



BALAMARA

RESOURCES LIMITED

**Half Yearly Report
For the half year ended 31 December 2018**

ACN: 061 219 985



CORPORATE DIRECTORY

Directors

Derek Lenartowicz (Executive Chairman)
Michael Hale (Non-Executive Director)
Mike Ralston (Non-Executive Director)

Company Secretary

Mathew Smith

Auditors

Greenwich & Co Audit Pty Ltd
35 Outram Street
West Perth, WA 6005
Australia

Bankers

ANZ Banking Corporation
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Chatswood, NSW 2067

ING Bank Śląski S.A.
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Web site: www.balamara.com.au

ACN: 061 219 985



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DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Balamara Resources Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2018.

Directors

The names of the directors of the company in office during the year and until the date of this report are as follows:

Derek Lenartowicz
Executive Chairman

Mike Ralston
Non-Executive Director

Michael Hale
Non-Executive Director

Note: *Directors held office for the entire period unless otherwise stated.*

Review and Results of Operations

During the half year ended 31st December 2018, the Group:

- The construction of the Nowa Ruda coking coal mine moved a significant step closer with Balamara signing a Project Finance Terms Sheet with UK based finance group Broughton Capital Group.
- Balamara Resources Limited has secured placements to maintain the company's momentum towards the construction of the Nowa Ruda coking coal mine in southern Poland.
- Balamara Resources Limited is waiting for Ministerial approval for the license to mine coking coal at Nowa Ruda. This is the final step in the administrative process allowing Balamara to proceed with the extraction of hard coking coal suitable to produce foundry coke required by European industry.

The comprehensive loss for the Group attributable to members was \$7,855,442

Significant changes in the state of affairs

No significant changes in the state of affairs of the Group occurred during the financial year.

Matters subsequent to the end of reporting period

The company has raised an additional £1,286,804 (approx. AUD 2.34m) by issuing 42,893,473 shares via placement to various investors.

Environmental regulation

The consolidated entity is subject to the usual environmental regulations that are applicable to mineral exploration.



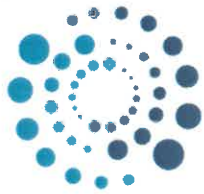
DIRECTORS' REPORT

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 6 of the annual report.

Signed in accordance with a resolution of the directors,
On behalf of the directors

Derek Lenartowicz
Executive Chairman
SUBIACO, 15 May 2019



Auditor's Independence Declaration

To those charged with the governance of Balamara Resources Limited

As auditor for the review of Balamara Resources Limited for the half-year ended 31 December 2018, 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.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

15 May 2019



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the half-year ended 31 December 2018

	Note	31 December 2018 \$	31 December 2017 \$
Interest revenue		1,285	15,230
Other income		729	32,686
Consultancy costs		(260,531)	(243,849)
Director & employee costs		(777,836)	(159,574)
Other corporate expenses		(314,353)	(268,362)
Professional services		(84,156)	(119,175)
Interest expense		(564,723)	(486,130)
Exploration costs expensed as incurred	3	(5,601,945)	(1,358,434)
Foreign exchange gain / (loss)		(151,124)	21,195
Loss before income tax expense		<u>(7,752,654)</u>	<u>(2,566,413)</u>
Income tax expense		-	-
Net loss after income tax		<u>(7,752,654)</u>	<u>(2,566,413)</u>
Other comprehensive losses for the year:			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation difference		(102,788)	(164,509)
Total comprehensive loss for the year		<u>(7,855,442)</u>	<u>(2,730,922)</u>
Net loss is attributable to:			
Owners of Balamara Resources Limited		(7,749,341)	(2,560,615)
Non-controlling interests		(3,313)	(5,798)
		<u>(7,752,654)</u>	<u>(2,566,413)</u>
Total comprehensive loss is attributable to:			
Owners of Balamara Resources Limited		(7,855,442)	(2,730,922)
Non-controlling interests		3,832	459
		<u>(7,851,610)</u>	<u>(2,730,463)</u>
Basic and diluted loss per share from continuing operations attributable to the ordinary equity holders of the Company (cents per share):		(1.08)	(0.36)

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



CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2018

	Note	31 December 2018 \$	30 June 2018 \$
Current assets			
Cash and cash equivalents		497,816	1,776
Trade and other receivables		217,121	175,938
Other assets		42,532	3,885,785
Total current assets		757,469	4,063,499
Non-current assets			
Other assets		18,756	22,082
Plant and equipment		52,259	59,667
Exploration and evaluation assets	3	100,000	100,000
Total non-current assets		171,015	181,749
Total assets		928,484	4,245,248
Current liabilities			
Trade and other payables		3,776,843	3,679,678
Borrowings	4	10,896,950	9,953,256
Provisions	5	820,000	3,830,775
Unearned Income	6	4,939,303	4,939,303
Total current liabilities		20,433,096	22,403,012
Non-Current Liabilities			
Trade and other payables		3,616,827	-
Total Non-Current Liabilities		3,616,827	-
Total liabilities		24,049,923	22,403,012
Net liabilities		(23,121,439)	(18,157,764)
Equity			
Issued capital	7	83,468,611	80,718,309
Reserves	8	1,703,545	2,604,852
Accumulated losses		(108,137,641)	(101,321,139)
Capital and reserves attributable to owners of Balamara Resources Limited		(22,965,485)	(17,997,978)
Non-controlling interests		(155,954)	(159,786)
Total deficiency in equity		(23,121,439)	(18,157,764)

The above consolidated balance sheet should be read in conjunction with the accompanying notes.



CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2018

	Note	31 December 2018	31 December 2017
		\$	\$
Cash flows from operating activities			
Receipts from product sales and related customers		-	1,632,474
Payments to suppliers and employees		(1,546,297)	(1,747,997)
Exploration expenditure		(1,534,270)	(684,527)
Interest received		1,285	15,230
Interest Paid		-	(119)
Net cash outflows from operating activities		(3,079,282)	(784,939)
Cash flows from investing activities			
Acquisition of plant and equipment		-	(30,933)
Net cash outflows from investing activities		-	(30,933)
Cash flows from financing activities			
Proceeds from issue of share capital		2,867,330	-
Payment of financing transaction costs		(117,028)	-
Proceeds from borrowings		825,000	-
Net cash inflows from financing activities		3,575,302	-
Net Increase/(decrease) in cash and cash equivalents		496,020	(815,872)
Cash and cash equivalents at beginning of the year		1,777	818,128
Exchange rate adjustment		19	3,892
Cash and cash equivalents at end of the year		497,816	6,148

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

BALAMARA RESOURCES LIMITED
31 DECEMBER 2018



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2018

	Issued Capital	Share- based payments reserve	Foreign Currency Translation Reserve	Convertible Note Reserve	Reserve for transactions with NCI	Accumulated Losses	Total	Non- controlling Interests	Total Equity /(Deficiency in Equity)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	80,718,309	1,018,526	66,888	1,597,056	(77,618)	(101,321,139)	(17,997,978)	(159,786)	(18,157,764)
Comprehensive income for the year							-		-
Loss for the year	-	-	-	-	-	(7,749,341)	(7,749,341)	(3,313)	(7,752,654)
Foreign currency translation	-	-	(109,930)	-	-	(109,930)	(109,930)	7,145	(102,785)
Total comprehensive loss for the year	-	-	(109,930)	-	-	(7,749,341)	(7,859,271)	3,832	(7,855,439)
Transactions with owners in their capacity as owners:									
Expiry of Options	-	(932,840)	-	-	-	932,840	-	-	-
Issue of shares, net of transaction costs	2,750,302	-	-	-	-	-	2,750,302	-	2,750,302
Value of conversion rights on convertible notes issued	-	-	-	141,462	-	-	141,462	-	141,462
Balance as at 31 December 2018	83,468,611	85,686	(43,042)	1,738,518	(77,618)	(108,137,641)	(22,965,484)	(155,954)	(23,121,439)

BALAMARA RESOURCES LIMITED
31 DECEMBER 2018



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2017

	Issued Capital	Share- based payments reserve	Foreign Currency Translation Reserve	Convertible Note Reserve	Reserve for transactions with NCI	Accumulated Losses	Total	Non- controlling Interests	Total Equity /(Deficiency in Equity)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	80,698,659	1,018,526	70,981	1,492,060	(77,618)	(96,002,005)	(12,799,397)	(218,671)	(13,018,068)
Comprehensive income for the year									
Loss for the year	-	-	-	-	-	(2,560,615)	(2,560,615)	(5,798)	(2,566,413)
Foreign currency translation	-	-	(170,764)	-	-		(170,764)	6,255	(164,509)
Total comprehensive loss for the year	-	-	(170,764)	-	-	(2,560,615)	(2,731,379)	457	(2,730,922)
Transactions with owners in their capacity as owners:									
Share based payments	-	-	-	-	-	892	892	-	892
Issue of shares, net of transaction costs	-	-	-	-	-	-	-	-	-
Value of conversion rights on convertible notes issued	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2017	80,698,659	1,018,526	(99,783)	1,492,060	(77,618)	(98,561,730)	(15,529,884)	(218,214)	(15,748,098)

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.



NOTES TO THE FINANCIAL STATEMENTS

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Balamara Resources Limited and the entities it controlled at the end of, or during the financial year.

(a) Basis of preparation

The half-year consolidated financial statements are a general-purpose financial report prepared in accordance with Australian Accounting Standards (including Australian Interpretations) AASB 134 *Interim Financial Report* and the *Corporations Act 2001*.

The interim half-year report does not include full disclosures of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASIC

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below

Changes in accounting policy

The Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2018. A number of new or amended standards became applicable for the current reporting period, however, the group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

The following Accounting Standard is most relevant to the consolidated entity:

AASB 9 Financial Instruments

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

There was no material impact on adoption of the new standards and no adjustment made to current or prior period amounts.



NOTES TO THE FINANCIAL STATEMENTS

Going concern

The financial report has been prepared on the going concern basis of accounting which assumes that the group will be able to meet its commitments, realise its assets and discharge its liabilities in the ordinary course of business. In arriving at this position, the directors recognise the Company is dependent on various funding alternatives to meet these commitments, including share placements.

The group has incurred a net loss after tax for the half-year ended 31 December 2018 of \$7,752,654 (2017: \$2,566,413) and experienced net cash outflows from operating activities of \$3,079,282 (2017: \$784,939). At half year-end the working capital position was a deficit of \$19,675,627 (June 2018: deficit \$18,339,513).

The ability of the entity to continue as a going concern is dependent on securing additional funding through the issue of further equity or debt to continue to fund its operational activities and this includes expenditure on the Group's various exploration projects.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in these financial statements.

The directors believe the group will continue as a going concern and be able to pay its debts as and when they fall due for the following reasons:

- The Company has a proven history of successfully raising capital.
- To date, the Company has received USD3.8m from Uniper (as a prepayment of 50,000 tonnes of coal), and as per the Contract the remaining amount to be received is USD1.2m.
- In January 2017 a loan of \$7m was secured from Ample Skill, of which \$2.785m has been drawn down as at 31 December 2018.
- The Company has raised \$2.75m by issuing shares to investors via private placement.
- The Company has signed an indicative term sheet with a specialist project finance provider to finance the development of Nowa Ruda coal mining project. The total finance sought is USD110m structured as part loan and part quasi-equity finance.
- The Company is currently in negotiations to raise additional funding and the directors are confident this will lead to an executed debt and/or equity arrangement in the near term.

Should the Group not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the consolidated financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

2 Segment information

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group's principal activity is mineral exploration.

3 Exploration and evaluation expenditure

	Half year to 31 December 2018
	\$
Capitalised:	
Opening balance	100,000
Exchange rate movements	-
Exploration and evaluation expenditure written off	-
Closing balance	100,000



NOTES TO THE FINANCIAL STATEMENTS

Exploration and evaluation expenditure (continued)

Expensed as incurred:	Half year to 31 December 2018	Half year to 31 December 2017
	\$	\$
Drilling costs	3,308	77,485
Assaying and analysis costs	4,350,045	76,437
Consultancy costs	123,100	346
Salaries and wages	969,027	598,271
Travel and accommodation	34,949	101,280
Concession fees	35,496	504,604
Other	86,020	11
	5,601,945	1,358,434

In accordance with the Groups accounting policy, only acquisition costs are capitalised, whilst all other exploration and evaluation expenditure is expensed as incurred.

4 Borrowings

In January and July 2015, the Company secured \$4m and \$7m respectively via convertible loans with its major shareholder Ample Skill Limited. Both facilities were fully drawn at 31 December 2017, with \$2,250,000 being converted to shares in prior years at the fixed price of \$0.03 per share. In January 2017, another loan was secured from Ample Skill for \$7m, of which \$2.875m had been drawn down as at 31 December 2018.

The notes are unsecured with an interest rate of 5%, convertible into equity of the parent entity at the option of the holder, or repayable by 01 August 2019, 27 July 2019, and 25 January 2021 respectively. The notes are recorded as a current liability, as the holder has the option to convert to equity at any time before maturity. The convertible notes are presented in the balance sheet as follows;

	31 December 2018	30 June 2018
	\$	\$
Face Value of Notes Issued	11,535,000	10,710,000
Convertible note reserve	(1,738,519)	(1,597,056)
Amount converted to issued capital	-	-
	9,796,481	9,112,944
Interest expense (<i>current period</i>) *	564,724	
Interest expense (<i>prior periods</i>) *	2,295,580	
Interest paid/payable (<i>current period</i>)	(283,067)	
Interest paid/payable (<i>prior periods</i>)	(1,213,658)	
Transaction costs (<i>current period</i>)	(21,499)	
Transaction costs (<i>prior periods</i>)	(241,611)	
Total Liability	10,896,950	

* Interest expense is calculated by applying the effective interest rate of 10.99% to the liability component.

The fair value as at 31 December 2018 of the convertible note liability recognised at amortised cost is \$11,087,496 (30 June 2018: \$10,123,512). Discounted cash flow models are used to determine the fair values of convertible notes at amortised cost. Discount rates used on the calculations are based on market interest rates existing at the end of the reporting period, consistent with those used within the recently completed pre-feasibility studies. The discount rate used at 31 December 2018 is 10.3%.



NOTES TO THE FINANCIAL STATEMENTS

5 Provisions

	31 December 2018	30 June 2018
	\$	\$
Directors Fee	820,000	-
Ministry of Environment	-	3,830,775
	<u>820,000</u>	<u>3,830,775</u>

6 Unearned income

	31 December 2018	30 June 2018
	\$	\$
Coal Prepayment	<u>4,939,303</u>	<u>4,939,303</u>

In March 2017, the Company secured a contract to supply coal at an unspecified future date. An agreement has been made to prepay USD 5m of coal, of which USD 3.8m has been received by the company as at 31 December 2018.

To secure future claims for damages against Balamara in case of breach of Contract for Supply made by Balamara, the Parties agreed to establish a collateral in the form of registered pledge, which is 20% of all the shares of Global Mineral Prospects Sp. Z o.o. in seat in Poland, KRS No: 0000396614. Balamara is owner of all 100% shares of Global Mineral Prospects Sp. Z o.o.

The pricing of coal is based on market price at the date of delivery. The company has granted the buyer the exclusive and irrevocable right of first refusal to purchase Coal, upon the terms and conditions set forth in the respective contract.

7 Issued Capital

	31 December 2018	30 June 2018
	\$	\$
Movement in ordinary shares		
Opening balance	80,718,309	80,698,659
Closing balance	<u>83,468,611</u>	<u>80,718,309</u>

8 Reserves

(a) Reserve Balances

	31 December 2018	30 June 2018
	\$	\$
Share-based payments reserve	85,685	1,018,526
Transactions with non-controlling interest reserve	(77,618)	(77,618)
Convertible Note Reserve	1,738,519	1,597,056
Foreign currency translation reserve	(43,041)	66,888
	<u>1,703,545</u>	<u>2,604,852</u>

(b) Nature and purpose of reserves

The share-based payments reserve arises from an issue of options as consideration for a service or an acquisition transaction, along with shares issued under the Balamara director/employee share scheme.

The foreign currency translation reserve is used to record exchange differences arising from the translation of balances in the foreign subsidiaries.



NOTES TO THE FINANCIAL STATEMENTS

8 Reserves (continued)

(c) Reconciliation of options issued

Date	Details	Number of options	Amount
			\$
30-Jun-18	Opening balance	65,800,000	932,840
31-Dec-18	Closing Balance	-	-

9 Events occurring after the balance date

Subsequent to balance date, the company has raised an additional £1,286,804 via private placement.

Apart from the events discussed above, no other matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

10 Contingent Assets and Contingent Liabilities

The Company has no contingent assets or liabilities.

11 Dividends

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.



DIRECTORS' DECLARATION

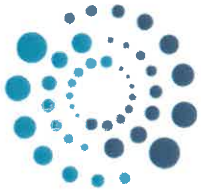
In the Directors' opinion:

- (a) The financial statements comprising the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and accompanying notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134 Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half year ended on that date, and
- (b) There are reasonable grounds to believe that Balamara Resources Limited 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 directors.

Derek Lenartowicz
Executive Chairman

Subiaco
15 May 2019



Independent Auditor's Review Report

To the members of Balamara Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Balamara Resources Limited (or 'the company') and controlled entities ('the Group'), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies 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 2018 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 Balamara 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 Balamara Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Balamara Resources Limited's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter – Inherent uncertainty regarding continuation as a going concern.

We draw attention to Note 1 to the half-year financial report, which outlines that the Group had a working capital deficit of \$19,675,627 as at 31 December 2018 and describes other events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about Balamara Resources Limited'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 and at the amounts stated in the half-year financial report.

Our conclusion is not modified in respect of this matter.

Greenwich & Co Audit Pty Ltd



Nicholas Hollens
Managing Director

15 May 2019
Perth

