

## HALF-YEAR INFORMATION GIVEN TO THE NSX

Name of entity

*Timah Resources Limited*

ABN or equivalent reference #

*ABN 69 123 981 537*

Reporting period

*31-Dec-11*

Previous corresponding period

*31-Dec-10*

*The information contained in this report should be read in conjunction with the most recent annual financial report.*

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# 1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	6 Months ended		Movement	
	31-Dec-11	31-Dec-10		
	\$	\$	\$	%
Revenue	\$91	\$7,021	(\$6,930)	-99%
Loss for the period	(\$121,468)	(\$395,186)	\$273,718	-69%
Loss for the period attributable to members	(\$121,468)	(\$395,186)	\$273,718	-69%

	6 Months ended	
	31-Dec-11	31-Dec-10
	cents	cents
Basic earnings per security	(0.18)	(2.49)
Diluted earnings per security	(0.18)	(2.49)
Net tangible assets per security	(0.29)	(0.68)

No dividends have been paid or declared during the period or in the prior period

Current Period Cents	Previous corresponding period - Cents
(0.29)	(0.68)

## 2. NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA backing)

### 3. DETAILS OF SUBSIDIARIES

#### 3.1 Control Gained Over Entities During the Period

Name of entity	n/a	n/a	n/a
Date control acquired, i.e. date from which profit(loss) has been calculated	n/a		
Loss after income tax of the subsidiary (or group of entities) during the current period <i>since the date on which control was acquired</i>	\$ n/a	\$ n/a	\$ n/a
Loss after income tax of the subsidiary (or group of entities) for the <i>whole of the previous corresponding period</i>	\$ n/a	\$ n/a	\$ n/a

#### 3.2 Loss of Control of Entities During the Period

Name of entity	n/a	n/a	n/a
Date of loss of control, i.e. date until which profit(loss) has been calculated	n/a	n/a	n/a
Profit (loss) after income tax of the subsidiary (or group of entities) during the current period <i>to the date on which control was lost</i>	\$ n/a	\$ n/a	\$ n/a
Profit (loss) after income tax of the subsidiary (or group of entities) for the <i>whole of the previous corresponding period</i>	\$ n/a	\$ n/a	\$ n/a
Contribution to consolidated profit (loss) from sale of interest leading to loss of control	\$ n/a	\$ n/a	\$ n/a

#### 4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

##### 4.1 Equity Accounted Associates and Joint Venture Entities

	% Ownership Interest		Contribution to Net Profit	
	Current Period %	Previous Corresponding Period %	Current Period AS '000	Previous Corresponding Period AS '000
Lac Trung Investment and Development Joint Stock Co Ltd	40%	40%	nil	nil
n/a	n/a	n/a	n/a	n/a

##### 4.2 Aggregate Share of Profits(Losses) of Associates and Joint Venture Entities

##### Groups' Share of Associates' and Joint Venture Entities':

	Current Period AS '000	Previous Corresponding Period AS '000
Profit(Loss) before tax	nil	nil
Income tax	nil	nil
Net profit(loss)	nil	nil
Adjustments	nil	nil
Share of net profit(loss) of associates and joint venture entities	0	0

## 5. DIVIDENDS

### 5.1 Dividends per Share

	Amount per share	Franked amount per share at	Amount per share of
Final			
- current period	cents	n/a	n/a
- previous corresponding period	cents	n/a	cents
Interim			
- current period	cents	n/a	cents
- previous corresponding period	cents	n/a	cents

### 5.2 Total Dividends

Current Period AS '000	Previous Corresponding Period AS '000
n/a	n/a
n/a	n/a
n/a	n/a

Interim - n/a

Final - n/a

All dividends reflected as distributions above were paid during the period.

### 5.3 Dividend Reinvestment Plans

The company does not currently have a dividend reinvestment plan

The last date for receipt of election notices for participation in any dividend reinvestment plans

n/a

## 6. ACCOUNTING STANDARDS

The Australian equivalents to International Financial Reporting Standards ("AIFRS") and Australian Accounting Standard 134 "Interim Financial Reporting" have been used in compiling the information contained in this Appendix 3.

## 7. AUDIT DISPUTES OR QUALIFICATIONS

None

Timah Resources Limited  
ABN 69 123 981 537

**Directors' Report**

Your directors submit the financial report of Timah Resources Limited ('Timah') for the half-year ended 31 December 2011.

**Directors**

The names of persons who were directors of Timah Resources Limited who held office during or since the end of the half year:

Jack Tan M. App Fin. F. Fin  
Lawrence Nguyen B. Pharm. MAICD  
Michael Mo

**Review of Operations**

Comments on the operations and the results of those operations for the period ended 31 December 2011 are set out below:

- Minerals exploration in the Kimberley region of Western Australia

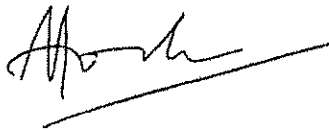
**Events subsequent to Balance Date**

There have been no subsequent events that would have a material impact on the financial report for the period ended 31 December 2011.

**Auditor's Independence Declaration**

A copy of the Independence declaration by the lead auditor under section 307C of the Corporations Act 2001 is included on page 6 to this half-year financial report.

This report is made in accordance with a resolution of the Board of Directors and is signed for and behalf of the directors by:



Jack Tan  
Chairman  
SYDNEY  
15 March 2012

**TIMAH RESOURCES LIMITED**  
**ABN 69 123 981 537**

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF TIMAH RESOURCES LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2011 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.

Hall Chadwick  
Level 29, 31 Market Street  
Sydney NSW 2000



**DREW TOWNSEND**  
Partner

Dated: 15 March 2012

Timah Resources Limited

ABN 69 123 981 537

Statement of comprehensive income  
for the half-year ended 31 December 2011

	Note	31 December 2011 \$	31 December 2010 \$
Income	2	91	7,021
Accounting & Audit		(9,272)	(67,988)
Compliance, listing & legal expenses		(18,415)	(40,780)
Consulting fees - other		(32,847)	(58,645)
Depreciation expense		(603)	(334)
Directors fees		(36,000)	(100,000)
Exploration expenses		(10,929)	(29,853)
Employee benefits expenses		(1,726)	(1,470)
Overseas travel & accommodation expense		3,975	(18,621)
Loss on sale of shares		-	(54,740)
Other expenses		(15,741)	(29,776)
<b>(Loss) before income tax expense</b>	3	<b>(121,468)</b>	<b>(395,186)</b>
Income tax expense		-	-
<b>Net (loss) for the period</b>		<b>(121,468)</b>	<b>(395,186)</b>
<b>Other comprehensive income for the period, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(121,468)</b>	<b>(395,186)</b>

Earnings per share attributable to the ordinary  
equity holders of the company:

	Cents	Cents
Basic earnings per share	(0.18)	(2.49)
Diluted earnings per share	(0.18)	(2.49)

The accompanying notes form part of this financial report.



**Timah Resources Limited**  
 ABN 69 123 981 537  
**Statement of financial position**  
**as at 31 December 2011**

	Note	31 December 2011 \$	30 June 2011 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		10,679	36,043
Other receivables		46,451	47,752
Financial assets		-	-
Other assets		3,635	3,636
Total Current Assets		<u>60,767</u>	<u>87,431</u>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		4,221	4,824
Intangible assets - Exploration & evaluation expenditure		63,800	63,800
Total Non-Current Assets		<u>68,021</u>	<u>68,624</u>
<b>TOTAL ASSETS</b>		<u><u>128,788</u></u>	<u><u>156,055</u></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		114,095	69,894
Borrowings		150,000	100,000
Total Current Liabilities		<u>264,095</u>	<u>169,894</u>
<b>TOTAL LIABILITIES</b>		<u>264,095</u>	<u>169,894</u>
<b>NET LIABILITIES / ASSETS</b>		<u><u>(135,307)</u></u>	<u><u>(13,839)</u></u>
<b>EQUITY</b>			
Issued capital		2,059,950	2,059,950
Retained losses	5	<u>(2,195,257)</u>	<u>(2,073,789)</u>
<b>TOTAL EQUITY</b>		<u><u>(135,307)</u></u>	<u><u>(13,839)</u></u>

The accompanying notes form part of this financial report.

**Timah Resources Limited**  
**ABN 69 123 981 537**  
**Statement of changes in equity**  
**for the half-year Ended 31 December 2011**

	Issued capital \$	Accumulated losses \$	Option reserve \$	Total \$
Balance at 1 July 2010	1,628,148	(1,340,584)	-	287,564
(Loss) attributable to members	-	(395,186)	-	(395,186)
Balance at 31 December 2010	<u>1,628,148</u>	<u>(1,735,770)</u>	<u>-</u>	<u>(107,622)</u>
Balance at 1 July 2011	2,059,950	(2,073,789)	-	(13,839)
(Loss) attributable to members	-	(121,468)	-	(121,468)
Balance at 31 December 2011	<u>2,059,950</u>	<u>(2,195,256)</u>	<u>-</u>	<u>(135,306)</u>

The accompanying notes form part of this financial report.

Timah Resources Limited  
 ABN 69 123 981 537  
**Statement of cash flows**  
 for the half-year ended 31 December 2011

	31 December 2011 \$	31 December 2010 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(75,455)	(272,563)
Interest received	91	4,110
Dividend received	-	1,800
<b>Net cash used from operating activities</b>	<u>(75,364)</u>	<u>(266,853)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of financial assets	-	215,651
Purchase of financial assets	-	-
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>215,651</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds of loan from Director	50,000	200,000
<b>Net cash provided by financing activities</b>	<u>50,000</u>	<u>200,000</u>
<b>Net (decrease) increase in cash held</b>	(25,364)	148,798
Cash and cash equivalents at the beginning of the financial period	36,043	83,817
<b>Cash and cash equivalents at the end of the financial period</b>	<u>10,679</u>	<u>232,615</u>

The accompanying notes form part of this financial report.

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

**Note 1      Basis of preparation**

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB134 "Interim Financial Reporting". Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Timah Resources Limited ('the company'). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the entity. It is recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2011 together with any public announcements made during the half year.

**Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters discussed below.

**Critical Accounting Estimates and Judgments**

The critical estimates and judgments are consistent with those applied and disclosed in the June 2011 annual report, except in relation to the following matter:

*Impairment – carbon price*

There is presently uncertainty in relation to the impacts of the carbon pricing mechanism recently introduced by the Australian Government. This carbon pricing system could potentially affect the assumptions underlying value-in-use calculations used for asset impairment testing purposes. The consolidated entity has not incorporated the effect of any carbon price implementation in its impairment testing at 31 December 2011.

**New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period**

For the half-year reporting period to 31 December 2011, a number of new and revised Accounting Standard requirements became mandatory for the first time, some of which are relevant to the Group. A discussion of these new and revised requirements that are relevant to the Group is provided below:

– **AASB 124: Related Party Disclosures (December 2009)**

AASB 124 (December 2009) introduces a number of changes to the accounting treatment of related parties compared to AASB 124 (December 2005, as amended), including the following:

- The definition of a "related party" is simplified, clarifying its intended meaning and eliminating inconsistencies from the definition, including:
  - the definition now identifies a subsidiary and an associate with the same investor as related parties of each other;
  - entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other;
  - the definition now identifies that, whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other; and
  - the definition now clarifies that a post-employment benefit plan and an employer sponsor of such a plan are related parties of each other.
- A partial exemption is provided from the disclosure requirements for government-related entities. Entities that are related by virtue of being controlled by the same government can provide reduced related party disclosures.

Application of AASB 124 (December 2009) did not have a significant impact on the financial statements of the Group.

- **AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]**

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's

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ABN 69 123 981 537

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

annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events and transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

Application of the amendments in AASB 2010-4 did not have a significant impact on the financial statements of the Group.

- AASB 1054: Australian Additional Disclosures and AASB 2011-1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]

AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements.

The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards

Application of AASB 1054 did not have a significant impact on the financial statements of the Group.

**Going concern**

The half-yearly report has been prepared on a going concern basis which contemplates the continuity of normal trading activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The company has made an operating loss of \$121,468 (half year to 31 December 2010: \$395,186) and has negative net cash used in operating activities of \$75,364 for the period ended 31 December 2011. The company has also net liabilities of \$135,307 and a deficiency of net working capital of \$203,328 as at 31 December 2011.

During the half-year period, the company has borrowed \$50,000 from a director and subsequent to balance date raised \$30,000 in additional director's loans.

The directors nevertheless believe that it is appropriate to prepare the half year financial report on a going concern basis. In the event that further working capital is required, the directors believe they can secure further funds through equity-raising when they have identified a viable project in the future. The going concern basis used in the preparation of the financial report may not be appropriate if future equity raisings are not successful, and the business does not generate sufficient positive cash flows in the future. In this event, the company may not be able to realise the full value of its assets and extinguish its liabilities, in the normal course of business and at the amount stated in the half year financial report.

Timah Resources Limited  
ABN 69 123 981 537

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

**Note 2 Other income**

	31 December 2011 \$	31 December 2010 \$
Interest received	91	4,110
Dividends received	-	1,600
Unrealised foreign exchange gain	-	1,311
	<u>91</u>	<u>7,021</u>

**Note 3 Expenses**

All significant expense items for the period are disclosed on the face of the statement of comprehensive income.

**Note 4 Operating Segments**

The company has one reportable segment, being Minerals exploration in Australia.

**Note 5 Issued Capital**

	31 December 2011 Shares	31 December 2011 \$	30 June 2011 Shares	30 June 2011 \$
Ordinary shares	<u>68,252,626</u>	<u>2,059,950</u>	<u>68,252,626</u>	<u>2,059,950</u>

**Options on issue (Unlisted)**

23,000,000 Options expiring on 31 December 2013 exercisable at \$0.30. These options were issued in January 2011

**Note 6 Commitments**

The Lac Trung IT Business Park office building project was deferred in 2008/09 due to the economic downturn. The company was committed to the future payment of two tranches of \$100,000 each but these have now been deferred by the joint venture. Negotiations for the sale of the 40% interest in Lac Trung continue.

The commitment on exploration expenditure for Bathurst Island is \$30,000 per annum.

**Note 7 Contingent Liabilities**

There have been no changes in contingent liabilities or contingent assets since the last annual reporting date 30 June 2011.

**Note 8 Events subsequent to balance date**

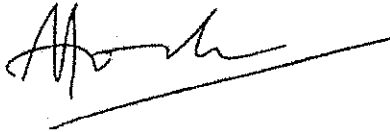
There have been no subsequent events that would have a material impact on the financial report for the period ended 31 December 2011.

**Directors' Declaration**

The directors of the company declare that:

1. The financial statements and accompanying notes as set out on pages 7 to 13 are in accordance with the Corporations Act 2001, including
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) giving 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.

A handwritten signature in black ink, appearing to be 'Jack Tan', with a long horizontal line extending to the right.

Jack Tan  
Chairman

SYDNEY  
15 March 2012

**TIMAH RESOURCES LIMITED  
ABN 69 123 981 537  
AND CONTROLLED ENTITIES  
INDEPENDENT REVIEW REPORT TO THE MEMBERS OF  
TIMAH RESOURCES LIMITED**

**Review Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Timah Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2011, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of Timah Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 the 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 Corporations Act 2001 including: giving a true and fair view of Timah Resources Limited's financial position as 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 Regulations 2001. As the auditor of Timah Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.



**TIMAH RESOURCES LIMITED  
ABN 69 123 981 537  
AND CONTROLLED ENTITIES  
INDEPENDENT REVIEW REPORT TO THE MEMBERS OF  
TIMAH RESOURCES LIMITED**

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

- (i) giving a true and fair view of Timah Resources 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 AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

**Emphasis of matters:**

Without modification to the conclusion expressed above, attention is drawn to the following matters:

**Material Uncertainty Regarding Continuation as a Going Concern**

We draw attention to Note 1 to the financial report which indicates that the group incurred a net loss of \$121,468 during the half-year ended 31 December 2011. This condition, along with other matters set forth in Note 1, indicates the existence of a material uncertainty which may cast doubt about the group's ability to continue as a going concern and to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Hall Chadwick  
Level 29, 31 Market Street  
Sydney, NSW 2000



**DREW TOWNSEND**

Partner

Date: 15 March 2012