



**APPENDIX 4D**  
**31 DECEMBER 2009**

MONO RESOURCES LIMITED

ACN 131 715 645

**HIGHLIGHTS OF RESULTS FOR ANNOUNCEMENT TO THE MARKET**

	2009
Revenue from ordinary activities	Nil
(loss) from ordinary activities after tax attributable to members	(\$ 649,030)
(loss) for the period attributable to members of the company	(\$ 535,211)

**Dividends**

	Amount per tradeable security	Franked amount per security
Interim dividend (cents per share)	Nil	Nil
Record date for determining entitlements to the dividends was:	Not Applicable	

Refer to the attached announcement and interim financial report for further information on the results for the half-year ended 31 December 2009. This information should be read in conjunction with the Company's most recent annual financial report and company announcements.

**Net Tangible Assets per share**

	31 December 2009
Net Tangible Assets per share	\$ 0.11

**Acquisition and/or Disposal**

There were no acquisition or disposals of subsidiaries during the half-year ended 31 December 2009.

This report is based on the consolidated half-year financial report which has been subject to a review. There are no audit disputes or qualifications. AASB standards, other authoritative pronouncements and Urgent Issues Group Interpretations have been used in compiling the information in this Appendix 4D.



George Monemvasitis  
Director  
Sydney, 15 March 2010



## **HALF-YEAR FINANCIAL REPORT**

**31 DECEMBER 2009**

MONO RESOURCES LIMITED

ACN 131 715 645

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The Directors of Mono Resources Limited submit herewith the half-year financial report of the company for the half-year ended 31 December 2009. In order to comply with the provisions of the Corporations Act 2001, the directors reports as follows:

**Information about the directors and senior management**

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

<u>Name</u>	<u>Particulars</u>
Jonathan Paul Back	Chairman, appointed 04 September 2008
George Monemvasitis	Director, appointed 30 June 2008
Rado Jacob Rebek	Director, appointed 01 February 2010
Hai Jun Li	Non-Executive Director, appointed 14 April 2009

The above named directors held office during the whole of the financial year and since the end of the financial year except for:

<u>Name</u>	<u>Particulars</u>
Gary Kuo	Director, resigned 01 February 2010
Xiao Long Zhang	Non-Executive Director, resigned 01 February 2010

**Principal activities**

The consolidated entity's principal activities in the course of the financial year were identifying and negotiating with the holders of exploration and mining tenements in Australia and elsewhere to determine the potential viability of those projects and to provide seed capital and development capital to assist in determining the potential for further development and commercial exploitation.

**Result**

The consolidated net loss for the half-year ended 31 December 2009 after providing for income tax was \$649,030.

**Review of operations**

Since the successful completion of the acquisition of Xtreme Resources Limited on 29<sup>th</sup> April 2009, Mono Resources Limited and its controlled entities ("the Group") have continued to perform drilling and additional exploration work at Summer Hill, Dalcouth and Mt Garnet locations and upgrade work to the existing mill and smelter located at Mt Veteran. It is anticipated that the upgrade work to Mt Veteran mill will be completed by April 2010.

The Group conducted an assessment of the carrying value of its exploration assets and as a result of the recoverability of some of its tenements, the group made a provision for impairment of \$310,569 against the carrying value of its exploration and development assets for the half year ended 31 December 2009.

During December 2009, the company raised a total of \$575,000 by way of a share placement to local and offshore institutional investors. The share placement of 4,000,000 fully paid shares at \$0.25 per share took place on 7 December 2009 and was fully subscribed in January 2010 resulting in a total of \$1,000,000 capital raised.

**Review of operations (Continued)**

As the Group continues to pursue its objectives of seeking further investment opportunities in the resource sector, the additional capital raising will assist the Group with its core objectives, the completion of the upgrade work to the mill, together with other project development and exploration activities.

**Auditor's independence declaration**

The auditor's independence declaration is included on page 3 of the financial report.

This directors' report has been made and signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'G. Monemvasitis', with a long horizontal stroke extending to the right.

George Monemvasitis  
Director  
Sydney, 15 March 2010

**AUDITORS' INDEPENDENCE DECLARATION**

In relation to the review for the half-year ended 31 December 2009 there have been:

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

**DUNCAN DOVICO CHARTERED ACCOUNTANTS**



Rosemary Megale

**Partner**

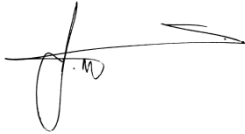
Sydney, 15 March 2010

The directors declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001, including:
  - (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2009 and of its performance, as represented by the results of its operations and cash flows for the half year ended;
  - (b) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
2. In the Director 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.

This declaration has been made in accordance with a resolution of directors.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'G. Monemvasitis', with a long horizontal stroke extending to the right.

George Monemvasitis  
Director  
Sydney, 15 March 2010



**MONO RESOURCES LIMITED AND ITS CONTROLLED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF- YEAR ENDED 31 DECEMBER 2009**

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	Note	Consolidated 2009 \$
Revenue		-
Other income		34,799
Employee benefits expense		(101,202)
Depreciation expense		(30,143)
Consultancy expense		(13,433)
Other expenses		(539,051)
(Loss) before income tax		(649,030)
Income tax expense/(benefit)	3	-
<b>(Loss) for the half-year</b>		<b>(649,030)</b>
<b>Other comprehensive income</b>		<b>-</b>
<b>Total comprehensive income for the half-year</b>		<b>(649,030)</b>
Attributable to:		
Equity holders of the parent		(535,211)
Non-controlling interests		(113,819)
		<b>(649,030)</b>
<b>Earnings per share</b>		
Basic (losses) (cents per share)	6	(1.24)
Diluted (losses) (cents per share)	6	(1.24)

The above consolidated statement of comprehensive income should be read in conjunction with the accompany notes.

**MONO RESOURCES LIMITED AND ITS CONTROLLED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2009**

	Notes	Consolidated 31 December 2009 \$	Consolidated 30 June 2009 \$
<b>Current assets</b>			
Cash and cash equivalents		1,859,177	2,580,691
Trade and other receivables		188,638	47,790
Other financial assets		50,000	-
<b>Total current assets</b>		<b>2,097,815</b>	<b>2,628,481</b>
<b>Non-current assets</b>			
Other financial assets		284,800	41,600
Exploration and evaluation expenditure	4	2,311,147	2,110,964
Plant & equipment		1,090,666	938,766
<b>Total non-current assets</b>		<b>3,686,613</b>	<b>3,091,330</b>
<b>Total assets</b>		<b>5,784,428</b>	<b>5,719,811</b>
<b>Total liabilities</b>			
Trade and other payables		200,525	167,230
Borrowings		51,349	8,313
Provisions		13,364	7,847
<b>Total current liabilities</b>		<b>265,238</b>	<b>183,390</b>
<b>Non-current liabilities</b>			
Borrowings		108,479	44,480
<b>Total non-current liabilities</b>		<b>108,479</b>	<b>44,480</b>
<b>Total liabilities</b>		<b>373,717</b>	<b>227,870</b>
<b>Net assets</b>		<b>5,410,711</b>	<b>5,491,941</b>
<b>Equity</b>			
Issued capital	5	3,830,092	3,255,092
Reserves		400	7,600
Retained earnings		978,254	1,513,465
Non-controlling interests		601,965	715,784
<b>Total equity</b>		<b>5,410,711</b>	<b>5,491,941</b>

The above consolidated statement of financial position should be read in conjunction with the accompany notes.

**MONO RESOURCES LIMITED AND ITS CONTROLLED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

**Consolidated**

	Fully paid ordinary shares \$	Retained Earnings \$	Revaluation Reserve \$	Non- controlling Interests \$	Total Equity \$
<b>Balance at 1 July 2009</b>	3,255,092	1,513,465	7,600	715,784	<b>5,491,941</b>
(Loss) for the period	-	(535,211)	-	(113,819)	(649,030)
Available-for -sale investment	-	-	(7,200)	-	(7,200)
<b>Total comprehensive income for the half-year</b>	-	(535,211)	(7,200)	(113,819)	<b>(656,230)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Contributions of equity, net of transaction costs	575,000	-	-	-	<b>575,000</b>
	575,000	-	-	-	<b>575,000</b>
<b>Balance at 31 December 2009</b>	<b>3,830,092</b>	<b>978,254</b>	<b>400</b>	<b>601,965</b>	<b>5,410,711</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompany notes.

**MONO RESOURCES LIMITED AND ITS CONTROLLED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	Notes	Consolidated 2009 \$
<b>Cash flows from operating activities</b>		
Receipts from customers		-
Payments to suppliers and employees		(445,153)
Interest received		34,799
Net cash provided by/(used in) operating activities		(410,354)
<b>Cash flows from investing activities</b>		
Payment for investment in shares		(250,400)
Payment for property, plant & equipment		(182,043)
Payments for exploration costs		(510,752)
Net cash provided by/(used in) investing activities		(943,195)
<b>Cash flows from financing activities</b>		
Proceeds from issues of equity securities		575,000
Proceed from borrowing		111,079
Payment for lease liabilities		(4,044)
Loan to related party		(50,000)
Net cash provided by/(used in) financing activities		632,035
<b>Net increase in cash and cash equivalents</b>		(721,514)
<b>Cash and cash equivalents at the beginning of the half-year</b>		2,580,691
<b>Cash and cash equivalents at the end of the half-year</b>		1,859,177

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

## **1. Summary of significant accounting policies**

### **(a) Statement of Compliance**

This general purpose financial report for the half year ended 31 December 2009 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report 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 report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2009 and considered together with any public announcements made by Mono Resources Limited during the half-year ended 31 December 2009 in accordance with the continuous disclosure obligations of the NSX listing rules.

### **(b) Basis of preparation**

The financial report has 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.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2009 annual financial report for the financial year ended 30 June 2009.

Mono Resources Limited and its controlled entities ("The Group") have adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2009:

- AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8
- AASB 101 Presentation of Financial Statements (revised) and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101
- AASB 3 Business Combination (revised), AASB 127 Consolidated and Separate Financial Statement and AASB 2008-3 Amendments to Australian Accounting Standard arising from AASB 3 and AASB 127

The Group concluded that the operating segments determined in accordance with AASB 8 are the same as business segments previously identified under AASB 114.

### **(c) Comparative figures**

The subsidiaries Xtreme Resources Limited and Garimperos Limited were acquired by Mono Resources Limited on 29 April 2009. Therefore the Group presented its first consolidated financial report for the year ended 30 June 2009. As such, comparative figures have not been presented in the condensed statement of comprehensive income, condensed statement of changes in equity, condensed statement of cash flow and corresponding notes on the basis that this is the first half-year consolidated financial report presented by the entity.

## 2. Segment information

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

The segment information provided is consistent with the internal management reporting. The group operates predominantly in one business segment and one geographical segment being the mining industry in Australia.

No revenue from this activity has been earned to date as the Group is still in the exploration and evaluation stage.

## 3. Income taxes

The deferred tax asset in respect of tax losses and temporary differences were not brought to account for the consolidated entity during the half-year ended 31 December 2009. These will be brought to account only when the benefit attributable to the consolidated entity as a result of deriving current and future assessable income is able to be quantified with a significant degree of certainty and is of a nature and of an amount sufficient to enable the benefit to be realised. The consolidated entity continues to comply with deductibility conditions imposed by tax legislation and no changes in tax legislation adversely affecting the consolidated entity in realising the benefit.

The total deferred tax asset balance not brought to account at 31 December 2009 is \$ 240,522 (30 June 2009: \$ 140,020)

## 4. Exploration and evaluation of assets

	Half-year ended 31 December 2009 \$	Year ended 30 June 2009 \$
<b>Balances at the beginning of the period</b>	2,110,964	-
Acquisition through business combination	-	1,987,280
Expenditure incurred during the year	510,752	123,684
(Impairment) of exploration expenditure	(310,569)	-
<b>Balances at the end of the period</b>	<u>2,311,147</u>	<u>2,110,964</u>

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation of asset may exceed its recoverable amount. The ultimate recoverability of exploration and evaluation expenditure is dependent upon the successful development or sale.

## 5. Equity securities issued

Issue of ordinary shares during the half-year

	<b>Half-year ended 31 December 2009 No of Shares</b>	<b>Half-year ended 31 December 2009 \$</b>
<b>Share capital as at 1 July 2009</b>	48,750,426	3,255,092
10 December 2009 issue of shares	1,200,000	300,000
15 December 2009 issue of shares	400,000	100,000
17 December 2009 issue of shares	400,000	100,000
18 December 2009 issue of shares	200,000	50,000
31 December 2009 issue of shares	100,000	25,000
<b>Share capital as at 31 December 2009</b>	<b>51,050,426</b>	<b>3,830,092</b>

## 6. Earnings per share

Basic earning per share  
Diluted earnings per share

**31 December 2009**

Cents per share

(1.24)

(1.24)

### Basic earning per share

\$

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Net profit/(loss)

(535,211)

Earnings used in the calculation of basic EPS from continuing operations

(535,211)

**No.**

Weighted average number of ordinary shares for the purpose of basic earnings per share

43,209,667

### Diluted earnings per share

\$

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

Net profit/(loss)

(535,211)

Earnings used in the calculation of diluted EPS from continuing operations

(535,211)

**No.**

Weighted average number of ordinary shares for the purpose of diluted earnings per share

43,209,667

## 7. Related party transactions

The company has loaned to a director the amount of \$ 50,000 for the half-year ended 31 December 2009. No interest is charged on the loan and the loan is expected to be repaid before 30 June 2010.

**8. Dividends paid or proposed**

No dividends have been provided for or paid during this half-year period.

**9. Contingent liabilities**

There are no contingent liabilities not provided for in the financial statements of the consolidated entity as at 31 December 2009.

**10. Subsequent Events**

The company issued 4,000,000 fully paid ordinary shares at \$ 0.25 per share on 7 December 2009 to provide funds for exploration and evaluation expenditures. The offer was fully subscribed in January 2010 resulting in a total of \$ 1,000,000 capital raised. A total of 2,300,000 shares relating to this placement was issued prior to 31 December 2009, totaling \$ 575,000 (refer to note 5).

No other matter or circumstance has arisen since 31 December 2009 that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.



**Independent Audit Review Report to the members of Mono Resources Limited**

***Scope***

We have reviewed the accompanying financial report of Mono Resources Limited and its controlled entities, which comprises the condensed consolidated statement of financial position as at 31 December 2009, and the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flow for the half year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the company at the year's end or from time to time during the half-year.

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

The directors of Mono Resources Limited are responsible for the preparation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditor's Responsibility***

Our responsibility is to express a conclusion on the half-yearly financial report based on our review. We conducted our review in accordance with Auditing Standard on review Engagements ASRE 2410 Review of Interim and Other Financial Reports 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 Corporation Act 2001 including giving a true and fair view of the company's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Australian Accounting Standards AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Mono 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-yearly 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 assurances 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 followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

***Electronic Presentation***

This auditor's report relates to the financial report of Mono Resources Limited for the half-year ended 31 December 2009 included on Mono Resources Limited's web site. The company's directors are responsible for the integrity of the company's web site. We have not been engaged to report on the integrity of the company's web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

***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 Mono Resources Limited is not in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position at 31 December 2009 and of its performance for the half-year ended on that date; and
- (ii) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

**DUNCAN DOVICO CHARTERED ACCOUNTANTS**



Rosemary Megale

**Partner**

Sydney, 15 March 2010