 100,000 with an exercise price of 15 cents per share until 14 January 2018 and 8,000,000 with an exercise price of 4 cents per share until 31 January 2020.

NOTE 4: RESERVES	**31 December 2015 $**	**30 June 2015 $**
Foreign currency translation reserve	2,493,365	2,357,261
Share option reserve	480,000	480,000
	2,973,365	**2,837,261**

NOTE 5: EXPLORATION EXPENDITURE CAPITALISED

Coal rights and capitalised exploration and evaluation expenditure	606,209	637,200
Movement		
At the beginning of reporting period	637,200	10,272,355
Foreign exchange fluctuation	36,682	1,192,144
Expended during the period	-	212,495
Impairment of coal rights and freehold property	(67,673)	(9,871,376)
Transfer to assets held for resale	-	(1,168,418)
At end of reporting period	606,209	637,200

As a result of the decline in world coal prices, Directors have reassessed the carrying value of the 730Mt of proven-JORC Coal Resource in the Company's accounts. In assessing the recoverable value, the Directors have taken into consideration the attributes of the coal as determined in the Aqua Terra geologist's reports dated October 2011 and October 2012, the value paid for the various properties and coal resource in 2011 and the reduction in world thermal coal prices since 2011.

From November 2011 to June 2015, thermal coal prices have reduced by approximately 44%. Given the further decline in thermal coal prices, so as to comply with the accounting standards in assessing the value of the Company's assets as at 31 December 2015, the Board has further impaired the Company's coal rights and capitalised exploration and evaluation expenditure to reflect this reduction as at the balance date. The value of the Miller coal resource has been reduced in the Company's books in line with this decrease in world thermal coal prices. The quality of coal in the Company's Shell Creek property is below that of the Miller property and accordingly, the Board wrote down the coal resource in this property in its entirety at 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 5: EXPLORATION EXPENDITURE CAPITALISED (continued)

Valuation technique

Impairment of coal rights and property results from a reduction in the carrying value of the Company's exploration and evaluation expenditure as explained above and a reduction on the value of the Company's freehold property. The value of the Company's freehold property has been reassessed by the Directors based on existing market conditions.

During the 2015 financial year the Company determined it had freehold land which was considered excess to the Company's requirements. This land in Wyoming was previously reflected in coal rights, freehold property and capitalised exploration and evaluation expenditure and has been transferred to an asset held for resale as it is the Directors intention to realise this property.

Exploration assets and freehold property (Note 12) held by the Company exist in markets which are not liquid. In such cases it is challenging to determine accurate fair values for these assets. Therefore the ultimate value which may be realised for such assets in future years could vary significantly from the amounts reflected in these accounts.

Fair value hierarchy

In order to arrive at the recoverable amount when impairing the non-financial assets the Director used level 3 inputs such as adjusted comparable land values and adjusted commodity prices as interpreted by the Directors. The valuation technique is as described above.

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 periods, 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.

	31 December 2015	**31 December 2014**
	$	**$**
Lease Commitments		
Lease Commitments contracted for but not capitalised in the financial statements		
Payable:		
-not later than 1 year	-	20,250
-later than 1 year but not later than 5 years	-	-
-later than 5 years	-	-
	-	20,250

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 6: CONTINGENT LIABILITIES AND COMMITMENTS (continued)

	31 December 2015 $	31 December 2014 $
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	-	-
	-	-

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.

NOTE 8: DIVIDENDS

No dividends were paid during or subsequent to the half year ended 31st December 2015.

NOTE 9: ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND RESTRUCTURINGS

No subsidiaries were acquired or disposed of during the half year ended 31st December 2015.

NOTE 10: DISCONTINUING OPERATIONS

No operations were discontinued during the half year ended 31st December 2015.

NOTE 11: JOINT VENTURE

During the 2015 financial year, the Company acquired 30% direct interest in a joint venture entity as part of its port development project. The Company has made total contributions of $507,847 to the joint venture to fund its port development project. As at 31 December 2015 the Company's direct interest in this joint venture is 30%. The Company's share of profit for the half year ended 31 December 2015 was nil (2014: nil).

	31 December 2015 $	30 June 2015 $
Summarised Presentation of Aggregate Assets, Liabilities and Performance of Joint Venture (Unaudited)		
Current assets	15,573	65,022
Non-current assets (expenditure capitalised on port project)	492,274	366,885
Total assets	507,847	431,907
Liabilities	-	-
Net assets	507,847	431,907
Joint venture equity	507,847	431,907
Revenues	-	-
Unaudited results after income tax of joint venture	-	-

The above-mentioned summarized joint venture financial information does not include the joint venture's intellectual property as the joint venture has assigned no monetary value to this asset. The recoverability of the carrying amount of the joint venture assets is dependent upon the successful development of a commercially viable and feasible port facility.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 12: ASSETS HELD FOR SALE

	31 December 2015 $	30 June 2015 $
Freehold property held for sale	523,117	1,168,418
Movement:		
At the beginning of reporting period	1,168,418	-
Foreign exchange fluctuation	71,133	-
Transfer from exploration expenditure capitalised	-	1,168,418
Disposal during the period	(571,862)	-
Impairment of asset held for sale	(144,572)	-
	523,117	1,168,418

During the 2015 financial year the Board has determined that certain freehold land in Wyoming, USA previously shown in the accounts as part of the capitalised exploration expenditure, is to be realised as it is now surplus to the Company's requirements.

During the period the Company disposed of a parcel of freehold land held for resale which had a book valuation of US$415k, resulting in a loss of US$129k. The Directors also reassessed the value of the remaining freehold land held for sale, resulting in an additional impairment of US$104k.

The Directors revalued this land based on their assessment of the value of nearby properties and after consideration of local government valuations for the parcels of land. Refer Note 5 for valuation hierarchy.

It is intended that the sale of the remaining property will be realised within the next twelve months.

The freehold land is not allocated to an operating segment.

NOTE 13: CHANGE OF COMPANY NAME

The name of the Company was changed from County Coal Limited to County International Limited on 26th November 2015.

COUNTY INTERNATIONAL LIMITED

ACN 149136783

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes thereto, as set out on pages 4 to 13:
   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 2015 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 19th February 2016

STIRLING INTERNATIONAL
CHARTERED ACCOUNTANTS

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

We have reviewed the accompanying half-year financial report of County International Limited and Controlled Entities (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2015, 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 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 2015 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 International 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 International Limited would be in the same terms if provided to the Directors as at the date of this auditor's review report.

Level 4, 285 Clarence Street Sydney NSW 2000 Australia
PO Box Q182 Sydney NSW 1230 ABN 65 085 182 822
email office@stirlinginternational.com.au

Telephone (02) **8268 8188** Facsimile (02) 8268 8199

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 International 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 2015 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.

<u>Inherent Uncertainty Regarding Recoverability of Assets</u>

- Without qualification to the opinion expressed above, attention is drawn to the following matters:
- Included in non-current assets in Note 5 to the financial statements is capitalised exploration and evaluation expenditure at fair value of $606,209 and included in Note 12 is freehold property held for resale at fair value of $523,117. These assets have been valued by the directors of the company and they do not have an active market, therefore the values realised in future may be significantly different to the fair values determined by the directors of the company. The ultimate recovery of the value of these assets is dependent upon the recovery in the coal prices and a successful sale of the freehold property.
- Included in non-current assets in Note 11 are funds advanced to a joint venture entity as part of a port development project at book value of $507,847. The ultimate recovery of the value of this asset is dependent upon the successful development of a commercially viable and feasible port facility.

Stirling International

Chartered Accountants

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Keanu Arya

Partner

19th February 2016

283-285 Clarence St Sydney 2000

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

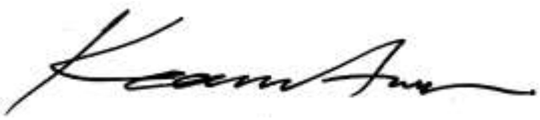
I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there have been:

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



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Keanu Arya

Partner

19th February 2016

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