

# **3D RESOURCES LIMITED AND CONTROLLED ENTITIES**

**ABN: 15 120 973 775**

**Financial Report for The Half Year Ended  
31 December 2016**

# 3D RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN: 15 120973 775

## Financial Report For The Half Year Ended 31 December 2016

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## 3D RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN: 15 120 973 775

### DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to herein as the Group) consisting of 3D Resources Limited and its controlled entities for the half year ended 31 December 2016.

#### General Information

##### Directors

The following persons were directors of 3D Resources Limited during or since the end of the half year up to the date of this report.

Mr Ian Hastings

Mr Peter Mitchell

Mr John Chegwiddden

Unless otherwise stated, all directors were in office for the period under review, and up to the date of this report.

#### DIRECTORS' REPORT

In accordance with continuous disclosure requirements, it is recommended that this half year report be read in conjunction with any public announcements lodged with the Australian Securities Exchange for the half year.

#### Review of Operations

The consolidated loss for the six month period ended 31 December 2016 was \$171,252. (2015 loss: \$832,891)

The net assets and working capital of the Group as at 31 December 2016 were \$1,180,079 and \$369,981 respectively.

The Company completed a 1 for 1 Rights Issue which closed on 8th December 2016, which was partially underwritten by Patersons Securities. At the date of this report, the Company successfully placed the shortfall and a total of \$1.1 million was raised.

The Mining Entry Permit was granted by the Minister for Aboriginal Affairs which will enable the Company to initiate exploration on its prospective Cosmo Newberry Gold Project.

The Company has already defined some initial targets for exploration at Cosmo Newberry and plans to initiate exploration before the end of the financial year.

Exploration focus for the Halls Creek Joint Venture, of which 3D Resources has an 80% share has shifted towards locating additional resources to those outlined by drilling of the Mt Angelo North deposit and is aimed at exploration the highly prospective Koongie Park Formation for additional VMS Style Copper-Lead Zinc deposits. This follows on from the extension granted to the three exploration licenses granted by the Department of Mines and Petroleum as announced in November.

#### Auditor's Independence Declaration

The lead auditor's independence declaration is included on page 2 of the half year financial report.

Signed in accordance with a resolution of directors made pursuant to s.306(3)(a) of the Corporations Act 2001.



On behalf of the Directors

Mr Peter Mitchell

Managing Director

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(WA) Pty Ltd**

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To the Board of Directors

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

As lead audit director for the review of the financial statements of 3D Resources Limited for the half year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



**BENTLEYS**  
**Chartered Accountants**



**MARK DELAURENTIS CA**  
**Director**

Dated at Perth this 14<sup>th</sup> day of March 2017

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	Group	
	31 December 2016	31 December 2015
	\$	\$
<b>Continuing operations</b>		
Interest received	442	1,156
Unrealised gain on investments	-	1,474
Administration expenses	(57,549)	(39,445)
Auditor's remuneration	(13,016)	(13,047)
Directors' fees	(55,800)	(68,700)
Depreciation and amortisation expense	-	(234)
Insurance	(6,312)	(7,170)
Legal fees	(203)	(1,115)
Consultancy fees	(45,000)	-
Occupancy costs	(11,576)	(8,879)
Exploration written off	(2,315)	(690,235)
Travel expenses	-	(15,510)
<b>Profit before income tax</b>	<u>(191,329)</u>	<u>(841,705)</u>
Tax expense	-	-
<b>Net Profit from continuing operations</b>	<u>(191,329)</u>	<u>(841,705)</u>
<b>Discontinued operations</b>		
Profit from discontinued operations after tax	<u>20,077</u>	<u>8,814</u>
<b>Net Profit for the half year</b>	<u><u>(171,252)</u></u>	<u><u>(832,891)</u></u>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified subsequently to profit or loss when specific conditions are met:</b>		
Exchange differences on translating foreign operations, net of tax	367	8,814
Exchange differences realised on deconsolidation of subsidiary	20,105	-
<b>Other comprehensive income for the half year</b>	<u>20,472</u>	<u>8,814</u>
<b>Total comprehensive income for the half year</b>	<u><u>(150,780)</u></u>	<u><u>(824,077)</u></u>
<b>Earnings per share</b>		
<b>From continuing and discontinued operations:</b>		
Basic and diluted loss per share (cents)	(0.06)	(0.33)
<b>From continuing operations:</b>		
Basic earnings per share (cents)	(0.06)	(0.33)

The accompanying notes form part of these financial statements.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

		Group	
		31 December 2016	30 June 2016
	Note	\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		456,617	182,381
Trade and other receivables		69,480	20,212
<b>TOTAL CURRENT ASSETS</b>		<u>526,097</u>	<u>202,593</u>
<b>NON-CURRENT ASSETS</b>			
Exploration expenditure	3	810,098	734,057
<b>TOTAL NON-CURRENT ASSETS</b>		<u>810,098</u>	<u>734,057</u>
<b>TOTAL ASSETS</b>		<u><u>1,336,195</u></u>	<u><u>936,650</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		156,116	415,706
<b>TOTAL CURRENT LIABILITIES</b>		<u>156,116</u>	<u>415,706</u>
<b>TOTAL LIABILITIES</b>		<u>156,116</u>	<u>415,706</u>
<b>NET ASSETS</b>		<u><u>1,180,079</u></u>	<u><u>520,944</u></u>
<b>EQUITY</b>			
Issued capital	5	10,029,926	9,220,011
Reserves		-	(20,472)
Retained earnings		(8,849,847)	(8,678,595)
<b>TOTAL EQUITY</b>		<u><u>1,180,079</u></u>	<u><u>520,944</u></u>

The accompanying notes form part of these financial statements.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	Issued Capital	Accumulated Losses	Option Reserve	Foreign Currency Translation Reserve	Total
	\$	\$	\$	\$	\$
<b>Consolidated Group</b>					
<b>Balance at 1 July 2015</b>	9,144,111	(8,003,133)	295,018	(19,202)	1,416,794
<b>Comprehensive income</b>					
Loss for the period	-	(841,705)	-	-	(841,705)
Other comprehensive income for the year	-	-	-	8,814	8,814
<b>Total comprehensive income for the year</b>	-	(841,705)	-	8,814	(832,891)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Shares issued during the year	75,000	-	-	-	75,000
Options expired during the period	-	295,018	(295,018)	-	-
<b>Total transactions with owners and other transfers</b>	75,000	295,018	(295,018)	-	75,000
<b>Balance at 31 December 2015</b>	9,219,111	(8,549,820)	-	(10,388)	658,903
<b>Balance at 1 July 2016</b>	9,220,011	(8,678,595)	-	(20,472)	520,944
<b>Comprehensive income</b>					
Loss for the period	-	(171,252)	-	-	(171,252)
Other comprehensive income for the year	-	-	-	20,472	20,472
<b>Total comprehensive income for the year</b>	-	(171,252)	-	20,472	(150,780)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Shares issued during the year	889,374	-	-	-	889,374
Transaction costs	(79,459)	-	-	-	(79,459)
<b>Total transactions with owners and other transfers</b>	809,915	-	-	-	809,915
<b>Balance at 31 December 2016</b>	10,029,926	(8,849,847)	-	-	1,180,079

The accompanying notes form part of these financial statements.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR**  
**THE HALF YEAR ENDED 31 DECEMBER 2016**

	Group	
	31 December 2016	31 December 2015
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	6,111	604
Payments to suppliers and employees	(482,808)	(92,385)
Payments used for security bonds	(6,843)	-
Net cash provided by (used in) operating activities	(483,540)	(91,781)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Joint Venture contributions for exploration	30,772	-
Payments for exploration expenses	(107,111)	(107,042)
Net cash provided by (used in) investing activities	(76,339)	(107,042)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	887,356	75,000
Payments for capital raising costs	(53,241)	-
Net cash provided by (used in) financing activities	834,115	75,000
Net increase in cash held	274,236	(123,823)
Cash and cash equivalents at beginning of financial year	182,381	360,746
Effect of exchange rates on cash holdings in foreign currencies	-	290
Cash and cash equivalents at end of financial year	456,617	237,213

**The accompanying notes form part of these financial statements.**



**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

These consolidated financial statements and notes represent those of 3D Resources Limited and Controlled Entities (the "group").

The financial statements were authorised for issue on 14 March 2017 by the directors of the company.

**Note 1 Summary of Significant Accounting Policies**

**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 financial report does not include all the notes of the type usually included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2016 and any public announcements made by the Company since 30 June 2016 in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

**Basis of Preparation**

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

**Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were used in the Group's last reporting annual financial statements at 30 June 2016, unless otherwise stated.

**(a) Foreign Currency Transactions and Balances**

**Functional and presentation currency**

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional currency.

**Transaction and balances**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

**Group companies**

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

**(b) Critical Accounting Estimates and Judgements**

The critical estimates and judgements are consistent with those applied and disclosed in the June 2016 annual report.

**Key Judgements**

**a. Exploration and Evaluation Expenditure**

Exploration expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an relinquished area are written off in full against the profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**(Note 1: Summary of Significant Accounting Policies (Cont'd))**

**(c) New Accounting Standards for Application in Future Periods**

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 2014-1: Amendments to Australian Accounting Standards (Part D);
- AASB 2014-3: Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations;
- AASB 2014-4: Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and
- AASB 2014-6: Amendments to Australian Accounting Standards – Agriculture: Bearer Plants;
- AASB 2014-9: Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements;
- AASB 2015-1: Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle;
- AASB 2015-2: Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101;
- AASB 2015-5: Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception; and
- AASB 2015-9: Amendments to Australian Accounting Standards – Scope and Application Paragraphs.

The adoption of the above standards have not had a material impact on this half year financial report.

**(d) Going Concern**

The half year financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Group incurred an operating loss of \$171,252 for the half year ended 31 December 2016 (2015: loss of \$832,891)

The net working capital surplus of the Group at 31 December 2016 was \$369,981 (30 June 2016: working capital deficit of \$213,113) and the net cash outflows from operation activities during the half year were \$483,540 (2015: \$91,781)

The ability of the Group to continue to pay its debts as and when they fall due is dependent upon the Group; raising additional share capital and developing, joint venturing or selling one or more of its tenements. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern basis.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

The directors believe it is appropriate to prepare these accounts on a going concern basis because:

- The Directors have an appropriate plan to raise additional funds as and when they are required. In light of the Group's current exploration projects, the Directors believe that the additional capital required can be raised in the market; and
- The Directors have an appropriate plan to contain certain operating and exploration expenditure if appropriate funding is unavailable.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital from existing shareholders.

Should the Group not achieve the matters set out above, there is material uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Group not be able to continue as a going concern.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**Note 2 Operating Segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Unless stated otherwise, all accounts are reported to the Board of Directors, being the chief decision makers with respect to operating segments, which are determined in accordance with the accounting policies that are consistent to those adapted in the annual financial statements of the consolidated entity.

**OPERATING SEGMENTS**

(i) **Segment performance**

	<b>3D Resources</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Croydon</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>6 months ended 31 December 2016</b>					
Total segment revenue	-	-	-	-	-
<i>Reconciliation of segment revenue to group revenue</i>					
Total segment revenue	-	-	-	-	-
<b>Segment net loss from continuing operations before tax</b>	<b>(2,315)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,315)</b>
Amounts not included in segment result but reviewed by the Board:					
Interest revenue					442
<u>Administrative expenses</u>					
Directors' fees					(55,800)
Consultancy fees					(45,000)
Occupancy costs					(11,576)
Other costs					(77,080)
Net profit before tax from continuing operations					<u>(191,329)</u>

	<b>3D Resources</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Croydon</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>6 months ended 31 December 2015</b>					
Total segment revenue	-	-	-	-	-
<i>Reconciliation of segment revenue to group revenue</i>					
Total segment revenue	-	-	-	-	-
<b>Segment net loss from continuing operations before tax</b>	<b>(273)</b>	<b>-</b>	<b>-</b>	<b>(689,962)</b>	<b>(690,235)</b>
Amounts not included in segment result but reviewed by the Board:					
Interest revenue					1,156
<u>Administrative expenses</u>					
Directors' fees					(68,700)
Occupancy costs					(8,879)
Travel and marketing costs					(15,510)
Other costs					(59,537)
Net profit before tax from continuing operations					<u>(841,705)</u>

(ii) **Segment assets**

	<b>3D Resources</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Croydon</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 31 December 2016</b>					
Segment assets - opening balance	481,720	252,337	-	-	734,057
Segment assets increased for the year:					
Capital expenditure / exploration	57,160	21,196	-	-	78,356
Write off / exploration	(2,315)	-	-	-	(2,315)
Reconciliation of segment assets to group assets	536,565	273,533	-	-	810,098
Unallocated assets:					
Cash					456,617
Receivables					69,480
<b>Total group assets</b>					<u><u>1,336,195</u></u>

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**

ABN: 15 120 973 775

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**(Note 2: Operating Segments (Cont'd))**

	<b>3D Resources</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Croydon</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 30 June 2016</b>					
Segment assets - opening balance	374,754	207,182	-	611,856	1,193,792
Segment assets increased for the year:					
Capital expenditure / exploration	119,992	55,647	-	66,227	241,866
Write off / exploration	(13,026)	(10,492)	-	(689,962)	(713,480)
Fluctuations in foreign currency	-	-	-	11,879	11,879
Reconciliation of segment assets to group assets	<u>481,720</u>	<u>252,337</u>	<u>-</u>	<u>-</u>	<u>734,057</u>
Unallocated assets:					
Cash					182,334
Receivables					20,212
Assets for Croydon Coal Limited (now discontinued)					47
<b>Total group assets</b>					<u><u>936,650</u></u>

**(iii) Segment liabilities**

	<b>3D Resources</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Croydon</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 31 December 2016</b>					
Segment liabilities	<u>9,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,751</u>
Reconciliation of segment liabilities to group liabilities	9,751	-	-	-	9,751
Intersegment eliminations					
Unallocated liabilities:					
Trade and other payables					146,365
<b>Total group liabilities</b>					<u><u>156,116</u></u>

	<b>3D Resources</b>	<b>Platquest</b>	<b>Alltower</b>	<b>Croydon</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 30 June 2016</b>					
Segment liabilities	<u>375,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,251</u>
Reconciliation of segment liabilities to group liabilities	375,251	-	-	-	375,251
Intersegment eliminations					
Unallocated liabilities:					
Trade and other payables					-
Liabilities for Croydon Coal Limited (now discontinued)					40,455
<b>Total group liabilities</b>					<u><u>415,706</u></u>

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**Note 3 Deferred Exploration and Evaluation**

Balance at 1 July 2015	1,193,791
Capitalised exploration expenditure for the financial year	241,866
Exploration costs write off during the financial year	(713,481)
Fluctuations in foreign currency	11,881
Balance at 30 June 2016	<u>734,057</u>
Balance at 1 July 2016	734,057
Capitalised exploration expenditure for the financial year	78,356
Exploration costs write off during the financial year	(2,315)
Balance at 31 December 2016	<u><u>810,098</u></u>

Ultimate recovery of deferred exploration and evaluation costs is dependent upon the success of pre-feasibility studies, exploration and evaluation or sale or farm-out of the exploration interest. A percentage of the CEO's salary and associated costs are capitalised in line with the Company's policy for capitalising costs directly relating to pre-feasibility and exploration. Broadly, the Company has three cost centres, Corporate, Pre-feasibility and Exploration. Where identifiable, costs associated with the Pre-feasibility and Exploration cost centres are capitalised, these costs are annually reviewed for impairment and a charge is made direct to the Statement of profit or loss and other comprehensive income of the Company where an impairment is identified.

The Group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subjected to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist and therefore, the quantum of such potential claims cannot be estimated.

The Company has reviewed all of its tenements and has only carried forward the expenses on the tenements that give rise to a potential economic benefit to the Company through development or exploration.

**Note 4 Interests in Subsidiaries**

Set out below are the Company's subsidiaries at 31 December 2016. The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Company and the proportion of ownership interests held equals the voting rights held by the Company.

Name of subsidiary	Principal place of business	Ownership interest held by the Group	
		At 31 December 2016	At 31 December 2015
Platquest Resources Pty Ltd	Australia	100%	100%
Alltower Pty Ltd	Australia	100%	100%
Croydon Coal Limited	New Zealand	-	100%

As previously disclosed in the 30 June 2016 annual report, the Company's wholly owned subsidiary, Croydon Coal Limited was officially removed from the register on 16 August 2016.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**Note 5 Issued Capital**

**(a) Ordinary Shares**

	<b>No.</b>	<b>\$</b>
Balance at 1 July 2015	251,569,525	9,144,111
Shares issued during the year	25,000,000	75,900
Balance at 30 June 2016	276,569,525	9,220,011
Balance at 1 July 2016	276,569,525	9,220,011
Shares issued during the reporting period	222,568,473	889,374
Less transaction costs arising from issue of shares	-	(79,459)
Balance at 31 December 2016	499,137,998	10,029,926

During the period, a total of 222,568,473 fully paid ordinary shares were issued raising a total of \$809,915, net of capital raising costs.

**(b) Options**

The following reconciles the outstanding options to subscribe for fully paid ordinary shares in the Company at the beginning and end of the financial period.

	<b>No.</b>
Balance at 1 July 2015	32,250,000
Issued during the financial year	-
Lapsed during the financial year	(32,250,000)
Balance at 30 June 2016	-
Balance at 1 July 2016	-
Issued during the financial period	110,919,563
Lapsed during the financial period	-
Balance at 31 December 2016	110,919,563

Details of the options on issue are as follows:

	<b>Number</b>	<b>Issue Date</b>	<b>Expiry Date</b>	<b>Exercise Price</b>
				<b>\$</b>
Options issued	110,919,563	15 December 2016	15 December 2019	\$0.007

Options issued were in relation to the completion of a 1 for 1 pro rata renounceable Rights Issue announced by the Company on 21 November 2016. One free option was attached for every two new shares issued.

**Note 6 Events After the Reporting Period**

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

On 23 January 2017, the Company successfully placed the shortfall of the 1 for 1 Rights Issue which closed on 8 December 2016. An additional 55,459,778 fully paid ordinary shares were issued and 27,729,889 options were issued, bringing the total amount raised to \$1.1 million (before costs).

**Note 7 Financial Instruments**

The Group's financial instruments consist of those which are measured at amortised cost including trade and other receivables and trade and other payables. The carrying amount of these financial assets and liabilities approximate their fair value.

The Group has no held for trading financial assets.

**3D RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ABN: 15 120 973 775**  
**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of 3D Resources Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 3 to 12, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
  - (b) give a true and fair view of the financial position as at 31 December 2016 and of the performance for the year ended on that date of the consolidated group;
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; and
3. the directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

Director



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**Mr Peter Mitchell**

Dated this

14 March 2017

## Independent Auditor's Review Report

### To the Members of 3D Resources Limited

We have reviewed the accompanying half-year financial report of 3D Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

### Directors Responsibility for the Half-Year Financial Report

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

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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



# Independent Auditor's Review Report

To the Members of 3D Resources Limited (Continued)

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## 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 3D Resources Limited and Controlled Entities is not in accordance with the *Corporations Act 2001* including:

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

## Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1(d) of the half-year financial report which indicates that the Consolidated Entity incurred a net loss of \$171,252 during the half-year ended 31 December 2016. This condition, along with other matters as set forth in Note 1(d), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

A handwritten signature in blue ink that reads "Bentleys".

**BENTLEYS**  
Chartered Accountants

A handwritten signature in blue ink that reads "Mark DeLaurentis".

**MARK DELAURENTIS CA**  
Director

Dated at Perth this 14<sup>th</sup> day of March 2017