



# **Shenton** --- **Resources Limited**

ABN 16 152 726 595

INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

**INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**  
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## DIRECTORS REPORT

The directors present their report together with the financial report of Shenton Resources Limited for the six months ended 31 December 2015 and the auditor's review report thereon.

### DIRECTORS

The following persons were directors of Shenton Resources Limited from the company's incorporation on 17 August 2011 and up to the date of this report.

Jeremy David Shervington (Non-Executive Chairman)  
Bradley Gordon John Abbott (Executive Director)  
Robert Alastair St John Beeck (Non-Executive Director)

### PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the sourcing, assessment and evaluation of mineral exploration projects and applying for exploration tenements.

### REVIEW OF OPERATIONS

During early 2015, following a detailed review and assessment, the Company lodged a number of Exploration Licence applications within the Moora Basin, from north of Moora to Three Springs townships in Western Australia to assess the area for its potential to host a large scale industrial / agricultural mineral commodity deposit. The Company's project tenement portfolio comprises six Exploration Licences (ELs) covering an area of approximately 630 km<sup>2</sup>.

A drilling program of 26 holes has been completed over an area of interest which was identified following a regional rock chip sampling exercise comprising 60 samples. Metallurgical testwork is currently underway utilising composite drill samples and upon the assessment of these results, a report will be published on the company's webpage.

### FINANCIAL POSITION

For the six months ended 31 December 2015, the company recorded a loss of \$17,224 and had a working capital surplus of \$159,846. The company had cash assets of \$150,112.

Based on minimal expenditure expected over the next 6 month period, the directors are satisfied that the going concern basis of preparation is appropriate.

### EVENTS SUBSEQUENT TO REPORTING DATE

Other than the above, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly 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 auditor's independence declaration is set out on page 4 and forms part of the directors' report for the six months ended 31 December 2015.

This report is made with a resolution of the directors:

  
Bradley Abbott - Director

21 March 2016



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Chartered Accountants (AUS)  
Business Consultants  
Financial Advisors

### Auditor's Independence Declaration

To those charged with the governance of Shenton Resources Limited

As auditor for the review of Shenton Resources Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.

*Somes Cooke*

SOMES COOKE

*Nicholas Hollens*

Nicholas Hollens  
Partner

Perth

21 March 2016

**INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Note	31 Dec 2015 \$	31 Dec 2014 \$
Revenue	2	1,981	5,391
Other expenses		(19,205)	(13,553)
<b>Loss before income tax</b>		<b>(17,224)</b>	<b>(8,162)</b>
Income tax expense		-	-
<b>Loss after income tax for the year</b>		<b>(17,224)</b>	<b>(8,162)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period attributable to members of the Company</b>		<b>(17,224)</b>	<b>(8,162)</b>
<b>Earnings (loss) per share</b>			
Basic earnings (loss) per share (cents)		(0.16)	(0.08)
Diluted earnings (loss) per share (cents)		(0.16)	(0.08)

The interim statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

**INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015**

	<b>Note</b>	<b>31 Dec 2015</b>	<b>30 June 2015</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Cash and cash equivalents	3	150,112	209,024
Trade and other receivables	4	14,581	4,159
<b>Total current assets</b>		<b>164,693</b>	<b>213,183</b>
Mining properties	5	86,351	55,781
<b>Total non-current assets</b>		<b>86,351</b>	<b>55,781</b>
<b>Total assets</b>		<b>251,044</b>	<b>268,964</b>
<b>Liabilities</b>			
Trade and other payables	6	4,847	5,543
<b>Total current liabilities</b>		<b>4,847</b>	<b>5,543</b>
<b>Net assets</b>		<b>246,197</b>	<b>263,421</b>
<b>Equity</b>			
Contributed equity	8	415,111	415,111
Option reserves	9	7,500	7,500
Accumulated losses		(176,414)	(159,190)
<b>Total Equity</b>		<b>246,197</b>	<b>263,421</b>

The interim statement of financial position is to be read in conjunction with the accompanying notes.

**INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Note	Contributed equity	Option reserves	Accumulated losses	Total
Balance at 1 July 2015		415,111	7,500	(159,190)	263,421
<b>Comprehensive income</b>					
Loss for the period		-	-	(17,224)	(17,224)
<b>Total comprehensive income for the period</b>			-	(17,224)	(17,224)
<b>Balance as at 31 December 2015</b>		<b>415,111</b>	<b>7,500</b>	<b>(176,414)</b>	<b>246,197</b>
Balance at 1 July 2014		415,111	7,500	(132,908)	289,703
<b>Comprehensive income</b>					
Loss for the period		-	-	(8,162)	(8,162)
<b>Total comprehensive income for the period</b>		-	-	(8,162)	(8,162)
<b>Balance as at 31 December 2014</b>		<b>415,111</b>	<b>7,500</b>	<b>(141,070)</b>	<b>281,541</b>

The interim statement of changes in equity is to be read in conjunction with the accompanying notes.

**INTERIM STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Note	31 Dec 2015 \$	31 Dec 2014 \$
<b>Cash flows from operating activities</b>			
Cash paid to suppliers and employees		(30,341)	(3,956)
Interest received		1,999	4,784
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(28,342)</b>	<b>828</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation assets		(30,570)	-
<b>Net cash (outflow) from investing activities</b>		<b>(30,570)</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(58,912)</b>	<b>828</b>
Cash and cash equivalents at the beginning of the period		209,024	303,897
<b>Cash and cash equivalents at the end of the period</b>		<b>150,112</b>	<b>304,725</b>

The interim statement of cash flows is to be read in conjunction with the accompanying notes.



## **CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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### **1. (a) Reporting entity**

SHENTON RESOURCES LIMITED is a company domiciled and incorporated in Australia. The address of the Company's registered office is 813 Wellington Street, West Perth WA 6005. The interim financial report of the Company as at and for the six months ended 31 December 2015. The Company is primarily involved in sourcing, assessment and evaluation of mineral exploration projects and applying for exploration tenements.

### **(b) Statement of compliance**

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

The interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the annual financial report of the Company and for the year ended 30 June 2015.

This interim financial report was approved by the Board of Directors on 21 March 2016.

### **(c) Significant accounting policies**

The accounting policies applied by the Company in this interim financial report are the same as those applied by the Company in its financial report as at and for the year ended 30 June 2015.

Certain comparative amounts have been reclassified to conform with the current period's presentation.

### **(d) Estimates**

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

### **(e) Going concern**

For the six months ended 31 December 2015, the company recorded a loss of \$17,224 and had a working capital surplus of \$159,846. The company had cash assets of \$150,112. Based on minimal expenditure expected over the next 6 month period, the directors are satisfied that the going concern basis of preparation is appropriate.

**CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

**2. Revenue**

	<b>31 December 2015</b>	<b>31 December 2014</b>
	\$	\$
Interest	1,981	5,391
	<u>1,981</u>	<u>5,391</u>

**3. Cash & Cash Equivalents**

	<b>31 December 2015</b>	<b>30 June 2015</b>
	\$	\$
Cheque account	25,112	34,024
Term deposits	125,000	175,000
	<u>150,112</u>	<u>209,024</u>

**4. Trade and Other Receivables**

	<b>31 December 2015</b>	<b>30 June 2015</b>
	\$	\$
Accrued Interest	116	135
GST Tax Refundable	4,465	4,024
Environmental Bond	10,000	-
	<u>14,581</u>	<u>4,159</u>

**5. Mining Properties**

	<b>31 December 2015</b>	<b>30 June 2015</b>
<b>Cost</b>	\$	\$
Balance at beginning of period	55,781	-
Exploration costs incurred in the period	30,570	59,462
Impairment of Mining Properties	-	(3,681)
Balance at end of period	<u>86,351</u>	<u>55,781</u>

**6. Trade and Other payables**

	<b>31 December 2015</b>	<b>30 June 2015</b>
	\$	\$
Trade creditors	347	1,043
Accrued charges	4,500	4,500
	<u>4,847</u>	<u>5,543</u>

**CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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**7. Segment reporting**

The Company engages in business activities within one segment, being the exploration and evaluation of mineral projects in Australia. The Company maintains an administrative office in Perth, Western Australia to support its activities.

**8. Issued capital**

**Movement in ordinary shares**

	Ordinary shares		\$	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
On issue at beginning of period	10,587,500	10,587,500	415,111	415,111
On issue at end of period	10,587,500	10,587,500	415,111	415,111

**9. Options**

Options exercisable at \$0.20 per option	6,000,000	6,000,000	7,500	7,500
Closing Balance	6,000,000	6,000,000	422,611	422,611

**10. Events subsequent to reporting date**

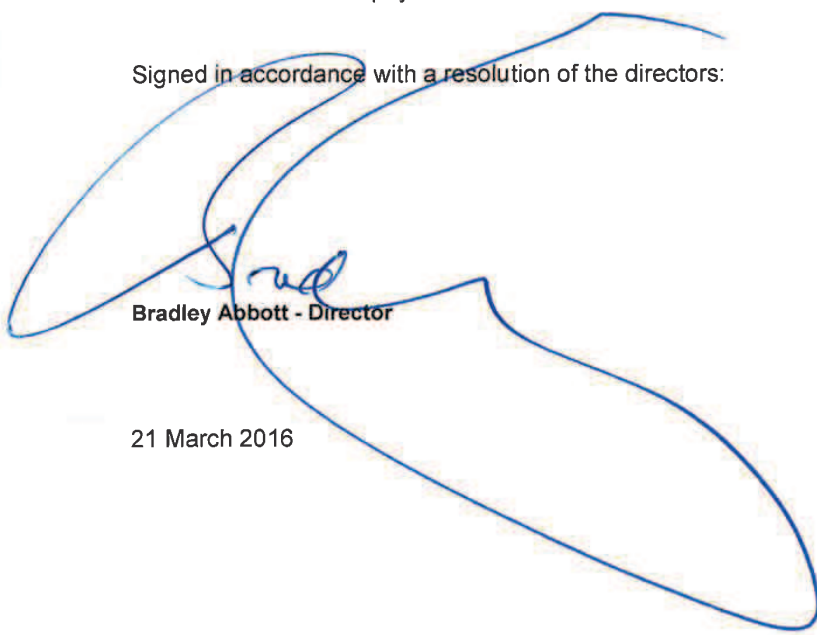
No matters or circumstances has arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years

## DIRECTORS DECLARATION

In the opinion of the directors of Shenton Resources Limited ("the Company"):

1. the financial statements and notes as set out on pages 5 to 11 , are in accordance with the Corporations Act 2001, including:
  - (a) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance, for the interim period ended on that date; and
  - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Bradley Abbott - Director

21 March 2016

## Independent Auditor's Review Report

To the members of Shenton Resources Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Shenton Resources Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, 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 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company'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 Shenton Resources Limited, 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*.

#### *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 Shenton Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company'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 Corporations Regulations 2001*.

Somes Cooke

SOMES COOKE

Nicholas Hollens

Nicholas Hollens  
Partner

21 March 2016

Perth  
Western Australia

## CORPORATE INFORMATION

### DIRECTORS

Jeremy David Shervington (Non-Executive Chairman)  
Bradley Gordon John Abbott (Executive Director)  
Robert Alastair St John Beeck (Non-Executive Director)

### COMPANY SECRETARY

Bradley Gordon John Abbott

### REGISTERED OFFICE

813 Wellington Street  
West Perth WA 6005

### WEBSITE

[www.shentonresources.com.au](http://www.shentonresources.com.au)

### SOLICITORS

Jeremy Shervington  
Barrister & Solicitor  
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### BANKERS

National Australia Bank  
Capital Office  
Ground Floor, 100 St George Terrace  
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### AUDITORS

Somes Cooke  
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### FOR SHAREHOLDER INFORMATION CONTACT

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### FOR INFORMATION ON THE COMPANY CONTACT

#### PRINCIPAL & REGISTERED OFFICE

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