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PACIFIC ORE LIMITED

**INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2015**

ABN 68 123 867 765

CORPORATE DIRECTORY

Directors

Mr Ian Middlemas – Chairman
Mr David Parker – Non-Executive Director
Mr Mark Pearce – Non-Executive Director

Company Secretary

Mr Gregory Swan

Registered Office

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28 The Esplanade
Perth WA 6000
Australia

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Securities Exchange Listing

Australian Securities Exchange
ASX Code: PSF – Ordinary Shares

Website

www.pacificore.com.au

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000
Australia

Telephone: 1300 55 70 10

International: +61 8 9323 2000

Facsimile: +61 8 9323 2033

Solicitors

DLA Piper Australia

Auditor

HLB Mann Judd

Bankers

Australia and New Zealand Banking Group Limited

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DIRECTORS' REPORT



The Board of Directors of Pacific Ore Limited present their report on Pacific Ore Limited ("**Company**" or "**Pacific**") and the entities it controlled during the half year ended 31 December 2015 ("**Group**").

DIRECTORS

The names and details of the Company's directors in office at any time during the half year or since the end of the half year are:

Mr Ian Middlemas	Chairman
Mr David Parker	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Unless otherwise stated, Directors held their office from 1 July 2015 until the date of this report.

OPERATING AND FINANCIAL REVIEW

Operations

Highlights during the half year and since the end of the half year include:

- (i) Entered into a conditional agreement to acquire 100% of Seattle-based Syntonic Wireless, Inc. ("**Syntonic**"), a leader in mobile connected services with market leading solutions, including: Freeway by Syntonic®, which allows free-of-charge, mobile internet access on smartphones by having advertisers sponsoring the data; and Syntonic DataFlex®, which allows businesses to manage split billing expenses for employees when using their personal mobile phones for work;
- (ii) Syntonic announced that it had entered into an agreement with Tata Communications Inc. ("**Tata**") to license Syntonic's Freeway and DataFlex services for deployment across their worldwide network of mobile operator partners. Tata is the world's largest wholesale voice carrier connecting more than 70% of the world's mobile carriers, and handles more than 24% of the world's internet traffic;
- (iii) Syntonic announced that its Freeway by Syntonic application will be made available in Southeast Asia in the March 2016 quarter. The market expansion will enable leading mobile operators the opportunity to offer subscribers in the region with free mobile access to Clash of Clans and an inaugural list of popular messaging and social media applications. The first wave of applications available include Clash of Clans, WhatsApp, BBM, WeChat, and Twitter;
- (iv) Syntonic announced that AT&T customers would have free mobile data access to the Consumer Electronics Show ("**CES**") conference site using Freeway by Syntonic, the company's sponsored data application. CES is an internationally renowned electronics and technology trade show that takes place every year in Las Vegas and provides a unique opportunity to showcase the power of Syntonic's Freeway sponsored data solution;
- (v) Successfully renegotiated the consideration payable by Pacific to acquire 100% of Syntonic which will now comprise 1,200 million Pacific ordinary shares and 500 million performance shares subject to achievement of key business milestones; and
- (vi) Completed a placement of 110 million shares at \$0.007 each to sophisticated investors which raised gross proceeds of \$770,000 ("**Placement**"). The Placement was arranged by CPS Capital Group Pty Ltd ("**CPS**").

OPERATING AND FINANCIAL REVIEW (Continued)

Proposed Acquisition of Syntonic

In December 2015, the Company entered into a conditional binding agreement to acquire 100% of the issued share capital of Syntonic.

Syntonic is a U.S. based Seattle software company which has developed two technology products: Freeway by Syntonic gives consumers the ability to connect to the mobile Internet free of charge on their mobile phone by having advertisers pay for the data; and Syntonic DataFlex allows businesses a cost effective mobile split billing solution to separate personal from business use on employee smartphones. Founded in 2013, Syntonic has developed worldwide strategic partnerships with leaders in the mobile ecosystem. To learn more about Syntonic visit www.syntonic.com.

Syntonic already has revenue generating operator deployments with worldwide tier-1 mobile carriers, including AT&T which has more than 60 million eligible subscribers and Tata which is the world's largest wholesale voice carrier connecting more than 70% of the world's mobile carriers and handles more than 24% of the world's internet traffic.

Syntonic's proven executive team, including co-founders Gary S. Greenbaum and Rahul Agarwal, has more than 60 years of mobile technology experience with senior executive positions at Microsoft, Hutchison Whampoa, RealNetworks, Adobe, and EA Games.

The proposed acquisition of Syntonic by Pacific will provide an ASX-listed platform for Syntonic to grow its global business and to capture the sales pipeline in the U.S., Europe, and emerging markets in South East Asia and Latin America.

Under the revised agreement between Pacific and Syntonic, the consideration payable by Pacific to acquire 100% of Syntonic will comprise: 1,200,000,000 ordinary shares to the security holders of Syntonic, subject to ASX escrow provisions; and 500,000,000 performance shares which shall convert into an equal number of ordinary shares upon satisfaction of key business milestones.

Following completion of due diligence, a Notice of Meeting is expected to be sent to Pacific shareholders which will include information on Syntonic and set out various resolutions relating to the acquisition.

Mineral Tenements

The Company has applied for an exploration tenement in Western Australia targeting zinc-copper-gold (ELA59/2138). The tenement is located in the Gullewa Greenstone belt, approximately 270 kilometres northeast of Perth. The timing for the grant of the tenement is unknown at this stage. Once the tenement is granted, the Company will review available data to determine the initial exploration activities to be undertaken.

Given the pending grant of ELA59/2138, and following a review of exploration results to-date on the Perinvale North Tenement (E57/818), the Company and its joint venture partner have decided not to renew the Perinvale North Tenement, located approximately 550km northeast of Perth in the Southern Cross Domain of the Yilgarn Craton.

BioHeap™ Royalty

In consideration for the sale of the Company's BioHeap™ technology business and associated entities to Western Areas in 2009, the Company is entitled to a 2% net royalty on revenues (net of costs) attributable to ore processed using the BioHeap™ bacterial leaching technology. Western Areas has completed a feasibility study for its Forrestania Mill Recovery Enhancement Project ("**Mill Enhancement**") which is expected to recover an additional 1,200 nickel tonnes in concentrate per annum and will employ the BioHeap™ bacterial leaching technology.

DIRECTORS' REPORT

(Continued)



OPERATING AND FINANCIAL REVIEW (Continued)

Corporate

During the half year the Company continued its efforts on the identification and acquisition of business opportunities which culminated in the Company entering into a conditional agreement in December 2015 to acquire 100% of Seattle-based Syntonic, a leader in mobile connected services with market leading solutions, Freeway by Syntonic and Syntonic DataFlex.

In November 2015, the Company completed a share placement of 110 million shares at \$0.007 each to sophisticated investors which raised gross proceeds of \$770,000. The Placement was arranged by CPS Capital Group Pty Ltd.

Results of Operations

Net operating loss after tax for the half year ended 31 December 2015 was \$158,657 (31 December 2014: \$87,254).

This loss is partly attributable to business development expenses of \$34,120 (31 December 2014: \$32,400) associated with the Group's assessment during the half-year of various new business opportunities in the resources and technology sectors, which ultimately culminated in the Company entering into a conditional agreement in December 2015 to acquire 100% of Seattle-based Syntonic, a leader in mobile connected services with market leading solutions, Freeway by Syntonic and Syntonic DataFlex.

Financial Position

At 31 December 2015, the Company had cash reserves of \$2.3 million (30 June 2015: \$2.1 million) placing the Company in a good position to conduct its current activities and to pursue new business development opportunities.

SIGNIFICANT POST BALANCE DATE EVENTS

- (i) On 29 January 2016, the Company announced that it had successfully renegotiated the consideration payable by Pacific to acquire 100% of Syntonic which will now comprise 1,200 million Pacific ordinary shares and 500 million performance shares subject to achievement of key business milestones; and
- (ii) On 10 February 2016, Syntonic announced that it had entered into an agreement with Tata Communications Inc. ("**Tata**") to license Syntonic's Freeway and DataFlex services for deployment across their world-wide network of mobile operator partners. Tata is the world's largest wholesale voice carrier connecting more than 70% of the world's mobile carriers, and handles more than 24% of the world's internet traffic; and
- (iii) On 18 February 2016, Syntonic announced that its Freeway by Syntonic application will be made available in Southeast Asia in the March 2016 quarter. The market expansion will enable leading mobile operators the opportunity to offer subscribers in the region with free mobile access to Clash of Clans and an inaugural list of popular messaging and social media applications. The first wave of applications available include Clash of Clans, WhatsApp, BBM, WeChat, and Twitter.

Other than the above, there were no significant events occurring after balance date requiring disclosure.

DIRECTORS' REPORT
(Continued)



AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of Pacific Ore Limited with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is on page 14 and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink that reads "Mark Pearce".

MARK PEARCE
Director

23 February 2016

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DIRECTORS' DECLARATION



In accordance with a resolution of the Directors of Pacific Ore Limited, I state that:

In the opinion of the Directors:

- (a) the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - (i) section 304 (compliance with accounting standards and Corporations Regulations 2001);
 - (ii) section 305 (true and fair view); and
- (b) 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 section 303(5) of the Corporations Act 2001.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Mark Pearce'.

MARK PEARCE
Director

23 February 2016

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**



	Notes	31 December 2015 \$	31 December 2014 \$
Continuing operations			
Revenue	3(a)	26,222	39,251
Other income	3(b)	-	66,119
Exploration expenses		(5,444)	(1,200)
Business development expenses		(34,120)	(32,400)
Corporate expenses		(81,042)	(81,974)
Administrative expenses		(64,273)	(77,050)
Loss before income tax		(158,657)	(87,254)
Income tax expense		-	-
Net loss for the period		(158,657)	(87,254)
Net loss attributable to members of Pacific Ore Limited		(158,657)	(87,254)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net fair value gain on available for sale financial assets		18,582	-
Exchange differences on translation of foreign operations		5	(19)
Other comprehensive income for the period, net of tax		18,587	(19)
Total comprehensive loss for the period		(140,070)	(87,273)
Total comprehensive loss attributable to members of Pacific Ore Limited		(140,070)	(87,273)
Loss per Share			
Basic and diluted loss per share from continuing operations (cents per share)		(0.03)	(0.02)

The above Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**
AS AT 31 DECEMBER 2015



	Notes	31 December 2015 \$	30 June 2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents		2,316,869	2,083,036
Trade and other receivables		19,569	14,797
Total Current Assets		2,336,438	2,097,833
Non-Current Assets			
Financial assets	4	468,582	100,000
Total Non-Current Assets		468,582	100,000
TOTAL ASSETS		2,805,020	2,197,833
LIABILITIES			
Current Liabilities			
Trade and other payables		62,790	31,756
Total Current Liabilities		62,790	31,756
TOTAL LIABILITIES		62,790	31,756
NET ASSETS		2,742,230	2,166,077
EQUITY			
Contributed equity	5	25,155,873	24,439,650
Reserves	6	63,069	44,482
Accumulated losses		(22,476,712)	(22,318,055)
TOTAL EQUITY		2,742,230	2,166,077

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

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

	Contributed Equity \$	Investments Available For Sale Reserve \$	Share- Based Payment Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2015	24,439,650	-	-	44,482	(22,318,055)	2,166,077
Net loss for the period	-	-	-	-	(158,657)	(158,657)
Net fair value gain on available for sale financial assets	-	18,582	-	-	-	18,582
Exchange differences on translation of foreign operations	-	-	-	5	-	5
Total comprehensive loss for the period	-	18,582	-	5	(158,657)	(140,070)
Transactions with owners, recorded directly in equity						
Share placement	770,000	-	-	-	-	770,000
Share issue costs	(53,777)	-	-	-	-	(53,777)
Balance at 31 December 2015	25,155,873	18,582	-	44,487	(22,476,712)	2,742,230
Balance at 1 July 2014	24,439,650	-	34,001	44,529	(22,141,210)	2,376,970
Net loss for the period	-	-	-	-	(87,254)	(87,254)
Exchange differences on translation of foreign operations	-	-	-	(19)	-	(19)
Total comprehensive loss for the period	-	-	-	(19)	(87,254)	(87,273)
Transactions with owners, recorded directly in equity						
Expiry of incentive options	-	-	(34,001)	-	34,001	-
Balance at 31 December 2014	24,439,650	-	-	44,510	(22,194,463)	2,289,697

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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



	31 December 2015 \$	31 December 2014 \$
Cash flows from operating activities		
Payments to suppliers and employees	(157,393)	(161,282)
Interest received	25,003	36,291
Net cash outflow from operating activities	(132,390)	(124,991)
Cash flows from investing activities		
Purchase of available-for sale financial assets	(100,000)	-
Payment of option fee on Syntonic acquisition	(250,000)	-
Net cash outflow from investing activities	(350,000)	-
Cash flows from financing activities		
Proceeds from issue of shares	770,000	-
Payments for share issue costs	(53,777)	-
Net cash inflow from financing activities	716,223	-
Net increase/(decrease) in cash and cash equivalents held	233,833	(124,991)
Cash and cash equivalents at the beginning of the half year	2,083,036	2,470,228
Cash and cash equivalents at the end of the half year	2,316,869	2,345,237

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The interim condensed consolidated financial statements of the Group for the half year ended 31 December 2015 were authorised for issue in accordance with the resolution of the directors on 23 February 2016.

The interim condensed consolidated financial statements for the half year reporting period ended 31 December 2015 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Pacific Ore Limited for the year ended 30 June 2015 and any public announcements made by Pacific Ore Limited and its controlled entities during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(b) Basis of Preparation of Half Year Financial Report

The interim condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

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 annual financial report for the year ended 30 June 2015, other than as detailed below.

(c) New Accounting Standards

In the current period, the Group has adopted all of the new and revised standards, interpretations and amendments that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2015. New and revised standards and amendments thereof and interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1 *First-time Adoption of Australian Accounting Standards* (meaning of 'effective IFRSs');
- AASB 2 *Share-based Payment* (definitions of vesting conditions);
- AASB 3 *Business Combinations* (accounting for contingent consideration in a business combination);
- AASB 3 *Business Combinations* (scope exceptions for joint ventures);
- AASB 8 *Operating Segments* (aggregation of operating segments);
- AASB 8 *Operating Segments* (reconciliation of the total of the reportable segments' assets to the entity's assets);
- AASB 13 *Fair Value Measurement* (scope of paragraph 52 – portfolio exception);
- AASB 13 *Fair Value Measurement* (short term receivables and payables);
- AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets* (revaluation method – proportionate restatement of accumulated depreciation/amortisation); and
- AASB 124 *Related Party Disclosures* (key management personnel).

The adoption of new and revised standards and amendments has not affected the amounts reported for the current or prior half-year periods. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2. SEGMENT INFORMATION

During the half-year, the Group operated in one operating segment, being exploration for mineral resources. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

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



3. REVENUE, OTHER INCOME AND EXPENSES

	31 December 2015 \$	31 December 2014 \$
(a) Revenue		
Interest revenue	26,222	39,251
	26,222	39,251
(b) Other Income		
Write-off of trade and other payables	-	66,119
	-	66,119

4. FINANCIAL ASSETS (NON-CURRENT)

	31 December 2015 \$	30 June 2015 \$
Available for sale financial assets:		
Unquoted equity shares ¹	218,582	100,000
Other financial assets:		
Option over unquoted equity shares ²	250,000	-
	468,582	100,000

Notes:

- ¹ Investment relates to 40,842 unlisted shares in Jayride Technology Pty Ltd, a private unlisted Australian start-up company that owns proprietary technology for an e-commerce platform to book passenger transport. The fair market value has been determined based on the most recent arm's length placement price of its shares.
- ² Investment relates to an exclusive option to purchase 100% of the issued capital in Syntonic Wireless, Inc., a private unlisted U.S. start-up company that is a leader in mobile connected services with market leading solutions, including: Freeway by Syntonic®, which allows free-of-charge, mobile internet access on smartphones by having advertisers sponsoring the data; and Syntonic DataFlex®, which allows businesses to manage split billing expenses for employees when using their personal mobile phones for work.

5. CONTRIBUTED EQUITY

	31 December 2015 \$	30 June 2015 \$
(a) Share Capital		
656,776,880 (30 June 2015: 546,776,880) ordinary shares	25,155,873	24,439,650
	25,155,873	24,439,650

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



5. CONTRIBUTED EQUITY (Continued)

(b) Movement in Share Capital during the past six months

		Number of Ordinary Shares	Issue Price \$	\$
01-Jul-15	Opening Balance	546,776,880		24,439,650
Oct-15 to Nov-15	Share placement	110,000,000	\$0.007	770,000
	Share issue costs	-	-	(53,777)
31-Dec-15	Closing balance	656,776,880		25,155,873

6. RESERVES

	31 December 2015 \$	30 June 2015 \$
Investments available-for-sale reserve	18,582	-
Foreign currency translation reserve	44,487	44,482
	63,069	44,482

(a) Movement in share-based payment reserve during the past six months

There were no movements in share-based payment reserve during the past six months.

7. CONTINGENT ASSETS AND LIABILITIES

During the half-year, Pacific entered into a conditional agreement to acquire 100% of Syntonic Wireless, Inc. ("Syntonic"), a leader in mobile connected services. Completion of the acquisition is conditional upon the satisfaction or waiver of a number of conditions precedent, including completion of due diligence, completion of a capital raising, regulatory approvals, and shareholder approvals. Upon completion of due diligence, Pacific will provide an interim loan of A\$250,000 to Syntonic to fund their ongoing business activities. The consideration payable by Pacific to acquire 100% of Syntonic will comprise 1,200,000,000 ordinary shares in Pacific and 500,000,000 performance shares in Pacific which shall convert into an equal number of ordinary shares upon satisfaction of various performance milestones within 24 months from the date of completion of the acquisition. Pacific will also issue 120,000,000 unlisted options to acquire Pacific shares each exercisable at a 25% premium to the capital raising price on or before 31 May 2018 and 32,500,000 unlisted options to acquire Pacific shares each exercisable at A\$0.02 on or before 31 May 2018.

8. DIVIDENDS PAID OR PROVIDED FOR

No dividend has been paid or provided for during the half year (31 December 2014: nil).

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



9. FINANCIAL INSTRUMENTS

(a) Fair Value Measurement

The Group's financial assets and liabilities comprises of cash and cash equivalents, trade and other receivables and trade and other payables. At 31 December 2015 and 31 December 2014, the carrying value of the Group's financial assets and liabilities approximate their fair value.

(b) Reconciliation of Level 3 Fair Value Movements

	Available for sale financial assets (unquoted equity shares) \$
As at 1 July 2015	100,000
Remeasurement recognised in other comprehensive income	18,582
Purchases	100,000
As at 31 December 2015	218,582

10. SUBSEQUENT EVENTS AFTER BALANCE DATE

- (i) On 29 January 2016, the Company announced that it had successfully renegotiated the consideration payable by Pacific to acquire 100% of Syntonic which will now comprise 1,200 million Pacific ordinary shares and 500 million performance shares subject to achievement of key business milestones; and
- (ii) On 10 February 2016, Syntonic announced that it had entered into an agreement with Tata Communications Inc. ("**Tata**") to license Syntonic's Freeway and DataFlex services for deployment across their world-wide network of mobile operator partners. Tata is the world's largest wholesale voice carrier connecting more than 70% of the world's mobile carriers, and handles more than 24% of the world's internet traffic; and
- (iii) On 18 February 2016, Syntonic announced that its Freeway by Syntonic application will be made available in Southeast Asia in the March 2016 quarter. The market expansion will enable leading mobile operators the opportunity to offer subscribers in the region with free mobile access to Clash of Clans and an inaugural list of popular messaging and social media applications. The first wave of applications available include Clash of Clans, WhatsApp, BBM, WeChat, and Twitter.

Other than the above, there were no significant events occurring after balance date requiring disclosure.

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Pacific Ore Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
23 February 2016



M R W Ohm
Partner

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pacific Ore Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Pacific Ore Limited ("the company") which comprises the condensed statement of financial position as at 31 December 2015, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group'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 the company, 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*.

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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 Pacific Ore Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

HLB Mann Judd

**HLB Mann Judd
Chartered Accountants**

**Perth, Western Australia
23 February 2016**



**M R W Ohm
Partner**

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