

FORM: Half yearly/preliminary final report

Name of issuer

Florin Mining Investment Company Limited

ACN or ARBN

111 170 882

Half yearly
(tick)

√

Preliminary
final (tick)

Half year/financial year ended
("Current period")

31st December 2011

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

				\$A
Operating Revenue (item 1.1)	Down	114%	To	(448,082)
Operating Profit (loss) before abnormal items and tax	Down	121%	To	(530,616)
Operating Profit (loss) for the period after tax but before minority equity interests (item 1.9)	Down	121%	To	(369,805)
Profit (loss) for the period attributable to security holders (item 1.11)	Down	121%	To	(369,805)
Income Distributions				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

Annual meeting
(Preliminary final statement only)

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

--

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.

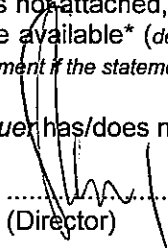
3. This statement does give a true and fair view of the matters disclosed (see note 2).

4. This statement is based on financial statements to which one of the following applies:

- | | |
|---|--|
| <input type="checkbox"/> The financial statements have been audited. | <input checked="" type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |

5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

6. The issuer has/does not have* (*delete one*) a formally constituted audit committee.

Sign here:  Date:

(Director)

Print name: STEVEN PRITCHARD



FLORIN MINING INVESTMENT COMPANY LIMITED

ABN 60 111 170 882

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31ST DECEMBER, 2011**

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the Company for the half-year ended 31 December 2011.

Directors

The names of directors who held office during or since the end of the half-year:

Victor Gowan Burley

Steven Pritchard

Daniel Di Stefano

Peter Cameron

The above named directors held office during and since the end of the half-year.

Review of Operations

The investment objectives of Florin Mining Investment Company Limited, are to:

- Preserve the capital of the Company;
- Achieve a high real rate of return, comprising both income and capital growth; and
- Generally, to limit the investments of the Company to natural resource companies being those companies:
 - ✓ who derive a significant proportion of their revenues from the mining of base and precious metals, industrial minerals, and bulk commodities, the production of oil and gas or geothermal energy; or
 - ✓ have a significant proportion of their assets invested, or they propose to invest a significant proportion of their assets, in activities involved in the exploration for base and precious metals, industrial minerals, and bulk commodities, the production of oil and gas or geothermal energy.

The Company seeks to maximise the capital growth of the Company's portfolio by investing in natural resource companies. Investments are primarily in mining or exploration companies – that are either producing or exploring for base and precious metals, industrial minerals and bulk commodities. From time to time the portfolio may have exposure to oil, gas and geothermal energy companies.

Whilst in making its investment decisions the Company will generally take a medium to long term view, it may however, from time to time acquire investments with a view to profit through short term trading opportunities.

The Company:

- focuses on the investment merits of individual stocks rather than market and economic trends; and
- seeks to invest in shares which it assesses to be undervalued relative to their longer term growth prospects.

The Directors have established a number of key performance indicators that they will use in their assessment of the Company's performance, including, earnings per share, dividends paid to shareholders and asset backing per share.

The net loss after tax for the half year ended 31st December 2011, was \$369,805.

The asset backing per share decreased from \$0.25 as at 30 June 2011 to \$0.21 as at 31 December 2011. As at the 31 December 2011 the company had short term debt of \$20,691.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 3 for the half-year ended 31 December 2011.

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



Director

Steven Pritchard

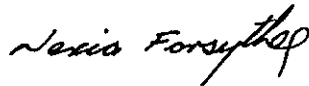
Dated this 28th day of February 2012

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF FLORIN MINING INVESTMENT COMPANY LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Florin Mining Investment Company Limited.

As lead audit partner for the review of the financial statements of Florin Mining Investment Company Limited for the half-year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



NEXIA FORSYTHES



David Gallery
Partner
Chartered Accountants
Newcastle, 28 February 2012



Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

	Period to 31 December 2011			Period to 31 December 2010		
	Revenue	Capital	Total	Revenue	Capital	Total
	\$	\$	\$	\$	\$	\$
Income from investment portfolio	3,476	-	3,476	5,400	-	5,400
Income (loss) from trading portfolio	(455,405)	-	(455,405)	3,293,901	-	3,293,901
Income from deposits	3,847	-	3,847	3,183	-	3,183
Total income (loss) from ordinary activities	(448,082)	-	(448,082)	3,302,484	-	3,302,484
Administration expenses	(58,179)	-	(58,179)	(82,626)	-	(82,626)
Finance costs	(1,343)	-	(1,343)	(1,545)	-	(1,545)
Management fees	(23,012)	-	(23,012)	(27,309)	-	(27,309)
Performance fees	-	-	-	(634,262)	-	(634,262)
	(82,534)	-	(82,534)	(745,742)	-	(745,742)
Operating (loss) profit before income tax and realised gains on the investment portfolio	(530,616)	-	(530,616)	2,556,742	-	2,556,742
Income tax benefit / (expense) relating to ordinary activities*	160,811	-	160,811	(765,334)	-	(765,334)
Profit (loss) attributable to members of the company	(369,805)	-	(369,805)	1,791,408	-	1,791,408
Other Comprehensive income						
Unrealised losses for the period on securities in the investment portfolio at 31 December	-	(102,084)	(102,084)	-	(18,729)	(18,729)
Deferred tax benefit on above*	-	30,625	30,625	-	5,619	5,619
Gains for the period on securities realised in investment portfolio	-	39,681	39,681	-	82,642	82,642
Tax expense on above*	-	(11,904)	(11,904)	-	(24,793)	(24,793)
Total other comprehensive income (loss)#	-	(43,682)	(43,682)	-	44,739	44,739
Total comprehensive income (loss)^	(369,805)	(43,682)	(413,487)	1,791,408	44,739	1,836,147
* Total tax benefit / (expense)	160,811	18,721	179,532	(765,334)	(19,174)	(784,508)
Overall Operations						
Basic earnings per share (cents per share)	(2.21)			10.52		
Diluted earnings per share (cents per share)	(2.21)			10.52		

#Net Capital gains (losses) not recorded through the Income Statement.

^This is the Company's Net Return for the year, which includes the Net Operating Profit plus the net realised and unrealised gains or losses on the Company's investment portfolio.

The accompanying notes form part of these financial statements.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Note	31.12.2011	30.06.2011
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		37,812	138,844
Trading portfolio		3,404,818	4,059,509
Other		6,125	430
Current tax assets		4,803	-
TOTAL CURRENT ASSETS		3,453,558	4,198,783
NON-CURRENT ASSETS			
Investment portfolio		347,230	363,567
Deferred tax assets		181,295	42,573
TOTAL NON-CURRENT ASSETS		528,525	406,140
TOTAL ASSETS		3,982,083	4,604,923
CURRENT LIABILITIES			
Trade & other payables		32,706	56,064
Borrowings		20,691	27,618
Tax provision		-	26,644
TOTAL CURRENT LIABILITIES		53,397	110,326
NON-CURRENT LIABILITIES			
Deferred tax liabilities		337,274	377,009
TOTAL NON-CURRENT LIABILITIES		337,274	377,009
TOTAL LIABILITIES		390,671	487,335
NET ASSETS		3,591,412	4,117,588
EQUITY			
Issued capital	4	3,238,252	3,183,837
Reserves		362,405	406,087
Retained earnings/(accumulated losses)		(9,245)	527,664
TOTAL EQUITY		3,591,412	4,117,588

The accompanying notes form part of these condensed financial statements.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2011**

	Issued Capital	Retained Earnings/ (Accumulated Losses)	Capital Profits Reserve	Investment Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2010	3,251,699	(108,010)	326,647	95,903	3,566,239
Share buy back	(14,750)	-	-	-	(14,750)
Total Transactions with the shareholders	(14,750)	-	-	-	(14,750)
Profit for the half year	-	1,791,408	-	-	1,791,408
<i>Other comprehensive income for the half year (net of tax)</i>					
Net capital profits for the half year	-	57,849	-	-	57,849
Revaluation of investment portfolio (net of tax)	-	-	-	(13,110)	(13,110)
Transfers between reserves	-	(57,849)	57,849	-	-
Other comprehensive income for the half year	-	-	57,849	(13,110)	44,739
Total comprehensive income	-	1,791,408	57,849	(13,110)	1,836,147
Balance at 31 December 2010	3,236,949	1,683,398	384,496	82,793	5,387,636
Balance at 1 July 2011	3,183,837	527,664	396,120	9,967	4,117,588
Share buy back	(10,110)	-	-	-	(10,110)
Dividends paid and dividend reinvestment plan	64,525	(167,104)	-	-	(102,579)
Total Transactions with the shareholders	54,415	(167,104)	-	-	(112,689)
Loss for the half year	-	(369,805)	-	-	(369,805)
<i>Other comprehensive income for the half year (net of tax)</i>					
Net capital profits for the half year	-	27,777	-	-	27,777
Revaluation of investment portfolio (net of tax)	-	-	-	(71,459)	(71,459)
Transfers between reserves	-	(27,777)	27,777	-	-
Other comprehensive income for the half year	-	-	27,777	(71,459)	(43,682)
Total comprehensive income	-	(369,805)	27,777	(71,459)	(413,487)
Balance at 31 December 2011	3,238,252	(9,245)	423,897	(61,492)	3,591,412

The accompanying notes form part of these financial statements.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	31.12.2011	31.12.2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Sales from trading portfolio	875,033	1,118,539
Purchases for trading portfolio	(697,875)	(1,149,873)
Dividends received	3,104	11,240
Interest received	4,277	3,183
Other receipts	3,125	-
	<hr/>	<hr/>
	187,664	(16,911)
Administration expenses	(64,168)	(74,940)
Bank charges	(297)	(254)
Finance costs	(1,397)	(1,369)
Management fees	(27,206)	(23,053)
Performance fees	-	(32,950)
Other payments	-	(2,562)
Income tax payments	(30,000)	-
	<hr/>	<hr/>
Net cash provided by / (used in) operating activities	64,596	(152,039)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Sales from investment portfolio	52,912	163,754
Purchases for investment portfolio	(98,979)	(22,115)
	<hr/>	<hr/>
Net cash (used in) / provided by investing activities	(46,067)	141,639
 CASH FLOWS FROM FINANCING ACTIVITIES		
Payment for share buy-back	(10,110)	(14,750)
Proceeds from borrowings	78,000	20,000
Repayment of borrowings	(84,872)	-
Dividends paid	(102,579)	-
	<hr/>	<hr/>
Net cash (used in) / provided by financing activities	(119,561)	5,250
 Net (decrease) in cash held	 (101,032)	 (5,150)
Cash at beginning of period	138,844	297,980
	<hr/>	<hr/>
Cash at end of period	37,812	292,830

The accompanying notes form part of these condensed financial statements.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Condensed Financial Statements

The half-year condensed financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34: *Interim Financial Reporting*.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2011 and any public announcements made by Florin Mining Investment Company Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of the trading and investment portfolios.

The Company 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 reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Company include:

- Amendments to AASB 1, 7, 101 and 134 as a consequence of AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*
- Amendments to Australian Accounting Standards as a consequence of AASB 2010-5.

The adoption of these amendments has not resulted in any changes to the Company's accounting policies and has not affected on the amounts reported for the current or prior periods.

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 2011 annual financial report for the year ended 30 June 2011.

(a) Holdings of Securities

(i) Statement of Financial Position classification

The Company has two portfolios of securities, the investment portfolio and the trading portfolio.

The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis, and has been classified as a non-current asset.

The trading portfolio comprises securities held for short term trading purposes and is classified as a current asset.

(ii) Valuation of investments

Securities, including listed and unlisted shares, notes and options, are initially brought to account at cost (including any associated transaction costs) and are continuously carried at fair value.

Fair value for the purposes of valuing holdings of securities is determined by reference to market prices prevailing at balance date, predominantly last sale price, where the securities are traded on an organised market. Where a security is not so traded, its fair value is determined by the Directors.

(iii) Gains and losses on investments

Investment portfolio

All gains and losses (realised and unrealised) on equity instruments held in the investment portfolio are reported as "Other Comprehensive Income".

Cumulative gains and losses are transferred from the investment revaluation reserve to retained profits or the realised capital gains reserve when the investments are sold. The realised capital gains reserve is used primarily to record gains upon which Capital Gains Tax has been or will be paid, and which consequently are available for distributions to shareholders as Listed Investment Company Capital gains, which enable many shareholders to claim some of this as a tax deduction.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Trading Portfolio

Realised and unrealised gains and losses arising from changes in the fair value of the trading investments are included in the Income Statement in the period in which they arise.

(iv) Income from holdings of securities

Distributions relating to listed securities are recognised as income when those securities are quoted ex-distribution basis. Distributions relating to unlisted securities are recognised as income when received unless the distributions are capital returns in which case the amount of the distribution is treated as an adjustment to the cost base of the securities.

(b) Income Tax

The Company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(c) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

	31.12.2011	31.12.2010
	\$	\$
NOTE 2: REVENUE		
Income from investment portfolio		
Dividends received	3,476	5,400
Total income from investment portfolio	<u>3,476</u>	<u>5,400</u>
Income from trading portfolio		
Sales revenue	875,033	1,140,947
Cost of sales	<u>(1,331,638)</u>	<u>2,147,114</u>
Net losses / (gains) from trading portfolio sales	(456,605)	3,288,061
Dividends received	1,200	5,840
Total loss / (income) from trading portfolio	<u>(455,405)</u>	<u>3,293,901</u>
Income from deposits		
Deposit income	3,847	3,183
Total income from deposits	<u>3,847</u>	<u>3,183</u>
Total loss / (revenue)	<u>(448,082)</u>	<u>3,302,484</u>

NOTE 3: DIVIDENDS

Dividends Paid

Final fully franked ordinary dividend of 1.00 (2010: 0.00) cents per share paid on 15 December 2011

167,104

-

NOTE 4: ISSUED CAPITAL

Movements in Issued Capital of the Company during the half-year were as follows:

Date	Details	Number of Shares	Issued Capital \$
01/07/2011	Opening balance	16,760,455	3,183,837
05/08/2011	Shares buy back	(37,784)	(7,640)
12/09/2011	Shares buy back	(7,619)	(1,541)
20/10/2011	Shares buy back	(4,597)	(929)
15/12/2011	Dividend reinvestment plan	322,686	64,525
31/12/2011	Balance	<u>17,033,141</u>	<u>3,238,252</u>

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

a. Dividend Reinvestment Plan

The Company has a Dividend Reinvestment Plan (DRP) under which shareholders elected to have all or part of their dividend payment reinvested in new ordinary fully paid shares.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED

31 DECEMBER 2011

NOTE 5: SEGMENT REPORTING

The Company operates in one business segment, being that of a listed investment company. The Company operates in Australia only and therefore has only one geographical segment. However the Company has investment exposures in different countries which are shown below. The Company invests in securities listed on overseas stock exchanges. Details of the geographical exposures are as follows:

	For the half-year ended 31.12.2011	As at 31.12.2011		
	Revenue \$	Unrealised Gains/ (Losses) \$	Market Value \$	Portfolio %
Australia	4,676	139,080	3,569,362	94.26
Canada	-	(92,079)	98,373	2.60
Great Britain	-	(9,655)	4,806	0.13
United States of America	-	(3,179)	79,889	2.11
Sub Total	4,676	34,167	3,752,430	99.10
Cash	3,847	1,200	34,148	0.90
Total	8,523	35,367	3,786,578	100.00

	For the half-year ended 31.12.2010	As at 30.06.2011		
	Revenue \$	Unrealised Gains/ (Losses) \$	Market Value \$	Portfolio %
Australia	11,240	1,010,953	4,271,352	93.63
Canada	-	(72,188)	46,614	1.02
Great Britain	-	(4,600)	9,861	0.22
United States of America	-	12,181	95,250	2.09
Sub Total	11,240	946,346	4,423,077	96.96
Cash	3,183	-	138,844	3.04
Total	14,423	946,346	4,561,921	100.00

NOTE 6: CONTINGENT LIABILITIES

At balance date, the Directors are not aware of any material contingent liabilities other than those already disclosed elsewhere in the financial report

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

Since 31 December 2011 to the date of this report there has been no event specific to the Company of which the Directors are aware which has had a material effect on the Company or its financial position. Changes in the value of the Company's investments are reflected in the Company's Net Asset Backing per share which is reported to the NSX monthly.

NOTE 8: KEY MANAGEMENT PERSONNEL

Remuneration arrangements of the key management personnel are disclosed in the annual financial report.

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

	31.12.2011	31.12.2010
	\$	\$
NOTE 9: RELATED PARTY TRANSACTIONS		
Transactions with related parties:		
<input type="checkbox"/> Rees Pritchard Pty. Limited for accounting fees.	23,090	46,422
Steven Pritchard has an interest in the above transactions as a director and a beneficial shareholder of Rees Pritchard Pty. Limited.		
<input type="checkbox"/> Cameron Stockbrokers Limited for brokerage fees.	16,441	10,682
<input type="checkbox"/> Cameron Stockbrokers Limited for Investment management fees.	23,012	27,309
<input type="checkbox"/> Cameron Stockbrokers Limited for Investment performance fees.	-	634,262
Steven Pritchard has an interest in the above transactions as a director of Cameron Stockbrokers Limited and as director and beneficial shareholder of Hamilton Capital Pty. Limited.		
Daniel Di Stefano has an interest in the above transaction as a director and beneficial shareholder of Hamilton Capital Pty. Limited.		
Cameron Stockbrokers Limited is a wholly owned subsidiary of Hamilton Capital Pty. Limited.		
Victor Burley is entitled to 20% of the performance fee received by Cameron Stockbrokers Limited	-	126,852
<input type="checkbox"/> Newcastle Capital Markets Registries Pty. Limited for share registry costs.	6,940	9,091
Steven Pritchard has an interest in the above transaction as a director and beneficial shareholder of Newcastle Capital Markets Registries Pty. Limited.		

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

Florin Mining Investment Company Limited

ABN 60 111 170 882

Interim Financial Report

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 12:
 - a. comply with Accounting Standards and the Corporations Regulations; and
 - b. give a true and fair view of the entity's financial position as at 31 December 2011 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.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s.303(s) of the Corporations Act.



Steven Shane Pritchard

Dated this 28th day of February 2012

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF FLORIN MINING INVESTMENT COMPANY LIMITED**

Report on the half year financial report

We have reviewed the accompanying half-year financial report of Florin Mining Investment Company Limited, which comprises the condensed statement of financial position as at 31 December 2011, and the condensed income statement, condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a statement of accounting policies, other explanatory notes and the directors' declaration of the company.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation 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 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-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of Interim 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 Florin Mining Investment Company Limited's financial position at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. As the auditor of Florin Mining Investment Company Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of 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.



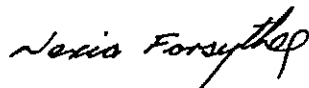
Independence

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 Florin Mining Investment Company Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Florin Mining Investment Company Limited's financial position as at 31 December 2011 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*.



NEXIA FORSYTHES



David Gallery
Partner
Chartered Accountants
Newcastle, 28 February 2012

