



BLINA
minerals

ABN 25 086 471 007

INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2014

The information contained in this report is to be read in conjunction with the Blina Minerals NL 2014 annual report and announcements to the market by Blina Minerals NL during the half-year period ending 31 December 2014

BLINA MINERALS NL

AND CONTROLLED ENTITIES

ABN 25 086 471 007

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

CORPORATE DIRECTORY

Current Directors

Brett Fraser	Non-executive Chairman
David Porter	Executive Director
Justin Virgin	Non-executive Director

Company Secretary

Peter Webse

Registered Office

Street: Level 4, 66 Kings Park Road
West Perth WA 6005
Postal: PO Box 52
West Perth WA 6872
Telephone: +61 (0)8 6141 3500
Facsimile: +61 (0)8 6141 3599
Email: general@blinaminerals.com.au
Website: www.blinaminerals.com.au

Securities Exchange

Australian Securities Exchange
Street: Level 40, Central Park
152 – 158 St Georges Terrace
Perth WA 6000
ASX Code: [BDI](#)

Corporate Adviser

Wolfstar Group Pty Ltd
Street: Level 4, 66 Kings Park Road
West Perth WA 6005
Telephone: +61 (0)8 6141 3500

Share Registry

Security Transfer Registrars Pty Limited
Street: 770 Canning Highway
Applecross WA 6153
Postal: PO Box 535
Applecross WA 6953
Telephone: +61 (0) 8 9315 2333
Email: registrar@securitytransfer.com.au

Auditor

Nexia Perth Audit Services Pty Ltd
Street: Level 3, 88 William Street
Perth WA 6000
Postal: GPO Box 2570
Perth WA 6001
Telephone: +61 (0)8 9463 2463

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DIRECTORS' REPORT

Your Directors present their report together with the condensed consolidated financial statements for Blina Minerals NL (**the Company**) and its controlled entities (**the Group**) for the half-year ended 31 December 2014.

1. DIRECTORS

The names of Directors in office at any time during or since the end of the half-year are:

- Mr Brett Fraser *Non-executive Chairman (Appointed 26 September 2008)*
 - Mr David Porter *Executive Director (Appointed 18 February 2014)*
 - Mr Justin Virgin *Non-executive Director (Appointed 6 September 2013)*
- (the Board)**

2. NATURE OF OPERATIONS PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the half-year consisted of exploration activities for gold and iron ore, and assessment of exploration project opportunities. This effort mainly targeted West Africa with an emphasis on Burkina Faso. Diamond exploration within the Ellendale diamond field in Western Australia is undergoing rehabilitation after an assessment of it prospectivity found the project did not represent sufficient opportunity to justify continuing expenditure.

3. DIVIDENDS PAID OR RECOMMENDED

There were no dividends paid or recommended during the half-year ended 31 December 2014.

4. REVIEW OF OPERATIONS**4.1. Operations Review****a. Gold Projects**

The Group received official notice on 26 December 2014 that Arrete No 2014-306 had been renewed for a further three years. On 26 January 2015, the formal Joint Venture Agreement was signed between Blina Minerals and Mr Baba Hamidue Traore, which allows Blina Minerals to earn up to an 80% interest in the tenement for exploration expenditure of US\$600,000.

The Exploration Permit is located in north eastern Burkina Faso near the frontier with Niger, some 350km southeast of the capital city of Ouagadougou. It is about 33km from the regional township of Kant Chari on the RN19 route to Diapaga.

In the previous Quarterly Report, Blina Minerals had reported results of a soil sampling programme of 3,577 samples over the renewed area. This programme defined nine gold-in-soil anomalies in favourable mafic host rocks for gold mineralisation. It is planned to infill three priority soil anomalies on a sample density of 200 x 40m from the current 800 x 80m sample spacing. The Company is confident that the programme will develop drill targets for the second quarter of 2015.

b. Diamond Project

Extensive environmental restoration was undertaken from March 2014, which involved the removal of the camp and plant. The tailings and waste dump from the mining activities was also rehabilitated and a monitoring programme put in place. Blina Minerals expects that the environmental bonds totalling \$247,000 will be returned to the Company once rehabilitation is completed.

4.2. Financial Review

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss for the half-year of \$371,218 (December 2013: \$587,693 profit).

DIRECTORS' REPORT

The net assets of the Group have decreased by \$204,858 from 30 June 2014 to \$600,552 at 31 December 2014.

As at 31 December 2014, the Group's cash and cash equivalents decreased from 30 June 2014 by \$629,618 to \$771,531 and had a working capital surplus of \$465,552 (June 2014: \$670,410 working capital surplus).

Based on a cash flow forecast, the Group has sufficient working capital to fund its mandatory obligations for the period ending 12 months from the date of this report. In order to continue the Group's planned exploration program, the Company will require further funding within the next 15 months. Should the Group be unable to raise sufficient funds, the planned exploration program may have to be amended. The Board is confident in securing sufficient additional funding to fund the planned exploration program. The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds.

In the event that the Group is not successful in raising funds from the issue of new equity, there exists material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

5. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2014 has been received and can be found on page 3 of the annual report.



BRETT FRASER

Chairman

Dated this Thursday, 12 March 2015

BLINA MINERALS NL

AND CONTROLLED ENTITIES

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Auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Blina Minerals NL

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

- (i) no contraventions of the auditor's independence requirements as set out in 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.

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

Nexia Perth Audit Services Pty Ltd

A handwritten signature in black ink, appearing to read 'PTC Kloppe'.

PTC Kloppe
Director

Perth
12 March 2015

Nexia Perth Audit Services Pty Ltd
ACN 145 447 105
Level 3, 88 William Street, Perth WA 6000
GPO Box 2570, Perth WA 6001
p +61 8 9463 2463, f +61 8 9463 2499
audit@nexiaperth.com.au, www.nexia.com.au

Independent member of Nexia International



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	31 December 2014 \$	31 December 2013 \$
Operating activities			
Other income / (loss)	2	20,949	1,450,000
Gain / (loss) on disposal of assets		(63,545)	21,486
		(42,596)	1,471,486
Accounting and compliance		(78,528)	(77,506)
Business development		(1,139)	(10,290)
Computers and communications		(13,609)	-
Employee benefits		(46,878)	(83,175)
Exploration activities expensed		(156,511)	-
Impairment	3a	-	(384,068)
Insurance and legal fees		(21,915)	(50,260)
Share-based payments		-	-
Share registry and listing fees		(18,194)	(14,299)
Travel and accommodation		-	(12,865)
Other expenses		(4,760)	(8,912)
Profit / (loss) from operating activities		(384,130)	830,111
Financial income	3b	17,988	10,045
Finance expense	3b	(5,076)	(595)
Net financing income/(expense)		12,912	9,450
Profit / (loss) before tax		(371,218)	839,561
Income tax expense		-	(251,868)
Profit / (loss) from continuing operations		(371,218)	587,693
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss:			
Foreign currency movement		1,981	-
Other comprehensive income for the half-year, net of tax		1,981	-
Total comprehensive income for the half-year		(369,237)	587,693
Profit/(loss) for the period attributable to:			
Non-controlling interest		(114)	-
Owners of the parent		(371,104)	587,693
		(371,218)	587,693
Total comprehensive income attributable to:			
Non-controlling interest		286	-
Owners of the parent		(369,523)	587,693
		(369,237)	587,693
Earnings / (loss) per share:		¢	¢
Basic and diluted (cents per share)		(0.025)	0.050

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

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

	Note	31 December 2014 \$	30 June 2014 \$
Current assets			
Cash and cash equivalents	4	771,531	1,401,149
Trade and other receivables	5	24,872	35,085
Prepayments	6	15,700	18,454
Non-current asset held for disposal	7	-	79,167
Total current assets		812,103	1,533,855
Non-current assets			
Trade and other receivables	5	247,000	247,000
Exploration and evaluation assets	8	-	-
Total non-current assets		247,000	247,000
Total assets		1,059,103	1,780,855
Current liabilities			
Trade and other payables	9	286,492	648,677
Short-term provisions	10	59,006	200,036
Borrowings		1,053	14,732
Total current liabilities		346,551	863,445
Non-current liabilities			
Long-term provisions	10	112,000	112,000
Total non-current liabilities		112,000	112,000
Total liabilities		458,551	975,445
Net assets		600,552	805,410
Equity			
Issued capital	11	32,940,458	32,776,079
Reserves		2,589	1,181,063
Accumulated losses		(32,343,556)	(33,152,507)
Non-controlling interest		1,061	775
Total equity		600,552	805,410

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

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

Note	Issued Capital \$	Accumulated Losses \$	Foreign Exchange Translation Reserve \$	Options Reserve \$	Non- controlling Interest \$	Total \$
Balance at 1 July 2013	32,548,891	(33,380,126)	-	1,180,473	-	349,238
Profit for the half-year attributable owners of the parent	-	587,693	-	-	-	587,693
Other comprehensive income for the half-year attributable owners of the parent	-	-	-	-	-	-
Total comprehensive income for the half-year attributable owners of the parent	-	587,693	-	-	-	587,693
Transaction with owners, directly in equity						
Shares issued during the half-year	233,750	-	-	-	-	233,750
Transaction costs	(6,562)	-	-	-	-	(6,562)
Balance at 31 December 2013	32,776,079	(32,792,433)	-	1,180,473	-	1,164,119
Balance at 1 July 2014	32,776,079	(33,152,507)	590	1,180,473	775	805,410
Loss for the half-year attributable owners of the parent	-	(371,104)	-	-	(114)	(371,218)
Other comprehensive income for the half-year attributable owners of the parent	-	-	1,581	-	400	1,981
Total comprehensive income for the half-year attributable owners of the parent	-	(371,104)	1,581	-	286	(369,237)
Transaction with owners, directly in equity						
Shares issued during the half-year	167,716	-	-	-	-	167,716
Transaction costs	(3,337)	-	-	-	-	(3,337)
Options expired during the half-year	-	1,180,055	-	(1,180,055)	-	-
Balance at 31 December 2014	32,940,458	(32,343,556)	2,171	418	1,061	600,552

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

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

	NOTE	31 December 2014 \$	31 December 2013 \$
Cash flows from operating activities			
Receipts from operations		-	250
Payments for care and maintenance		(117,547)	(83,074)
Payments for business development		-	(71,276)
Payments to suppliers and employees		(96,594)	(115,366)
Cash flows used in operations		(214,141)	(269,466)
Interest received		17,988	10,061
Interest and borrowing costs		(847)	-
Net cash used in operating activities		(197,000)	(259,405)
Cash flows from investing activities			
Payments for exploration expenditure		(438,526)	(172,278)
Refund received on surrender of exploration assets		20,949	29,700
Net cash used in investing activities		(417,577)	(142,578)
Cash flows from financing activities			
Proceeds from issue of shares		-	233,750
Capital raising costs		(3,337)	(7,218)
Repayment of borrowings		(13,679)	-
Net cash provided by financing activities		(17,016)	226,532
Net increase/(decrease) in cash held		(631,593)	(175,451)
Cash and cash equivalents at the beginning of the half-year		1,401,149	539,610
Change in foreign currency held		1,975	-
Cash and cash equivalents at the end of the half-year	4	771,531	364,159

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These are the condensed consolidated financial statements and notes of Blina Minerals NL (**the Company**) and its controlled entities (**the Group**). Blina Mineral is a public company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial statements were authorised for issue on 12 March 2015 by the Directors of the Group.

a. Basis of preparation

This interim financial report is intended to provide users with an update on the latest annual financial statements of Blina Minerals NL and controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Group for the year ended 30 June 2014, together with any public announcements made during the half-year.

All amounts are presented in Australian Dollars unless otherwise noted. For the purposes of preparing the report, the half year has been treated as a discrete reporting period

i. 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.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

ii. Going Concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the half-year of \$371,218 (2013: \$587,693 profit) and a net cash out-flow of \$631,593 (December 2013: \$175,451 out-flow). As at 31 December 2014, the Group had a working capital surplus of \$465,552 (June 2014: \$670,410 working capital surplus).

Based on a cash flow forecast, the Group has sufficient working capital to fund its mandatory obligations for the period ending 12 months from the date of this report. In order to continue the Group's planned exploration program, the Company will require further funding within the next 15 months. Should the Group be unable to raise sufficient funds, the planned exploration program may have to be amended. The Board is confident in securing sufficient additional funding to fund the planned exploration program. The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds.

In the event that the Group is not successful in raising funds from the issue of new equity, there exists material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

iii. 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, except in relation to the matters discussed below.

b. Critical Accounting Estimates and Judgments

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014****NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****i. Key Judgments – Exploration and evaluation expenditure**

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The carrying value of capitalised expenditure at reporting date is \$nil (2013: \$nil).

The ultimate recoupment of the value of the exploration and evaluation assets and mine properties is dependent on successful development and commercial exploitation or alternatively, sale, of the underlying mineral exploration properties. The Group undertakes at least on an annual basis, a comprehensive review for indicators of impairment of these assets. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of estimation and judgment that are considered in this review include:

- recent drilling results and reserves and resource estimates;
- environmental issues that may impact the underlying tenements;
- the estimated market value of assets at the review date;
- independent valuations of underlying assets that may be available;
- fundamental economic factors such as commodity prices, exchange rates and current and anticipated operating costs in the industry; and
- the Group's market capitalisation compared to its net assets.

Information used in the review process is rigorously tested to externally available information as appropriate.

During the half-year, the Group undertook assessment of its tenement assets. As a result of this assessment, the Group decided to write-off some of its exploration assets. Refer Note 8 Exploration And Evaluation Assets on page 13.

ii. Key Estimate — Site restoration and rehabilitation provision

The Group assesses its site restoration and rehabilitation provision at each balance date in accordance with the Group's accounting policy. Significant judgement is required in determining the provision for site restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites and related assets. Factors that will affect this liability include future development, changes in technology, price increases and changes in interest rates. When these factors change or become known in the future, such differences will impact the site restoration and rehabilitation provision and asset in the period in which they change or become known.

c. New and revised Standards on consolidation, joint arrangements, associates and disclosures

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1031 'Materiality' (2013)
- AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'
- AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'
- AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'
- AASB 2014-1 'Amendments to Australian Accounting Standards'
- Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycles'
- Part C: 'Materiality'

i. Impact of the application of AASB 1031 'Materiality' (2013)

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

ii. Impact of the application of AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'

The Group has applied the amendments to AASB 10, AASB 12 and AASB 127 for the first time in the current year. The amendments to AASB 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

To qualify as an investment entity, a reporting entity is required to:

- obtain funds from one or more investors for the purpose of providing them with investment management services;
- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to AASB 12 and AASB 127 to introduce new disclosure requirements for investment entities.

As the Company is not an investment entity (assessed based on the criteria set out in AASB 10 as at 1 January 2014), the application of the amendments does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

iii. Impact of the application of AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'

The Group has applied the amendments to AASB 132 for the first time in the current year. The amendments to AASB 132 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments does not have any material impact on the amounts recognised in the Group's condensed consolidated financial statements.

iv. Impact of the application of AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'

The Group has applied the amendments to AASB 136 for the first time in the current year. The amendments to AASB 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by AASB 13 'Fair Value Measurements'.

The application of these amendments does not have any material impact on the disclosures in the Group's condensed consolidated financial statements.

v. Impact of the application of AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, at the same time it makes various editorial corrections to Australian Accounting Standards as well. The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

vi. Impact of the application of AASB 2014-1 'Amendments to Australian Accounting Standards'

Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycle'

The Annual Improvements 2010-2012 Cycle include a number of amendments to various AASBs summarised below.

The amendments to AASB 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to AASB 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The amendments to AASB 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of AASB 9 or AASB 139 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to AASB 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to AASB 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of AASB 13 clarify that the issue of AASB 13 and consequential amendments to AASB 139 and AASB 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to AASB 116 and AASB 138 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to AASB 124 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The 'Annual Improvements 2011-2013 Cycle' include a number of amendments to various AASBs summarised below.

The amendments to AASB 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to AASB 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, AASB 139 or AASB 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within AASB 132.

The amendments to AASB 140 clarify that AASB 140 and AASB 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

- (a) the property meets the definition of investment property in terms of AASB 140; and
- (b) the transaction meets the definition of a business combination under AASB 3.

Part C – 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard.

The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Note that AASB 14 'Regulatory Deferral Accounts' and AASB 2014-1 'Amendments to Australian Accounting Standards – Part D: 'Consequential Amendments arising from AASB 14' is not applicable to the Group as the Group is not a first-time adopter of Australian Accounting Standards.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 2 REVENUE AND OTHER INCOME

Other Income

- Proceeds from insurance claim
- Gain / (loss) on disposal of assets
- Refund received on surrender of exploration assets

31 December 2014	31 December 2013
\$	\$
-	1,450,000
(63,545)	21,486
20,949	-
(42,596)	1,471,486

NOTE 3 PROFIT / (LOSS) BEFORE INCOME TAX

The following significant revenue and expense items are relevant in explaining the financial performance:

a. Impairment and rehabilitation costs:

- Impairment of exploration and evaluation assets
- Impairment of property, plant and equipment

Total impairment and rehabilitation costs

31 December 2014	31 December 2013
\$	\$
-	276,303
-	107,765
-	384,068

b. Net financing income:

- Financial income
 - ▶ Interest revenue
- Financial expense
 - ▶ Interest expense
 - ▶ Net foreign currency exchange loss

Total financial expense

Net financing income

17,988	10,045
17,988	10,045
847	595
4,229	-
5,076	595
12,912	9,450

NOTE 4 CASH AND CASH EQUIVALENTS

Cash at bank
Short-term bank deposits

31 December 2014	30 June 2014
\$	\$
109,101	651,149
662,430	750,000
771,531	1,401,149

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014****NOTE 5 TRADE AND OTHER RECEIVABLES****a. Current**

Value-added tax receivable

Trade debtors

b. Non-current

Environmental bonds

c. Value-added tax (VAT) is a generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (GST) and in Burkina Faso and the Democratic Republic of Congo (VAT).

31 December 2014 \$	30 June 2014 \$
24,872	18,848
-	16,237
24,872	35,085
247,000	247,000
247,000	247,000

5c

NOTE 6 OTHER ASSETS**Current**

Prepayments

31 December 2014 \$	30 June 2014 \$
15,700	18,454
15,700	18,454


NOTE 7 NON-CURRENT ASSETS HELD FOR DISPOSAL**Current**

Property, plant and equipment

31 December 2014 \$	30 June 2014 \$
-	79,167
-	79,167

NOTE 8 EXPLORATION AND EVALUATION ASSETS**Non-current**

Exploration expenditure capitalised:

 Exploration and evaluation phase at cost

Net carrying value

a. Movements in carrying amounts

Balance at the beginning of period

Expenditure during the period

Exploration activities expensed

Exploration impairment

Carrying amount at the end of period

8a

31 December 2014 \$	30 June 2014 \$
-	-
-	-
-	360,291
156,511	849,675
(156,511)	-
-	(1,209,966)
-	-

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 9 TRADE AND OTHER PAYABLES

	31 December 2014 \$	30 June 2014 \$
Current		
Unsecured		
Trade payables	207,754	469,507
Other creditors and accruals	78,738	179,170
	286,492	648,677

- a. Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

NOTE 10 PROVISIONS

	31 December 2014 \$	30 June 2014 \$
a. Disclosed as:		
• Current	59,006	200,036
• Non-current	112,000	112,000
Carrying amount at the end of period	171,006	312,036

b. Movements in carrying amounts

	Site Restoration \$	Total \$
Balance at the beginning of half-year	312,036	312,036
Rehabilitation expenditure applied	(141,030)	(141,030)
Carrying amount at the end of period	171,006	171,006

NOTE 11 ISSUED CAPITAL

The Company has issued share capital amounting to 1,609,565,899 (June 2014: 1,441,850,000) fully paid ordinary shares.

a. Ordinary shares

At the beginning of the reporting period

Shares issued during the half-year:

- 233,750,000 Shares issued on 3 September 2013

- 43,871,300 shares issued on 18 September 2014 in settlement of former director fees

- 123,844,599 shares issued on 5 December 2014 in settlement of director fees

Transaction costs relating to share issues

At reporting date

NOTE	31 December 2014 \$	30 June 2014 \$
11a	32,940,458	32,776,079
	32,776,079	32,548,891
	-	233,750
12c	43,871	-
12a	123,845	-
	(3,337)	(6,562)
	32,940,458	32,776,079

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014****NOTE 11 ISSUED CAPITAL (CONT.)**

		31 December 2014 \$	30 June 2014 \$
At the beginning of the reporting period		1,441,850,000	1,208,100,000
Shares issued during the half-year:			
233,750,000 shares issued on 3 September 2013		-	233,750,000
43,871,300 shares issued on 18 September 2014 in settlement of former director fees	12c	43,871,300	-
123,844,599 shares issued on 5 December 2014 in settlement of director fees	12a	123,844,599	-
At reporting date		1,609,565,899	1,441,850,000

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has a vote on a show of hands.

b. Options

The total number of options on issue are as follows:

		31 December 2014 \$	30 June 2014 \$
Listed options		-	-
Unlisted options	11b.i	5,000,000	85,000,000
		5,000,000	85,000,000

- i. During the half-year ended 31 December 2014, 80,000,000 options expired. The value of the options, being \$1,180,055 was transferred from the option reserve to accumulated losses

NOTE 12 RELATED PARTY TRANSACTIONS**a. KMP compensation settled by shares**

During the half-year ended 31 December 2014 unpaid and accrued directors fees totalling \$123,845 were settled through the issue of shares in the Company in accordance with resolutions passed at the Company's Annual General Meeting.

	Fees \$	Shares No.
Brett Fraser	38,425	38,425,000
Justin Virgin	43,138	43,138,349
David Porter	42,281	42,281,250
Total	123,844	123,844,599

b. Other related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Wolfstar Corporate Management Pty Ltd

Wolfstar Corporate Management Pty Ltd, a company controlled by Mr Fraser, provides financial services to Blina Minerals NL. These services are performed indirectly by Mr Fraser.

31 December 2014 No.	31 December 2013 No.
30,159	30,789

c. KMP compensation settled by shares

During the half-year ended 31 December 2014, 43,871,300 shares were issued to settle outstanding directors' fees that were owed to former directors fees totalling \$43,871 as at 30 June 2014.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 13 OPERATING SEGMENTS

a. Segment Performance

Half-Year ended 31 December 2014	Australian Exploration \$	African Exploration \$	Total \$
Segment Revenue	38,938	-	38,938
Segment Results	(24,608)	-	(24,608)
Amounts not included in segment results but reviewed by Board: <i>Expenses not directly allocable to identifiable segments or areas of interest</i>			
▶ Accounting and compliance	(61,587)	(16,941)	(78,528)
▶ Business development	-	(1,139)	(1,139)
▶ Computers and communications	(13,609)	-	(13,609)
▶ Director remuneration	(46,878)	-	(46,878)
▶ Finance costs	(5,076)	-	(5,076)
▶ Exploration activities expensed	-	(156,511)	(156,511)
▶ Insurance and legal fees	(20,569)	(1,346)	(21,915)
▶ Share registry and listing fees	(18,194)	-	(18,194)
▶ Other expenses	(1,502)	(3,258)	(4,760)
▶ Income tax expense	-	-	-
Profit after Income Tax			(371,218)

Half-Year ended 31 December 2013

Segment Revenue	1,481,531	87	1,481,618
Segment Results	1,481,531	87	1,481,618
Amounts not included in segment results but reviewed by Board: <i>Expenses not directly allocable to identifiable segments or areas of interest</i>			
▶ Accounting and compliance	(77,506)	-	(77,506)
▶ Business development	(10,290)	-	(10,290)
▶ Director remuneration	(83,175)	-	(83,175)
▶ Finance costs	(595)	-	(595)
▶ Impairment	(384,068)	-	(384,068)
▶ Insurance and legal fees	(50,260)	-	(50,260)
▶ Share registry and listing fees	(14,299)	-	(14,299)
▶ Travel and accommodation	(12,865)	-	(12,865)
▶ Other expenses	(143)	(8,856)	(8,999)
▶ Income tax expense	(251,868)	-	(251,868)
Loss after Income Tax			587,693

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014****NOTE 13 OPERATING SEGMENTS (CONT.)****b. Segment Assets and Liabilities**

As at 31 December 2014	Australian Exploration \$	African Exploration \$	Total \$
Segment Assets	972,184	46,347	1,018,531
Unallocated Assets:			
▶ Trade and other receivables			24,872
▶ Other non-current assets			15,700
Total Assets			1,059,103
Segment asset increases for the period:			
▶ Capital expenditure - exploration	-	156,511	156,511
▶ Less: Exploration expensed	-	(156,511)	(156,511)
	-	-	-
Segment Liabilities	314,958	63,802	378,760
Unallocated Liabilities:			
▶ Other payables			78,738
▶ Short-term borrowings			1,053
Total Liabilities			458,551

As at 30 June 2014

Segment Assets	1,698,879	28,437	1,727,316
Unallocated Assets:			
▶ Trade and other receivables			35,085
▶ Other non-current assets			18,454
Total Assets			1,780,855
Segment asset increases for the period:			
▶ Capital expenditure - exploration	78,104	879,336	957,440
▶ Less: Write-off of exploration assets	(438,395)	(879,336)	(1,317,731)
	(360,291)	-	(360,291)
Segment Liabilities	439,628	341,915	781,543
Unallocated Liabilities:			
▶ Other payables			179,170
▶ Short-term borrowings			14,732
Total Liabilities			975,445

NOTE 14 COMMITMENTS

There is no change in the Company's commitments or contingencies since the year ended 30 June 2014 to date of this report.

NOTE 15 CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 16 EVENTS SUBSEQUENT TO REPORTING DATE

There have been no material events subsequent to reporting date that has significantly affected or may significantly affect the current operations of the Group, the results of those operations, or state of affairs of the Group in future financial years.

DIRECTORS' DECLARATION

The Directors of the Group declare that:

The condensed financial statements and notes, as set out on pages 4 to 17, 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 financial position as at 31 December 2014 and of the performance for the half-year ended on that date of the Consolidated Group.

In the Directors' opinion there are reasonable grounds to believe that the Group 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 made pursuant to section 303(5) of the *Corporations Act 2001* and is signed for and on behalf of the directors by:



BRETT FRASER

Chairman

Dated this Thursday, 12 March 2015

**Independent Auditor's Review Report to the members of Blina Minerals NL****Report on the Interim Financial Report**

We have reviewed the accompanying interim financial report of Blina Minerals NL and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2014, 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, other selected 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 Interim Financial Report

The directors of the Group are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*. This responsibility includes: establishing and maintaining internal controls relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim 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 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 Blina Minerals NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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*, which has been given to the directors of Blina Minerals NL would be in the same terms if given to the directors as at the time of this auditor's report.

Nexia Perth Audit Services Pty Ltd
ACN 145 447 105
Level 3, 88 William Street, Perth WA 6000
GPO Box 2570, Perth WA 6001
p +61 8 9463 2463, f +61 8 9463 2499
audit@nexiapertth.com.au, www.nexia.com.au

Independent member of Nexia International



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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 interim financial report of Blina Minerals NL and its controlled entities 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 2014 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*.

Emphasis of Matter

Without modifying our review conclusion, we draw attention to Note 1(a)(ii) to the interim financial report, which indicates that the Group will require further funding in the next twelve months from the date of this report to fund its planned activities. These conditions, along with other matters as set forth in Note 1(a)(ii), indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business

A handwritten signature in dark ink, appearing to read "NPAS".

Nexia Perth Audit Services Pty Ltd

A handwritten signature in dark ink, appearing to read "PTC Klopner".

PTC Klopner
Director

Perth
12 March 2015



BLina
minerals