

For personal use only



WESTERN MINING NETWORK LIMITED

ABN 63 144 079 667

& CONTROLLED ENTITIES

Interim Financial Report
For the Half-Year Ended December 2016

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

**INTERIM FINANCIAL REPORT
For the Half-Year Ended 31 December 2016**

Company Directory	1
Directors' Report	2
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Condensed Consolidated Statement of Financial Position	6
Condensed Consolidated Statement of Changes in Equity	7
Condensed Consolidated Statement of Cash Flows	8
Notes to the Condensed Consolidated Financial Statements	9
Directors' Declaration	13
Auditor's Independence Declaration	14
Independent Auditor's Review Report	15

For personal use only

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

COMPANY DIRECTORY

NON-EXECUTIVE CHAIRMAN

Don Carroll

NON-EXECUTIVE DIRECTORS

Nathan Taylor

Eddie King

COMPANY SECRETARY

David Palumbo

REGISTERED OFFICE

Level 11, 216 St Georges Terrace
PERTH WA 6000

Telephone: (08) 9481 0389

Facsimile: (08) 9481 6103

AUDITORS

Bentleys

Level 3, 216 St Georges Terrace
PERTH WA 6000

SHARE REGISTRAR

Advanced Share Registry Services
110 Stirling Highway

Nedlands Western Australia 6009

Telephone: (08) 9389 8033

Facsimile: (08) 93262 3723

STOCK EXCHANGE CODE

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

Code: WMN

For personal use only

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

DIRECTORS' REPORT

Your Directors submit the financial report of the Company for the half-year ended 31 December 2016.

DIRECTORS

The names of Directors who held office during or since the end of the half year are:

Don Carroll	Non-Executive Chairman (Appointed 4 October 2016, Previously Non-Executive Director appointed 7 September 2016)
Nathan Taylor	Non-Executive Director (Previously Non-Executive Chairman until 4 October 2016)
Eddie King	Non-Executive Director (Appointed 4 October 2016)
Budi Santoso	Non-Executive Director (Resigned 4 October 2016)
Andrew Houtas	Non-Executive Director (Resigned 4 October 2016)

RESULTS

The loss after tax for the half-year ended 31 December 2016 was \$335,871 (31 December 2015: \$7,835,541).

REVIEW OF OPERATIONS

Corporate

On 8 July 2016, the Company announced that it had obtained an agreement with a number of sophisticated and professional investors to provide bridging finance for the total amount of \$535,584 which comprised \$35,384 placement of 35,584,502 fully paid ordinary shares at an issue price of \$0.001; and \$500,000 in convertible loans. The bridging finance was applied to the creditor settlements and general working capital purposes.

The Company lodged a prospectus dated 14 July 2016 and a supplementary prospectus dated 28 July 2016 for a renounceable, pro rata offer of fully paid ordinary shares to eligible shareholders at an issue price of \$0.001 each on the basis of 8 new shares for every 1 share held. A total of 2,182,516,136 fully paid ordinary shares were issued over the period August to October 2016 to raise approximately \$2,182,516 before costs.

On 7 September 2016, Don Carroll was appointed to the Board as a non-executive director. On 4 October 2016, the Company announced the appointment of Eddie King as a non-executive director and the resignation of non-executive directors Andrew Houtas and Budi Santoso. Additionally, Don Carroll was appointed chairman with Nathan Taylor resigning from the role but continuing as a Non-Executive Director for an interim period.

At the Company's AGM on 29 November 2016, Shareholders approved a 1 for 13 consolidation of the Company's securities. Post consolidation trading commenced on 1 December 2016.

Also at the Company's AGM, Shareholders approved the conversion of \$500,000 in converting loans plus accrued interest into 39,583,667 ordinary shares and 39,583,667 options exercisable at \$0.0195 on or before 12 December 2019. The securities were issued by the Company on 12 December 2016.

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

DIRECTORS' REPORT

WA Gold Portfolio

On 1 December 2016, the Company announced the acquisition of a prospective gold portfolio with multiple significant drill intersections in the Eastern Goldfields Province of Western Australia for \$60,000. The Company secured the following four Licenses:

- E38/3062, or “Defiance”, lies 10km immediately southwest of Laverton, in one of the best endowed gold regions in Australia with over 28 million ounces of gold produced in recent history (the Laverton Tectonic Zone that includes Granny Smith, Sunrise Dam and Wallaby gold deposits);
- E39/1878 and 1879 or “Mt Howe”, lies on the southern extensions of the aforementioned Laverton Tectonic Zone, immediately adjacent to the structure that hosts the Granny Smith, Red October and Safari Bore gold deposits; and
- P27/2005 or “Unknown Project” with historic gold workings located just north of Bulong.

Further details on the WA gold portfolio are contained in the Company’s announcement to ASX dated 1 December 2016.

Persada

As disclosed in the WMN Annual Report dated 30 September 2016, the Persada tenement expired on 12 August 2016.

During the period, the Company engaged with the Central Sulawesi Government regarding the renewal application. Recent correspondence received has indicated that in order to maintain tenure over the Persada tenement, the Company must convert the Exploration IUP to a Production IUP.

Based on the limited historical work completed on the Persada tenement, the Board has determined that a conversion of the IUP to Production cannot be justified.

The Company has advised the 25% minority shareholders of PT. Persada Bumi Rawas of its intentions, with the parties currently in dialogue regarding the Company’s planned relinquishment of its interest in PT. Persada Bumi Rawas and the Persada tenement.

SUBSEQUENT EVENTS

Subsequent to period end, the Company secured a 60 day exclusive option period to acquire 100% of NiCo Minerals Pty Ltd and its 100% wholly owned subsidiary CE Metals s.r.o, owner of 100% of the Dobsina Licence (License number 2466/2017-5.3). The Company issued 18,333,334 fully paid ordinary shares on 27 February 2017 for the exclusive option.

Upon successful completion of due diligence and exercise of the option, consideration will be 286,666,667 fully paid ordinary shares and 73,333,334 performance shares which will each convert to one ordinary Share upon completion of the following milestones:

- Performance Milestone 1: 36,666,667 fully paid ordinary shares upon the delineation of a minimum of 500,000t at a minimum grade of 0.5% Cobalt equivalence in accordance with the JORC 2012 Edition Guidelines or 50,000t of ore sold/processed at a minimum of 0.5% Cobalt equivalence;
- Performance Milestone 2: 36,666,667 fully paid ordinary shares upon the delineation of a minimum of 1,000,000t at a minimum grade of 0.5% Cobalt equivalence in accordance with the JORC 2012 Edition Guidelines or 100,000t of ore sold/processed at a minimum of 0.5% Cobalt equivalence.

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

DIRECTORS' REPORT

On 27 February 2017, the Company issued 84,615,385 fully paid ordinary shares at an issue price of \$0.013 per share to raise \$1,100,000, to progress the proposed acquisition of the Dobsina Licence, exploration activities across the Company's Western Australian gold portfolio and general working capital purposes.

On 27 February 2017, the Company issued 5,076,923 fully paid ordinary shares in lieu of cash payment for broking fees associated with the \$1,100,000 placement.

On 2 March and 8 March 2017, the Company issued 2,692,309 and 9,533,720 fully paid ordinary shares respectively on conversion of \$0.0195 options to raise \$238,408.

No other matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the half-year ended 31 December 2016 is set out on page 14.

This report is signed in accordance with a resolution of the Board of Directors.



Eddie King
Non-Executive Director
Dated: 16th March 2017

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the Half-Year Ended 31 December 2016

		31 December 2016	31 December 2015
		\$	\$
Revenue	Note	14,298	61
Administration expenses		(25,415)	(602,116)
Compliance and regulatory expenses		(136,131)	(259,006)
Diminution in fair value of financial assets	3	-	(2,811,218)
Employee benefits expense		(123,012)	(588,239)
Exploration and evaluation expenditure		(65,611)	(5,037)
Occupancy costs		-	(12,225)
Share based payment expense		-	(3,488,784)
Travel and accommodation		-	(68,977)
Loss before income tax expense		(335,871)	(7,835,541)
Income tax expense		-	-
Loss from continuing operations		(335,871)	(7,835,541)
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		423	(137,313)
Total comprehensive income		(335,448)	(7,972,854)
Loss attributable to:			
Members of the parent entity		(335,871)	(7,788,251)
Non-controlling interest		-	(47,290)
		(335,871)	(7,835,541)
Total comprehensive loss attributable to:			
Members of the parent entity		(335,448)	(7,925,564)
Non-controlling interest		-	(47,290)
		(335,448)	(7,972,854)
Basic loss per share (cents per share)		(0.22)	(42.94)

The accompanying notes form part of this financial report.

For personal use only

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2016

	Note	31 December 2016 \$	30 June 2016 \$
CURRENT ASSETS			
Cash and cash equivalents		2,020,084	52,726
Trade and other receivables		18,075	1,023
TOTAL CURRENT ASSETS		2,038,159	53,749
TOTAL ASSETS		2,038,159	53,749
CURRENT LIABILITIES			
Trade and other payables		65,190	295,372
TOTAL CURRENT LIABILITIES		65,190	295,372
TOTAL LIABILITIES		65,190	295,372
NET ASSETS/(LIABILITIES)		1,972,969	(241,623)
EQUITY			
Issued Capital	2	62,357,095	59,807,055
Reserves		3,905,166	3,904,743
Accumulated losses		(64,283,506)	(63,947,635)
Non-controlling interest		(5,786)	(5,786)
TOTAL EQUITY/(DEFICIENCY IN EQUITY)		1,972,969	(241,623)

The accompanying notes form part of this financial report.

For personal use only

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Half-Year Ended 31 December 2016

	Issued Capital \$	Foreign translation reserve \$	Options reserve \$	Accumulated Losses \$	Non- controlling interest \$	Total \$
Balance at 1 July 2015 (restated)	53,381,471	143,283	3,762,791	(57,696,014)	(443,240)	(851,709)
Loss for the period	-	-	-	(7,788,251)	(47,290)	(7,835,541)
Other Comprehensive Income	-	(137,313)	-	-	-	(137,313)
Total comprehensive income	-	(137,313)	-	(7,788,251)	(47,290)	(7,972,854)
Shares issued during the period (net)	6,390,000	-	-	-	-	6,390,000
Options issued during the period (net)	-	-	3,488,784	-	-	3,488,784
Balance at 31 December 2015	59,771,471	5,970	7,251,575	(65,484,265)	(490,530)	1,054,221
Balance at 1 July 2016	59,807,055	141,952	3,762,791	(63,947,635)	(5,786)	(241,623)
Loss for the period	-	-	-	(335,871)	-	(335,871)
Other Comprehensive Income	-	423	-	-	-	423
Total comprehensive income	-	423	-	(335,871)	-	(335,448)
Shares issued during the period (net)	2,550,040	-	-	-	-	2,550,040
Balance at 31 December 2016	62,357,095	142,375	3,762,791	(64,283,506)	(5,786)	1,972,969

The accompanying notes form part of this financial report.

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half-Year Ended 31 December 2016

	31 December 2016 \$	31 December 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(499,066)	(918,805)
Payments for exploration expenditure	(65,611)	(5,037)
Interest received	-	61
	<hr/>	<hr/>
Net cash used in operating activities	(564,677)	(923,781)
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for plant and equipment	-	(3,097)
	<hr/>	<hr/>
Net cash used in investing activities	-	(3,097)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of convertible notes	500,000	-
Proceeds from issue of shares	2,179,100	900,000
Payments for capital raising costs	(147,065)	-
	<hr/>	<hr/>
Net cash provided by financing activities	2,532,035	900,000
Effects of exchange rates changes on cash and cash equivalents		-
Net decrease in cash held	1,967,358	(26,878)
Cash and cash equivalents at beginning of period	52,726	182,580
	<hr/>	<hr/>
Cash and cash equivalents at end of reporting period	2,020,084	155,702
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of this financial report.

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Half-Year Ended 31 December 2016

1. BASIS OF PREPARATION

a) Reporting entity

Western Mining Network Limited is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. These consolidated interim financial statements were approved by the Board of Directors on 16 March 2017.

b) Basis of Preparation

These interim financial statements constitute a general purpose financial report and have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB134 ensures compliance with IAS134: Interim Financial Reports. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June 2016.

c) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

d) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When the Company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

e) Standards and Interpretations applicable to 31 December 2016

In the half-year ended 31 December 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2016.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to Group accounting policies.

f) Standards and Interpretations in issue not yet adopted applicable to 31 December 2016

The Directors have also reviewed all of the new and revised Standards and interpretations in issue not yet adopted that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2017.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to Group accounting policies.

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2016

2. ISSUED CAPITAL

	31 December 2016	30 June 2016
	\$	\$
(a) Issued and paid up capital		
Ordinary shares fully paid of no par value	62,357,095	59,807,055
	Number	\$
(b) Movement in ordinary shares on issue		
Balance at 1 July 2016	237,230,015	59,807,055
8 July 2016 – Private Placement ¹	35,584,502	-
5 August 2016 – Rights issue	532,080,637	532,081
7 September 2016 – Rights issue shortfall	1,053,944,570	1,053,945
18 October 2016 – Rights issue shortfall	290,000,000	290,000
28 October 2016 – Rights issue shortfall	306,490,929	306,491
29 November 2016 – Share consolidation (1 for 13) ²	(2,266,458,721)	-
12 December 2016 – Convertible notes conversion ³	39,583,667	514,588
Less capital raising costs	-	(147,065)
Balance at 31 December 2016	228,455,599	62,357,095

¹ As at 30 June 2016, the Company had received \$35,584 in share application funds. On 8 July 2016, 35,584,502 fully paid ordinary shares were issued at a price of \$0.001 per share.

² On 29 November 2016, shareholders approved at the Company's annual general meeting, a consolidation of capital on a 1 for 13 basis.

³ On 29 November 2016, shareholders approved at the Company's annual general meeting, the conversion of \$500,000 in converting loans plus accrued interest into 39,583,667 fully paid ordinary shares and 39,583,667 options exercisable at \$0.0195 on or before 12 December 2019. The securities were issued on 12 December 2016.

(c) Share options

As at 31 December 2016, the Company had the following share options on issue:

- 39,583,667 options exercisable at \$0.0195 on or before 12 December 2019
- 108,173 options exercisable at \$7.80 on or before 30 June 2017
- 576,923 options exercisable at \$3.51 on or before 30 June 2017

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2016

3. FUNDING FACILITIES

As announced to ASX on 29 October 2015, the Company completed a placement and entered into a sharing agreement with Lanstead Capital LP. Under the terms of the placement, Lanstead subscribed for 30,000,000 ordinary shares at a price of A\$0.20 per share (on a pre-consolidated basis) to raise \$6,000,000 (issued 29 October 2015) and also received an additional 3,000,000 shares (issued 29 December 2015) and 7,500,000 options to acquire ordinary shares at a price of A\$0.27 per share (on a pre-consolidated basis) exercisable on or before 30th June, 2017 (issued 5 January 2016).

In addition, the Company has entered into a with Lanstead whereby the Company retained A\$900,000 of the aggregate A\$6,000,000 placement, with the remaining \$5,100,000 provided as security to Lanstead for the Sharing Agreement under which the Company will receive 18 monthly cash settlements determined by WMN's share price performance as measured against a benchmark price of A\$0.27 per share (on a pre-consolidated basis). The nature of the arrangements is that, for each of those 18 months (commencing January 2016), Lanstead makes a payment to the Company determined by the relevant 5 day VWAP of the Company's shares.

The fair value of the derivative financial assets at each historical balance date is summarised as follows:

	Share Price	Fair Value
Value recognised on inception	0.20	5,100,000
Consideration received up to 31 December 2015	-	-
Loss on revaluation of derivate financial asset up to 31 December 2015	-	(2,811,218)
Value of the derivative financial assets as at 31 December 2015	0.14506	2,288,782
Consideration received between 1 January 2016 and 30 June 2016	-	(288,637)
Loss on revaluation of derivate financial asset between 1 January 2016 and 30 June 2016	-	(2,000,145)
Value of the derivative financial assets as at 30 June 2016	0.016	-
Consideration received between 1 July 2016 and 31 December 2016	-	-
Loss on revaluation of derivate financial asset between 1 July 2016 and 31 December 2016	-	-
Value of the derivative financial assets as at 31 December 2016	0.016*	-

*Post consolidation of capital on a 1 for 13 basis.

Given the WMN share price requires a VWAP of at least \$0.56 (on a post consolidated basis) before cash settlements re-occur, the Company considers it unlikely that it will receive any further capital from the Lanstead Facility.

**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half-Year Ended 31 December 2016

4. OPERATING SEGMENTS

The Board considers that it has only operated in one segment, being mineral exploration.

5. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

6. EVENTS SUBSEQUENT TO REPORTING PERIOD

Subsequent to period end, the Company secured a 60 day exclusive option period to acquire 100% of NiCo Minerals Pty Ltd and its 100% wholly owned subsidiary CE Metals s.r.o, owner of 100% of the Dobsina Licence (License number 2466/2017-5.3). The Company issued 18,333,334 fully paid ordinary shares on 27 February 2017 for the exclusive option.

Upon successful completion of due diligence and exercise of the option, consideration will be 286,666,667 fully paid ordinary shares and 73,333,334 performance shares which will each convert to one ordinary Share upon completion of the following milestones:

- Performance Milestone 1: 36,666,667 fully paid ordinary shares upon the delineation of a minimum of 500,000t at a minimum grade of 0.5% Cobalt equivalence in accordance with the JORC 2012 Edition Guidelines or 50,000t of ore sold/processed at a minimum of 0.5% Cobalt equivalence;
- Performance Milestone 2: 36,666,667 fully paid ordinary shares upon the delineation of a minimum of 1,000,000t at a minimum grade of 0.5% Cobalt equivalence in accordance with the JORC 2012 Edition Guidelines or 100,000t of ore sold/processed at a minimum of 0.5% Cobalt equivalence.

On 27 February 2017, the Company issued 84,615,385 fully paid ordinary shares at an issue price of \$0.013 per share to raise \$1,100,000, to progress the proposed acquisition of the Dobsina Licence, exploration activities across the Company's Western Australian gold portfolio and general working capital purposes.

On 27 February 2017, the Company issued 5,076,923 fully paid ordinary shares in lieu of cash payment for broking fees associated with the \$1,100,000 placement.

On 2 March and 8 March 2017, the Company issued 2,692,309 and 9,533,720 fully paid ordinary shares respectively on conversion of \$0.0195 options to raise \$238,408.

No other matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

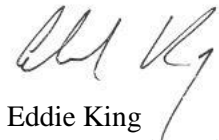
**WESTERN MINING NETWORK LIMITED
& CONTROLLED ENTITIES**

DIRECTORS' DECLARATION
For the Half-Year Ended 31 December 2016

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 12 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2016 and its performance for the interim period ended on that date.
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 made in accordance with a resolution of the Board of Directors.



Eddie King
Non-Executive Director

Dated this 16th March 2017

For personal use only



**Bentleys Audit & Corporate
(WA) Pty Ltd**

London House
Level 3,
216 St Georges Terrace
Perth WA 6000

PO Box 7775
Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

bentleys.com.au

To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Western Mining Network Limited for the half year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 16th day of March 2017



A member of Bentleys, a network of independent accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only and are separate legal entities and not in Partnership. Liability limited by a scheme approved under Professional Standards Legislation.

- ▶ Accountants
- ▶ Auditors
- ▶ Advisors

For personal use only



**Bentleys Audit & Corporate
(WA) Pty Ltd**

London House
Level 3,
216 St Georges Terrace
Perth WA 6000

PO Box 7775
Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

bentleys.com.au

Independent Auditor's Review Report

To the Members of Western Mining Network Limited

We have reviewed the accompanying half-year financial report of Western Mining Network Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled 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 control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

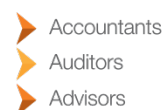
Auditor's Responsibility

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 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 2016 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 Consolidated Entity, 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.



A member of Bentleys, a network of independent accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only and are separate legal entities and not in Partnership. Liability limited by a scheme approved under Professional Standards Legislation.



Independent Auditor's Review Report

To the Members of Western Mining Network Limited (Continued)



Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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 Western Mining Network Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 16th day of March 2017

For personal use only