

FORM: Preliminary final report

Name of *issuer*

MOUNT ROMMEL MINING LIMITED

ACN or ARBN

89 005 583 031

Half yearly
(tick)

☐

Preliminary
final (tick)

☒

Half year/financial year ended
(‘Current period’)

Financial year ended 30 June 2014

For announcement to the market

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

				\$AUD
Revenue	up	365%	to	107,019
(Loss) for the period	up	(550%)	to	(1,481,457)
(Loss) for the period attributable to members of the parent	up	(550%)	to	(1,487,457)
Dividends		Current period		Previous corresponding period
Franking rate applicable:		-		-
Final dividend				
Amount per <i>security</i>		-		-
Franked amount per <i>security</i>		-		-
Interim dividend				
Amount per <i>security</i>		-		-
Franked amount per <i>security</i>		-		-
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
Correspondence from the Department of State Development Business and Innovation to State mining warden dated 8 September 2014 generates business uncertainty for the Directors of the Company. Directors wish to adopt a conservative position pending clarification of the above by the State Mining Warden. Accordingly, the carrying value in these accounts for EL3821 has been written off. The Directors continue to believe work should continue on EL3821 for reasons made clear on the website of the Company.				

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	Consolidated Group 2014 \$	2013 \$
Other Revenue		107,019	22,986
Administrative expenses		(33,828)	(25,970)
Corporate costs		(126,130)	(134,567)
Finance costs		(20,000)	(20,000)
Exploration and evaluation expenses written off		(1,348,154)	-
Directors remuneration		(60,000)	(70,000)
Depreciation		(364)	(364)
Loss Before Income Tax		(1,481,457)	(227,915)
Income tax expense		-	-
Loss for the year		<u>(1,481,457)</u>	<u>(227,915)</u>
Other comprehensive income		-	-
Total comprehensive income for the period		<u>(1,481,457)</u>	<u>(227,915)</u>
Loss attributable to			
Members of the Company		<u>(1,481,457)</u>	<u>(227,915)</u>
Total comprehensive income attributable to			
Members of the Company		<u>(1,481,457)</u>	<u>(227,915)</u>
		Cents per Share	Cents per Share
Loss per Share			
Basic Loss per share		(3.27)	(0.52)
Diluted Loss per share		(3.27)	(0.52)

Comparison of half-year profits

	Current period - \$AUD	Previous corresponding period - \$AUD
2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year (<i>item 1.11</i> in the half yearly statement)	(1,481,457)	(227,915)
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year	(1,481,457)	(227,915)

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Consolidated Group	
	2014	2013
	\$	\$
Current Assets		
Cash and cash equivalents	70,354	2,865
Trade and other receivables	56,633	46,321
Other current assets	81,319	79,853
Total Current Assets	208,306	129,039
Non-Current Assets		
Property, plant and equipment	2,873	3,236
Capital works in progress	70,000	70,000
Other non-current assets	2,038,023	3,223,023
Total Non-Current Assets	2,110,896	3,296,259
Total Assets	2,319,202	3,425,298
Current Liabilities		
Trade and other payables	315,560	246,314
Borrowings	1,679,200	1,584,200
Total Current Liabilities	1,994,760	1,830,514
Total Liabilities	1,994,760	1,830,514
Net Assets	324,442	1,594,784
Equity		
Issued Capital	4,043,548	3,832,433
Accumulated losses	(3,719,106)	(2,237,649)
Equity attributable to owners of the Company	324,442	1,594,784
Total Equity	324,442	1,594,784

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Issued Capital	Consolidated Group Accumulated (Losses)	Total
CONSOLIDATED	\$	\$	\$
At 1 July 2012	3,450,463	(2,009,734)	1,440,729
Loss for the period	-	(227,915)	(227,915)
Total comprehensive income for the year	-	(227,915)	(227,915)
Contributions of equity, net of transaction costs	381,970	-	381,970
At 30 June 2013	3,832,433	(2,237,649)	1,594,784
At 1 July 2013	3,832,433	(2,237,649)	1,594,784
Loss for the period		(1,481,457)	(1,481,457)
Total comprehensive income for the year	-	(1,481,457)	(1,481,457)
Contributions of equity, net of transaction costs	211,115	-	211,115
At 30 June 2014	4,043,548	(3,719,106)	324,442

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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated Group	
	2014	2013
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(161,025)	(257,559)
Interest received	1,466	2,386
Other revenue	6,775	20,600
Refunded R&D tax incentive received	98,778	-
Net cash used in operating activities	<u>(54,006)</u>	<u>(234,573)</u>
Cash flows from investing activities		
Payments for exploration expenditure	(164,620)	(246,137)
Payments for security deposits	-	(2,386)
Net cash used in investing activities	<u>(164,620)</u>	<u>(248,523)</u>
Cash flows from financing activities		
Proceeds from the issue of shares	149,228	381,970
Proceeds from issue of options	61,887	-
Proceeds from offer information statement		66,000
Proceeds from shareholder loans		27,000
Proceeds from issue of preference shares	77,000	-
Repayments of shareholder loans	(2,000)	-
Net cash flows from financing activities	<u>286,115</u>	<u>474,970</u>
Net Increase/(Decrease) in Cash Held	<u>67,489</u>	<u>(8,126)</u>
Cash and cash equivalents at beginning of the financial year	<u>2,865</u>	<u>10,991</u>
Cash and cash equivalents at the end of the financial year	<u><u>70,354</u></u>	<u><u>2,865</u></u>

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Notes to the financial statements
Details of revenues and expenses

	Consolidated Group	
	2014	2013
	\$	\$
5. REVENUE		
Non-operating activities		
Interest revenue	1,466	2,386
Revenue	105,553	20,600
6. LOSS FOR THE YEAR		
Profit/(loss) for the year has been arrived at after crediting/(charging) the following gains and losses:		
Exploration expenses		
Exploration expenses written off	(1,348,154)	-
Employee benefits expenses		
Directors fees ⁽¹⁾	30,000	40,000
Equity settled share based payments ⁽²⁾	30,000	30,000
	60,000	70,000
Interest paid on shareholders loan	20,000	20,000
Depreciation	364	364
Finance Costs	-	-

⁽¹⁾ As at 30 June 2014 and 30 June 2013 the outstanding amounts payable to Directors were \$30,000 and \$40,000 respectively.

⁽²⁾ As at 30 June 2014 and 30 June 2013 the shares linked to the remuneration of directors through equity based payments which have yet to been issued amounted to \$30,000 and \$30,000 respectively.

Ratios		Current period	Previous corresponding period
Profit before tax / revenue			
8.1	Consolidated profit (loss) before tax (<i>item 1.5</i>) as a percentage of revenue (<i>item 1.1</i>)	(1,384%)	(992%)
Profit after tax / equity interests			
8.2	Consolidated profit (loss) after tax attributable to members (<i>item 1.11</i>) as a percentage of equity (similarly attributable) at the end of the period (<i>item 3.37</i>)	457%	(14%)

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EARNINGS PER SHARE

9.1

Total Earnings	(1,481,457)
Weighted Average of Shares	45,367,135
Basic Earnings per Share	(3.27)
Total Earnings	(1,481,457)
Weighted Average of Shares & options	45,367,135
Diluted Earnings per Share	(3.27)

Dividends

10.1 Date the dividend is payable

-

10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

-

10.3 If it is a final dividend, has it been declared?

N/A

10.4 The *dividend or distribution plans* shown below are in operation.

N/A

The last date(s) for receipt of election notices to the *dividend or distribution plans*

-

10.5 Any other disclosures in relation to *dividends or distributions*

N/A

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Dividends paid or provided for on all securities

	Current period - \$AUD	Previous corresponding period - \$AUD	Franking rate applicable
Dividends paid or provided for during the reporting period	-	-	-
10.6 Current year interim	-	-	-
10.7 Franked dividends	-	-	-
10.8 Previous year final	-	-	-
10.9 Franked dividends	-	-	-
Dividends proposed and not recognised as a liability	-	-	-
10.10 Franked dividends	-	-	-

Dividends per security

	Current year	Previous year	Franking rate applicable
Dividends paid or provided for during the reporting period	-	-	-
10.11 Current year interim	-	-	-
10.12 Franked dividends – cents per share	-	-	-
10.13 Previous year final	-	-	-
10.14 Franked dividends – cents per share	-	-	-
Dividends proposed and not recognised as a liability	-	-	-
10.15 Franked dividends – cents per share	-	-	-

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Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current period \$AUD	Previous corresponding period \$AUD
11.1 Opening balance	2,093,476	1,957,723
11.2 Expenditure incurred during current period	113,045	135,753
11.3 Expenditure written off during current period	(1,348,154)	-
11.4 Acquisitions, disposals, revaluation increments, etc.	-	-
11.5 Expenditure transferred to Development Properties	-	-
11.6 Closing balance as shown in the consolidated balance sheet (item 3.10)	858,367	2,093,476

Development properties

	Current period \$AUD	Previous corresponding period \$AUD
12.1 Opening balance	1,129,547	1,019,163
12.2 Expenditure incurred during current period	50,109	110,384
12.3 Expenditure transferred from exploration and evaluation	-	-
12.4 Expenditure written off during current period	-	-
12.5 Acquisitions, disposals, revaluation increments, etc.	-	-
12.6 Expenditure transferred to mine properties	-	-
12.7 Closing balance as shown in the consolidated balance sheet (item 3.11)	1,179,656	1,129,547

Discontinued Operations

	Current period – \$AUD	Previous corresponding period – \$AUD
13.1 Revenue	-	-
13.2 Expense	-	-
13.3 Profit (loss) from discontinued operations before income tax	-	-
13.4 Income tax expense (as per para 81 (h) of AASB 112)	-	-
13.5 Gain (loss) on sale/disposal of discontinued operations	-	-
13.6 Income tax expense (as per paragraph 81(h) of AASB 112)	-	-

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Movements in Equity

14.1	Preference securities	Number issued	Number listed	Paid-up value (dollars)	Current period – \$AUD	Previous corresponding period – \$AUD
14.2	Balance at start of period	553	553	-	-	-
14.3	a) Increases through issues	87	87		-	-
14.4	a) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.5	Balance at end of period	640	640	-	-	-
14.6	Ordinary securities <i>(description)</i>	Number issued	Number listed	Paid-up value (cents)	Current period – \$AUD	Previous corresponding period – \$AUD
14.7	Balance at start of period	45,233,325	45,233,325		3,832,433	3,832,433
14.8	a) Increases through issues	2,235,350 200,000	2,235,350 200,000	\$0.06 \$0.0755	134,121 15,107	-
14.9	b) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.10	Balance at end of period	47,668,675	47,668,675	-	3,981,661	3,832,433
14.11	Convertible Debt Securities <i>(description & conversion factor)</i>					
14.12	Balance at start of period	-	-	-	-	-
14.13	a) Increases through issues	-	-	-	-	-
14.14	b) Decreases through maturity, converted.	-	-	-	-	-
14.15	Balance at end of period	-	-	-	-	-

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		Number issued	Number listed	Paid-up value (cents)	Current period – \$AUD	Previous corresponding period – \$AUD
14.16	Options <i>(description & conversion factor)</i>	Unlisted options exercisable at \$0.20 (20 cents) expiring 31 July 2015				
14.17	Balance at start of period	1,220,000	-	-	-	-
14.18	Issued during period	-	-	-	-	-
14.19	Exercised during period	-	-	-	-	-
	Converted to partly paid shares	-	-	-		
14.20	Expired during period	-	-	-	-	-
14.21	Balance at end of period	1,220,000	-	-	-	-
14.22	Debentures <i>(description)</i>					
14.23	Balance at start of period	-	-	-	-	-
14.24	a) Increases through issues	-	-	-	-	-
14.25	b) Decreases through maturity, converted	-	-	-	-	-
14.26	Balance at end of period	-	-	-	-	-
14.27	Unsecured Notes <i>(description)</i>					
14.28	Balance at start of period	-	-	-	-	-
14.29	a) Increases through issues	-	-	-	-	-
14.30	b) Decreases through maturity, converted	-	-	-	-	-
14.31	Balance at end of period	-	-	-	-	-
14.32	Total Securities					
	Ordinary Shares	47,668,675	47,668,675		3,981,661	3,832,433
	Preference Shares	640	640			

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		Current period – A\$'000	Previous corresponding period – A\$'000
Reserves			
14.33	Balance at start of period	-	-
14.34	Transfers to/from reserves	-	-
14.35	Total for the period	-	-
14.36	Balance at end of period	-	-
14.37	Total reserves	-	-
Retained earnings			
14.38	Balance at start of period	(2,237,649)	(2,009,734)
14.39	Changes in accounting policy	-	-
14.40	Restated balance	-	-
14.41	Loss for the period	(1,481,457)	(227,915)
14.42	Total for the period	-	-
14.43	Dividends	-	-
14.44	Balance at end of period	(3,719,106)	(2,237,649)

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Details of aggregate share of profits (losses) of associates and joint venture entities

Name of associate or joint venture entity N/A

Reporting entities percentage holding N/A

		Current period - \$A'000	Previous corresponding period - \$A'000
15.1	Profit (loss) before income tax	-	-
15.2	Income tax	-	-
15.3	Profit (loss) after tax	-	-
15.4	Impairment losses	-	-
15.5	Reversals of impairment losses	-	-
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)	-	-
15.7	Share of net profit (loss) of associates and joint venture entities	-	-

Control gained over entities having material effect

16.1 Name of *issuer* (or *group*) BONSHAW GOLD PTY LTD

		\$A'000
16.2	Consolidated profit (loss) after tax of the <i>issuer</i> (or <i>group</i>) since the date in the current period on which control was acquired	-
16.3	Date from which profit (loss) in <i>item 16.2</i> has been calculated	-
16.4	Profit (loss) after tax of the <i>issuer</i> (or <i>group</i>) for the whole of the previous corresponding period	-

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Loss of control of entities having material effect

17.1	Name of <i>issuer</i> (or <i>group</i>)	N/A
		\$A'000
17.2	Consolidated profit (loss) after tax of the entity (or <i>group</i>) for the current period to the date of loss of control	-
17.3	Date from which the profit (loss) in <i>item 17.2</i> has been calculated	-
17.4	Consolidated profit (loss) after tax of the entity (or <i>group</i>) while controlled during the whole of the previous corresponding period	-
17.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	-

Material interests in entities which are not controlled entities

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) (<i>item 1.9</i>)	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
		-	-	<i>Equity accounted</i>	
		-	-	-	-
		-	-	-	-
		-	-	-	-
18.2	Total	-	-	-	-
18.3	Other material interests	-	-	Non equity accounted (i.e. part of <i>item 1.9</i>)	
		-	-	-	-
		-	-	-	-
18.4	Total	-	-	-	-

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Reports for industry and geographical segments

		Current period - \$A'000	Previous corresponding period - \$A'000
	Segments		
	Revenue:	-	-
19.1	External sales	-	-
19.2	Inter-segment sales	-	-
19.3	Total (consolidated total equal to <i>item 1.1</i>)	-	-
19.4	Segment result	-	-
19.5	Unallocated expenses	-	-
19.6	Operating profit (equal to <i>item 1.5</i>)		-
19.7	Interest expense	-	-
19.8	Interest income	-	-
19.9	Share of profits of associates	-	-
19.10	Income tax expense	-	-
19.11	Net profit (consolidated total equal to <i>item 1.9</i>)	-	-
	Other information		-
19.12	Segment assets	-	-
19.13	Investments in equity method associates	-	-
19.14	Unallocated assets	-	-
19.15	Total assets (equal to <i>item 3.18</i>)	-	-
19.16	Segment liabilities	-	-
19.17	Unallocated liabilities	-	-
19.18	Total liabilities (equal to <i>item 3.32</i>)	-	-
19.19	Capital expenditure	-	-
19.20	Depreciation	-	-
19.21	Other non-cash expenses	-	-

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NTA Backing

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.007	\$0.04

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1	N/A
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International Financial Reporting Standards

Under paragraph 39 of AASB 1: First –time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1	N/A
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Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2	N/A
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Comments by directors

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

Basis of accounts preparation

If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)

N/A

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

N/A

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

N/A

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)

N/A

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. (as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)

N/A

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Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

N/A

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report *(as per paragraph 16(j) of AASB 134: Interim Financial Reporting)*

N/A

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

N/A

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

N/A

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Annual meeting

The annual meeting will be held as follows:

Place	N/A
Date	N/A
Time	N/A
Approximate date the annual report will be available	N/A

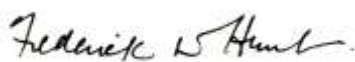
Compliance statement

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

N/A

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/does not* (*delete one*) 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:
- | | |
|---|---|
| ☐ The financial statements have been audited. | ☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| ☒ The financial statements are in the process of being audited. | ☐ 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: ..12 September 2014
Director

Print name:Frederick L. Hunt.....

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Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show the amount of the change up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. *Issuers* are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.
2. **True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the *issuer* must attach a note providing additional information and explanations to give a true and fair view.
3. **Consolidated statement of financial performance**
 - Item 1.1 The definition of "revenue" is set out in *AASB 118: Revenue*
 - Item 1.6 This item refers to the total tax attributable to the amount shown in *item 1.5*. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg. fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the issuer must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franking rate applicable" for items in *section 9*.
5. **Consolidated statement of financial position**

Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 134: Interim Financial Reporting*, and *AASB 101: Presentation of Financial Statements*. Banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last annual report, the *issuer* must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 116: Property, Plant and Equipment*. If the *issuer* has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.
6. **Consolidated statement of cash flows** For definitions of "cash" and other terms used in this statement see *AASB 107: Cash Flow Statements*. *Issuers* should follow the form as closely as possible, but variations are permitted if the *directors* (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 107*.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary *securities* (i.e. all liabilities, preference shares, outside equity interests, etc). Mining *issuers* are *not* required to state a net tangible asset backing per ordinary *security*.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the consolidated financial statements. Details must include the contribution for each gain or loss that increased or decreased the *issuer's* consolidated operating profit (loss) after tax by more than 5% compared to the previous corresponding period.

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9. **Equity accounting** If an *issuer* adopts equity accounting, no comparative equity accounting figures are required in the first period following its adoption.
10. **Rounding of figures** This statement anticipates that the information required is given to the nearest \$1,000. However, an *issuer* may report exact figures, if the \$A'000 headings are amended. If an *issuer* qualifies under ASIC Class Order 98/0100 dated 15 July 2004, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.
11. **Comparative figures** Comparative figures are to be presented in accordance with AASB 101: *Presentation of Financial Statements* or AASB 134: *Interim Financial Reporting* as appropriate and are the unadjusted figures from the last annual or half year report as appropriate. However, if the previously reported figures are adjusted to achieve greater comparability, in accordance with an accounting standard or other reason, a note explaining the adjustment must be included with this statement. If no adjustment is made despite a lack of comparability, a note explaining the position should be attached.
12. **Additional information** An *issuer* may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement. The requirement under the listing rules for an *issuer* to complete this statement does not prevent the *issuer* issuing statements more frequently. Additional material lodged with the ASIC under the *Corporations Act* must also be given to the Exchange. For example, a *directors'* report and declaration, if lodged with the ASIC, must be given to the Exchange.
13. **Accounting Standards** the Exchange will accept, for example, the use of International Accounting Standards for *foreign issuers*. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.
14. **Borrowing corporations** This statement may be able to be used by an *issuer* required to comply with the *Corporations Act* as part of its half yearly financial statements if prepared in accordance with Australian Accounting Standards.
15. **Details of expenses** AASB 101: *Presentation of Financial Statements* requires disclosure of expenses according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by the Exchange. *Issuers* must disclose details of expenses using the layout (by nature or function) employed in their accounts.

The information in items 7.1 - 7.2 may be provided in an attachment to Appendix 3

Relevant items AASB 101: *Presentation of Financial Statements* requires the separate disclosure of specific revenues and expenses which are of a size, nature or incidence that disclosure is *relevant*, as defined in AASB 101, in explaining the financial performance of the *issuer*. There is an equivalent requirement in AASB 134: *Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by the Exchange.

16. **Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.
17. **Discontinuing operations**

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of AASB 134: *Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their accounts in accordance with AASB 5: *Non-current Assets for Sale and Discontinued Operations*

In any case, the information may be provided as an attachment to this Appendix 3