



HARVEST MINERALS

LIMITED

ABN 12 143 303 388

Half-Year Financial Report

31 December 2015

**CORPORATE DIRECTORY**

**Directors**

Mr Brian McMaster (Executive Chairman)  
Mr Luis Azevedo (Executive Director)  
Mr Matthew Wood (Executive Director)  
Mr Mark Reilly (Non-Executive Director)  
Mr Frank Moxon (Non-Executive Director)

**Registered Office and Principal Place of Business**

Level 1  
330 Churchill Avenue  
Subiaco WA 6008 Australia  
Telephone: + 61 8 9200 1847  
Facsimile: + 61 8 9200 4469

**Company Secretary**

Mr Jonathan Hart

**Share Registry**

Automic Registry Services  
Level 1  
7 Ventnor Ave  
West Perth WA 6005 Australia  
Telephone: + 61 8 9324 2099  
Facsimile: + 61 8 9321 2337

**Stock Exchange**

The Company's securities are quoted on the official list of the Australian Securities Exchange Limited, the home branch being Perth and the AIM Market of the London Stock Exchange.

ASX Code: HMI

AIM Code: HMI

**Auditors**

HLB Mann Judd  
Level 4  
130 Stirling Street  
Perth WA 6000

**Nominated & Financial Adviser - AIM Market**

Strand Hanson Limited  
26 Mount Row  
London W1K 3SQ  
United Kingdom

**Broker**

Mirabaud Securities LLP  
33 Grosvenor Place  
London SW1X 7HY  
United Kingdom

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## DIRECTORS' REPORT

The Directors of Harvest Minerals Limited and its subsidiaries ('Harvest' or 'the Company') submit the financial report of the Company for the half-year ended 31 December 2015. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

### Directors

The names of Directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr Brian McMaster	Executive Chairman
Mr Luis Azevedo	Executive Director
Mr Matthew Wood	Executive Director
Mr Mark Reilly	Non-Executive Director
Mr Frank Moxon	Non-Executive Director (appointed 6 October 2015)

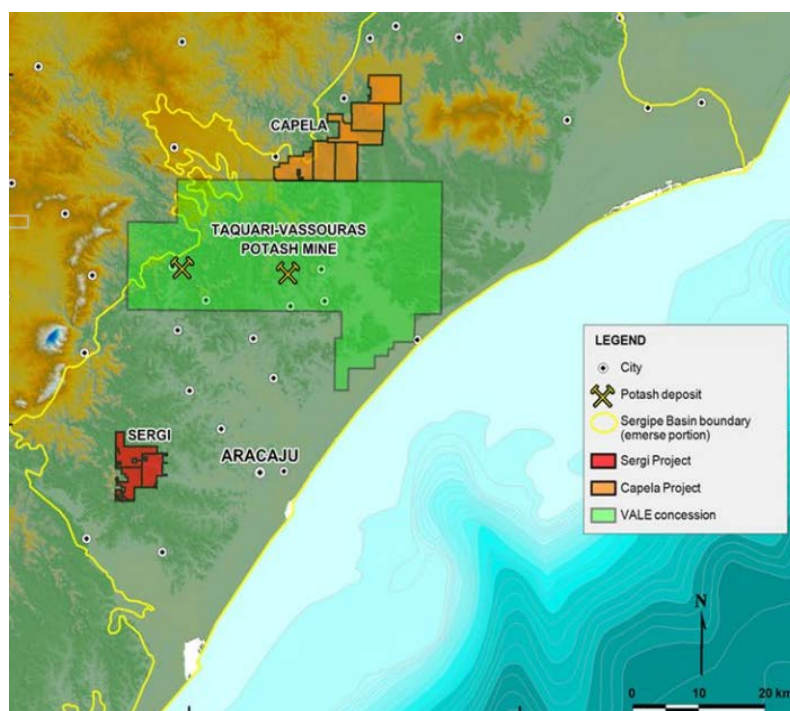
### Results

The loss after tax for the half-year ended 31 December 2015 was \$1,528,238 (2014: loss of \$370,082).

### Review of Operations

#### *Sergi Potash Project*

In April 2015, the Company acquired 100% of the Sergi Potash Project ('Sergi') which is strategically located next to Brazil's only producing potash mine (refer to Figure 1).



During the half-year, Coffey Consultoria e Serviços Ltda completed an Independent Inferred Mineral Resource estimate ('the Estimate') for Sergi using all available historical drilling data up to 2014 as well as other available technical information. The Estimate is classified as an Inferred Mineral Resource, in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). The total Inferred Mineral Resource is estimated at 105.3 Mt grading 21.3% KCl, including all the sylvinitic and carnallitic layers and using a cut-off grade of 13% KCl. The cut-off grade was estimated based on similar deposits located within the sedimentary basin (refer to Table 1).

Figure 1: Location of Sergi Potash Project

The potash mineralization within Harvest’s property is represented by two sylvinite and two carnallite sub-horizontal layers, with apparent thickness ranging from 5.56 to 8.46 metres intercepted on a historical drill hole SED-001-11.

Table 1: Sergi Potash Project Mineral Resource Statement

Mineral Resources	Lithology	Mass (Mt)	KCl (%)	Contained K <sub>2</sub> O (%)
Inferred	Sylvinite	62.0	25.0	15.8
	Carnallite	43.3	15.9	10.0
<b>Total Inferred</b>		<b>105.3</b>	<b>21.3</b>	<b>13.5</b>

For further details in relation to the Mineral Resources Estimate, including governance arrangements and internal controls, refer to announcement ‘Inferred Mineral Resource Estimate – Sergi Potash Project’ released on the ASX on 23 July 2015.

**Arapua Fertilizer Project**

In September 2014, Harvest acquired 100% of the Arapua Fertilizer Project in Brazil (‘Arapua’) located in the State of Minas Gerias Brazil and is composed of three exploration blocks; Arapua, Pindaiba and Maxixe. The Project is serviced by a number of population centres and is accessible by paved and country roads.

During the half-year, the Company’s ongoing auger drilling programme at the Project site identified large areas of highly mineralised potassium rich rocks (refer to ASX announcement ‘New K<sub>2</sub>O Discovery at Arapua Project’ released on 3 September 2015).

**Capela Potash Project**

In August 2014, Harvest acquired a 51% interest in the Capela Potash Project in the Sergipe Alagoas Basin on the east coast of Brazil, with an option to acquire the remaining 49% within the three years following the purchase agreement. The Capela Potash Project is a potentially world class potash project at very shallow depths. The Project is located in close vicinity and immediately adjoining to the north of Brazil’s only producing potash mine.



**Mandacaru Phosphate Project**

On 21 December 2015, the Company announced that it has been awarded the Mandacaru Phosphate Project located in Ceara State, Brazil (refer to Figure 2). The Project comprises two licenses covering a total area of 3,956.48 hectares. Historical exploration activities conducted over the property include ground radiometric survey, mapping, surface rock sampling, trenching and a 2,141 metre diamond drilling programme from 31 holes of diamond drilling (refer to ASX and AIM announcement ‘Acquisition of the Mandacaru Phosphate Project’ released on 21 December 2015).

Figure 2: Location of the Mandacaru Phosphate Project

**Corporate Activity**

*AIM Market Listing*

On 25 August 2015, the Company announced on the ASX it had lodged its pre-admission announcement for the admission of the Company's ordinary shares to trade on the AIM Market of the London Stock Exchange. On 7 September 2015, the Company was admitted to the AIM Market with the AIM ticker code of 'HMI'. The Company's ordinary shares continue to be listed and trade on the ASX.

*Director Appointment*

On 6 October 2015, Mr Frank Moxon joined the Board of the Company as a Non-Executive Director.

*Consolidation of Securities*

The listed and unlisted share capital of the Company was consolidated on a one (1) for ten (10) basis as approved by shareholders at the General Meeting of shareholders held on 17 December 2015.

*Placement*

During the half-year, the Company completed a placement with new institutional shareholders to raise approximately \$3,967,850 (approximately £1,956,150) before expenses at a price of 7.5 pence (post consolidation) per ordinary share. The placement was completed through the Company's broker, Mirabaud Securities LLP.

As part of the placement, the Company also issued one unlisted option to subscribe for one new share for every two placement shares subscribed for by placees, each option exercisable at 8.8 pence (post-consolidation) per ordinary share at any time before 31 May 2017.

**Subsequent Events**

On 13 January 2016, the Company completed a placement with institutional shareholders to raise approximately \$828,681 (approximately £423,150) before expenses at a price of 7.5 pence (post consolidation) per ordinary share as approved at the general meeting of shareholders held on 12 January 2016. The placement was completed through the Company's broker, Mirabaud Securities LLP.

As part of the placement, the Company also issued one unlisted option to subscribe for one new share for every two placement shares subscribed for by placees, each option exercisable at 8.8 pence per ordinary share at any time before 31 May 2017.

There have been no other known significant events subsequent to the end of the period.

**Auditor's Independence Declaration**

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the Directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of the Directors' Report for the half-year ended 31 December 2015.

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



**Brian McMaster**

**Chairman**

14 March 2016

## Competent Person Statement

### The Arapua Fertilizer Project:

The technical information in this report is based on compiled and reviewed data by Mr Paulo Brito. Mr Brito is a consulting geologist for Harvest Minerals Limited and is a Member of AusIMM – The Minerals Institute, as well as, a Member of Australian Institute of Geoscientists. Mr Brito has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brito also meets the requirements of a qualified person under the AIM Note for Mining, Oil and Gas Companies and consents to the inclusion in the release of the matters based on their information in the form and context in which it appears. Mr Brito accepts responsibility for the accuracy of the statements disclosed in this release.

### The Sergi Potash Project:

The information in this report which relates to the Mineral Resource and Exploration Target is based on information compiled by Leonardo Soares who is a geologist and full time employee of Coffey Consultoria e Serviços Ltda and a Member of the Australian Institute of Geoscientists. Leonardo Soares has sufficient relevant experience to the style of mineralization and underground rooms and pillars mine projects under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012.

Mr Soares was supported and peer reviewed by the mining engineer Porfirio Rodriguez, who are consultant of Coffey Consultoria e Serviços Ltda and member of the Australian Institute of Geoscientists. Mr Rodriguez has sufficient relevant experience to the style of mineralization and deposit type under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012.

Mr Soares and Mr Rodriguez also meet the requirements of a qualified person under the AIM Note for Mining, Oil and Gas Companies and consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

For full details and JORC Table 1 detailed information see ASX announcement “Inferred Mineral Resource Estimate – Sergi Potash Project” dated 23 July 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## AUDITOR'S INDEPENDENCE DECLARATION

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

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



**Perth, Western Australia**  
**14 March 2016**

**L Di Giallonardo**  
**Partner**



**Condensed Consolidated Statement of Comprehensive Income**

for the half-year ended 31 December 2015

	Consolidated	
	31 December 2015 \$	31 December 2014 \$
<b>Revenue</b>		
Interest revenue	4,329	10,680
<b>Total revenue</b>	<b>4,329</b>	<b>10,680</b>
Public company costs	(83,177)	(22,826)
Accounting and audit expenses	(30,715)	(37,360)
Consulting and Directors' fees	(706,095)	(169,565)
Legal fees	(296,482)	(8,574)
Share based payments	-	(35,571)
Travel expenses	(155,042)	(55,164)
Impairment of exploration expenditure	(3,208)	(20,683)
Foreign exchange gain	(6,021)	82,234
Other expenses	(251,827)	(113,253)
<b>Loss before income tax</b>	<b>(1,528,238)</b>	<b>(370,082)</b>
Income tax expense	-	-
<b>Loss after income tax</b>	<b>(1,528,238)</b>	<b>(370,082)</b>
<b>Other comprehensive loss</b>		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	(71,969)	(35,620)
<b>Other comprehensive loss for the half-year</b>	<b>(71,969)</b>	<b>(35,620)</b>
<b>Total comprehensive loss for the half-year</b>	<b>(1,600,207)</b>	<b>(405,702)</b>
<b>Loss per share</b>		
Basic and diluted loss per share (cents per share)	(3.60)	(1.65)

**Condensed Consolidated Statement of Financial Position**

as at 31 December 2015

		Consolidated	
	Notes	31 December 2015 \$	30 June 2015 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		3,910,313	1,537,960
Trade and other receivables		43,562	47,063
<b>Total Current Assets</b>		<b>3,953,875</b>	<b>1,585,023</b>
<b>Non-Current Assets</b>			
Plant and equipment		13,236	16,503
Deferred exploration and evaluation expenditure	3	3,492,292	1,394,679
<b>Total Non-Current Assets</b>		<b>3,505,528</b>	<b>1,411,182</b>
<b>Total Assets</b>		<b>7,459,403</b>	<b>2,996,205</b>
<b>Current Liabilities</b>			
Trade and other payables and provisions	4	1,001,639	701,182
<b>Total Current Liabilities</b>		<b>1,001,639</b>	<b>701,182</b>
<b>Total Liabilities</b>		<b>1,001,639</b>	<b>701,182</b>
<b>Net Assets</b>		<b>6,457,764</b>	<b>2,295,023</b>
<b>Equity</b>			
Issued capital	5	19,933,394	14,241,114
Reserves		2,664,239	2,665,540
Accumulated losses		(16,139,869)	(14,611,631)
<b>Total Equity</b>		<b>6,457,764</b>	<b>2,295,023</b>

**Condensed Consolidated Statement of Changes in Equity**

for the half-year ended 31 December 2015

	Issued Capital \$	Accumulated Losses \$	Share Based Payment Reserve \$	Foreign Currency Translation Reserve \$	Total \$
<b>Balance as at 1 July 2015</b>	<b>14,241,114</b>	<b>(14,611,631)</b>	<b>2,788,014</b>	<b>(122,474)</b>	<b>2,295,023</b>
<b>Total comprehensive loss for the half-year</b>					
Loss for the half-year	-	(1,528,238)	-	-	(1,528,238)
Other comprehensive loss	-	-	-	(71,969)	(71,969)
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(1,528,238)</b>	<b>-</b>	<b>(71,969)</b>	<b>(1,600,207)</b>
<b>Transactions with owners in their capacity as owners</b>					
Shares issued as consideration for acquisition	1,600,000	-	-	-	1,600,000
Shares issued as part of placement	4,038,877	-	-	-	4,038,877
Shares issued as part of rights issue	452,282	-	-	-	452,282
Share issue costs	(398,879)	-	-	-	(398,879)
Share based payments	-	-	70,668	-	70,668
<b>Balance at 31 December 2015</b>	<b>19,933,394</b>	<b>(16,139,869)</b>	<b>2,858,682</b>	<b>(194,443)</b>	<b>6,457,764</b>
<b>Balance as at 1 July 2014</b>	<b>11,549,368</b>	<b>(12,987,053)</b>	<b>2,716,872</b>	<b>(15,873)</b>	<b>1,263,314</b>
<b>Total comprehensive loss for the half-year</b>					
Loss for the half-year	-	(370,082)	-	-	(370,082)
Other comprehensive loss	-	-	-	(35,620)	(35,620)
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(370,082)</b>	<b>-</b>	<b>(35,620)</b>	<b>(405,702)</b>
<b>Transactions with owners in their capacity as owners</b>					
Shares issued as consideration for acquisition	400,000	-	-	-	400,000
Shares issued as part of rights issue	1,548,600	-	-	-	1,548,600
Share issue costs	(96,850)	-	-	-	(96,850)
Share based payments	-	-	35,571	-	35,571
<b>Balance at 31 December 2014</b>	<b>13,401,118</b>	<b>(13,357,135)</b>	<b>2,752,443</b>	<b>(51,493)</b>	<b>2,744,933</b>

**Condensed Consolidated Statement of Cash Flows**

for the half-year ended 31 December 2015

	<b>Consolidated</b>	
	<b>31 December 2015 \$</b>	<b>31 December 2014 \$</b>
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(1,384,229)	(425,698)
Interest received	4,329	10,301
<b>Net cash outflow from operating activities</b>	<b>(1,379,900)</b>	<b>(415,397)</b>
<b>Cash flows from investing activities</b>		
Payments for plant and equipment	(413)	-
Payments for exploration and evaluation expenditure	(295,227)	(277,735)
<b>Net cash outflow from investing activities</b>	<b>(295,640)</b>	<b>(277,735)</b>
<b>Cash flows from financing activities</b>		
Proceeds from rights issue / equity placement	4,351,159	1,548,600
Share issue costs	(297,245)	(96,850)
<b>Net cash inflow from financing activities</b>	<b>4,053,914</b>	<b>1,451,750</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,378,374</b>	<b>758,618</b>
Cash and cash equivalents at beginning of period	1,537,960	499,601
Effect of exchange rate fluctuations on cash held	(6,021)	82,234
<b>Cash and cash equivalents at the end of the period</b>	<b>3,910,313</b>	<b>1,340,453</b>

**Notes to the Condensed Consolidated Financial Statements**

for the half-year ended 31 December 2015

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Corporate Information**

This general purpose half-year financial report of Harvest Minerals Limited and its subsidiaries (the "Group") for the half-year ended 31 December 2015 was authorised for issue in accordance with a resolution of the Directors on 14 March 2016.

Harvest Minerals Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange and the AIM Market of the London Stock Exchange.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

**Basis of Preparation**

This financial report for the half-year ended 31 December 2015 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

These half-year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements.

It is recommended that the half-year financial statements be read in conjunction with the annual report for the year ended 30 June 2015 and considered together with any public announcements made by Harvest Minerals Limited during the half-year ended 31 December 2015 in accordance with the continuous disclosure obligations of the ASX listing rules.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period. The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**New and amending Accounting Standards and Interpretations**

In the half-year ended 31 December 2015, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2015.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to the Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to the Group's accounting policies.

**NOTE 2: SEGMENT REPORTING**

For management purposes, the Group is organised into one main operating segment, which involves exploration. All of the Company's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

**Notes to the Condensed Consolidated Financial Statements**

for the half-year ended 31 December 2015

**NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE**

	<b>6 months to 31 December 2015 \$</b>	<b>Year ended 30 June 2015 \$</b>
At beginning of the year	1,394,679	848,924
Acquisition of Capela Potash Project	-	920,000
Acquisition of Sergi Potash Project <sup>1</sup>	1,900,000	100,000
Exploration expenditure during the year	265,569	402,505
Impairment loss	(3,208)	(769,584)
Net exchange differences on translation	(64,748)	(107,166)
<b>Total deferred exploration and evaluation expenditure</b>	<b>3,492,292</b>	<b>1,394,679</b>

<sup>1</sup> As announced on the ASX on 20 April 2015 Harvest acquired a 100% interest in the Sergi Potash Project in the Sergipe State, Brazil. The portion of consideration for this acquisition recorded during the period, as per the Sergi Project Mineral Rights Purchase and Sale Agreement, includes the issue of 120,000,000 pre-consolidation fully paid ordinary shares in the Company on achieving key asset milestone as detailed in ASX announcement 'Inferred Mineral Resource Estimate – Sergi Potash Project' released on the ASX on 23 July 2015. Per the agreement the Company was to also issue a further 60,000,000 pre-consolidation fully paid ordinary shares in the Company and pay \$100,000 on 31 December 2015. This portion of the consideration has been recorded as a liability at 31 December 2015 and was settled subsequent to year-end, refer to note 4.

**NOTE 4: TRADE AND OTHER PAYABLES AND PROVISIONS**

	<b>6 months to 31 December 2015 \$</b>	<b>Year ended 30 June 2015 \$</b>
Trade payables	291,139	141,182
Accruals <sup>1</sup>	710,500	420,000
Other	-	140,000
	<b>1,001,639</b>	<b>701,182</b>

<sup>1</sup> Accruals as at balance date include deferred consideration payables under the Sergi Project Mineral Rights Purchase and Sale Agreement, comprising the payment of \$100,000 and the issue of 60,000,000 (pre-consolidation) fully paid ordinary shares at an issue price of \$0.01 per share (pre-consolidation), being the equivalent market price of the Company's shares on the date the Company finalized the Purchase and Sale Agreement.

Trade creditors, other creditors and goods and services tax are non-interest bearing and generally payable on 60 day terms. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

**Notes to the Condensed Consolidated Financial Statements**

for the half-year ended 31 December 2015

**NOTE 5: ISSUED CAPITAL**

	31 December 2015 \$	30 June 2015 \$
<b>Issued and paid up capital</b>		
Issued and fully paid	<u>19,933,394</u>	<u>14,241,114</u>

	6 months to 31 December 2015		Year ended 30 June 2015	
	No.	\$	No.	\$
<b>Movements in ordinary shares on issue</b>				
Opening balance	357,443,423	14,241,114	77,430,000	11,549,368
Shares issued as consideration for acquisition <sup>1</sup>	160,000,000	1,600,000	40,000,000	400,000
Shares issued as part of rights issue	30,228,243	452,282	180,013,423	1,800,134
Shares issued as part of placement	275,820,000	4,038,877	60,000,000	600,000
Consolidation of capital	(741,142,464)	-	-	-
Share issue costs	-	(398,879)	-	(108,388)
Closing balance	<u>82,349,202</u>	<u>19,933,394</u>	<u>357,443,423</u>	<u>14,241,114</u>

<sup>1</sup> As announced on the ASX on 13 July 2015, 40,000,000 shares were issued as part consideration to acquire the Capela Project in Brazil. As announced on the ASX on 9 October 2015, 60,000,000 shares were issued as part consideration to acquire the Sergi Project in Brazil. A further 60,000,000 shares were issued as part consideration for the Sergi Project acquisition on 18 November 2015 as announced on the ASX. For further details refer to note 3.

As at the date of this report, there were 16,813,720 unissued ordinary shares under options (13,992,720 at the reporting date). The details of the options at the date of this report are as follows:

Number	Exercise Price	Expiry Date
15,862,000	8.8 pence	31 May 2017
951,720	7.5 pence	18 December 2020

The above options were issued on a pre-consolidation basis and therefore the 139,927,200 options issued on 22 December 2015 were reduced by 125,934,480 on consolidation for a post-consolidation balance of 13,992,720 total options on issue.

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

On 31 December 2015, 6,000,000 unlisted options with an exercise price of \$0.05 expired.

No options were exercised during or since the end of the financial year.

**Notes to the Condensed Consolidated Financial Statements**

for the half-year ended 31 December 2015

**NOTE 6: SHARE BASED PAYMENTS**

Share based payment transactions recognised on the statement of financial position as capital raising expenses in equity during the half-year were as follows:

	<b>31 December 2015</b>	<b>30 June 2015</b>
<i>Capital raising expenses</i>		
Share based payments to supplier	70,668	-

The table below summaries options granted to suppliers (pre-consolidation):

Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year Number
22 Dec 2015	18 Dec 2020	\$0.015	-	9,517,200	-	-	9,517,200	9,517,200
Weighted remaining life (years)			-	4.99	-	-	4.97	4.97
Weighted average exercise price			-	\$0.015	-	-	\$0.015	\$0.015

The model inputs, not included in the table above, for options granted during the half-year ended included:

- a) options are granted for no consideration and vest immediately;
- b) expected life of options is approximately 5 years;
- c) share prices at grant date was \$0.010;
- d) expected volatility of 110%;
- e) expected dividend yield of Nil; and
- f) a risk free interest rate from 2.00%.

**NOTE 7: DIVIDENDS**

No dividends have been paid or provided for during the half-year (2014: nil).

**NOTE 8: CONTINGENT LIABILITIES AND COMMITMENTS**

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

**NOTE 9: SUBSEQUENT EVENTS**

On 13 January 2016, the Company completed a placement with institutional shareholders to raise approximately \$828,681 (approximately £423,150) before expenses at a price of 7.5 pence (post consolidation) per ordinary share as approved at the general meeting of shareholders held on 12 January 2016. The placement was completed through the Company's broker, Mirabaud Securities LLP.

As part of the placement, the Company also issued one unlisted option to subscribe for one new share for every two placement shares subscribed for by placees, each option exercisable at 8.8 pence per ordinary share at any time before 31 May 2017.

There have been no other known significant events subsequent to the end of the period.



**DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Harvest Minerals Limited ('the Company'), the Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 13, are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



**Brian McMaster**

**Chairman**

14 March 2016

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Harvest Minerals Limited

### **Report on the Condensed Half-Year Financial Report**

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

#### *Directors' responsibility for the half-year financial report*

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

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Independence*

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

*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 Harvest Minerals Limited is not in accordance with the *Corporations Act 2001* including:

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

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**14 March 2016**

*L Di Giallonardo*

**L Di Giallonardo**  
**Partner**