

BULLETIN RESOURCES LIMITED

ACN 144 590 858

HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2015

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BULLETIN RESOURCES LIMITED
ACN 144 590 858

COMPANY DIRECTORY

DIRECTORS

Paul Poli (Director, Chairman)
Frank Sibbel (Director)
Robert Martin (Director)

COMPANY SECRETARY

Andrew Chapman

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BANKERS

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PERTH WA 6000

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Level 14A
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PERTH WA 6000

SOLICITORS

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HOME STOCK EXCHANGE

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DIRECTORS' REPORT
For the Half Year Ended 31 December 2015

Your Directors submit the financial report of the Company for the half-year ended 31 December 2015.

DIRECTORS

The names of the Directors of the Company in office during the half year and to the date of this report are:

Paul Poli
Frank Sibbel
Robert Martin

RESULT

The loss after tax for the half-year ended 31 December 2015 was \$455,217 (31 December 2014 \$260,834).

REVIEW OF OPERATIONS

HALLS CREEK GOLD PROJECT
BULLETIN 20%, PNR 80% (PNR – PROJECT MANAGER)



Halls Creek Project Location

The Halls Creek Project includes the Nicolson Mine, (35 km south west of Halls Creek) and a pipeline of exploration and development prospects located east of Halls Creek in the Kimberley Region of Western Australia.

The Company continues to focus on the Halls Creek Gold Project and the advancement of that project towards positive cash flow. The project is estimated to provide positive cash flow to the Company of \$11M after tax over 4.5 years at a gold price of A\$1,400 Oz.

In September 2015 Bulletin Resources and its JV partner Pantoro Limited (PNR) became Australia's newest gold producer with first gold poured from the Nicolson and half year production totalling 5,143 Oz gold.

The Nicolson mine continues to ramp up production towards nameplate capacity. The mine is now beginning to settle into steady development with the first three development

levels nearing completion, and the access to the fourth level (2185 mRL) well advanced. It is expected that steady state production should occur in the March quarter.

The joint venture operator, Halls Creek Mining Pty Ltd (HCM) has advised that it continues to see a substantial overcall to the JORC Reserve model which will provide significant potential to extend the mine life and production capacity at Nicolson.

The project has an indicated and inferred resource of 260,000 ounces of gold. With the Nicolson mine now in production, the exploration objective is to increase the near mine resources at Nicolson by developing and extending the current resource base immediately beneath and down plunge of the existing open pit, as well as expanding the existing Rowdies and Wagtail resources. Underground diamond drilling at Nicolson is expected to commence during the ensuing quarter with an initial 12,000 metre program planned to be completed over an initial 9 month period

DIRECTORS' REPORT
For the Half Year Ended 31 December 2015

Works to assess mining of the potential open pits at Rowdies and Wagtail are underway and will be progressed throughout the ensuing quarter. Historical data is in the process of being verified for inclusion in the assessment, at which time the requirement for additional drilling will be assessed. Provided reviews are positive, the company is working towards commencing open pit mining in the second half of 2016.

Underground Development

Decline development has continued to progress well, with good ground now persisting after experiencing poor ground conditions in the early part of the development. The improved conditions have allowed a reliable development cycle, increasing total metres able to be developed. The introduction of the smaller Atlas Copco 282 development drill has allowed development drive widths to be reduced to 3.5m, reducing dilution and reducing ground control requirements. With the improved ground conditions, the level spacing has been extended to 15 metres in accordance with the mine plan. Ground conditions have continued to improve with depth at the mine, and the decline is now progressing through good ground. The improved conditions will allow faster access to additional levels, and the 2160 and 2145 levels should be accessed during the ensuing quarter.

Ore developed during the period has substantially overcalled the JORC Reserve model, providing significant upside potential to both mine life and production capacity. Approximately 180% of the modeled Reserve ounces were recovered during the October - December period with Reserve overcall resulting from a number of factors listed below, all of which were positive throughout this period:

- Increased tonnage and grade within the area currently classified as Reserve;
- Extension of the Reserve along the strike of the main ore zone. The strike length of the Reserve was increased at both the North and South ends of the Reserve;
- Mining of high grade splay veins extending off of the main lode. The splay veins were not previously modeled in the Reserve calculation.

Total ounces mined compared with the Reserve have overcalled on every level and during every month since ore development commenced in August 2015.

Table 1: December 2015 quarter ore production relative to the ore Reserve areas accessed during the quarter

Level	Development Reserve			Mined within Reserve			Mined outside Reserve			Reserve Ounces
	Tonnes	Grade (g/t)	Oz	Tonnes	Grade (g/t)	Oz	Tonnes	Grade (g/t)	Oz	Overall
2220	2,505	10.36	834	3,353	8.73	941	735	2.10	50	119%
2210	3,581	5.31	611	3,576	9.51	1,094	2,350	7.00	529	266%
2200	4,887	5.40	849	5,559	5.63	1,006	1,348	10.99	476	175%
Total	10,973	6.50	2,294	12,489	7.57	3,040	4,433	7.40	1,055	179%

All Mined values are reconciled versus Mill tonnes and grade from October-December 2015.

Level	Development Reserve			Total Mined		
	Tonnes	Grade (g/t)	Oz	Tonnes	Grade (g/t)	Oz
2220	2,505	10.36	834	4,088	7.54	991
2210	3,581	5.31	611	5,927	8.52	1,623
2200	4,887	5.40	849	6,907	6.67	1,482
Total	10,973	6.50	2,294	16,922	7.53	4,095

All Mined values are reconciled versus Mill tonnes and grade from October-December 2015.

No Reserve updates have been undertaken to date, however the substantial overcall experienced in the areas mined to date suggests excellent potential to upgrade the mine inventory when adequate data is available. Work to re-estimate the levels developed to date has commenced, and diamond drilling from underground drill platforms is due to commence in the ensuing quarter. Once adequate drill and development data is available, the Reserve estimate will be updated.

DIRECTORS' REPORT
For the Half Year Ended 31 December 2015

Processing Plant

The processing plant operated reliably throughout the period with a total recovery of 93% year to date. Recovery has continued to improve, with the December recovery increasing to 95.7%. The recovery result is particularly pleasing given that December saw only underground ore feed into the plant.

Processing critical spares held on site continued to be accumulated throughout the month, with most standby items required now available in the site store.

Total plant capacity is yet to be fully tested, with all ore mined during the quarter processed. With the planned commencement of stoping in the second half of the financial year, mine production should begin to exceed plant capacity.

Corporate

In order to pre-empt any temporary shortfall in immediate cash flow prior to commencement of production and gold sales revenue, in August 2015 Bulletin entered into an agreement for additional funding via a loan agreement with an independent party for an additional \$600,000 to secure Bulletin's share of joint venture funding of the Nicolson's Gold Project as it entered the production phase.

In addition the board of Bulletin will not draw down any remuneration until such time as the loan has been repaid. Furthermore, major shareholder Matsa Resources Limited has also entered into a Deed of Guarantee and Indemnity with the lender to guarantee repayment of the loan to a maximum of \$350,000.

The Bulletin board took the view that this loan funding was preferable to raising additional capital from shareholders and that once full production is achieved Bulletin will seek to repay the loan as early as possible.

In addition the Company's financiers, the Commonwealth Bank of Australia, amended the terms of the gold prepayment facility and hedge facility so that repayment would be deferred to January 2016 from its original November 2015 date in recognition of the delays to the commencement of production.

During the period the Company sold approximately 12.2 million PNR shares in order to assist with its funding commitments to the joint venture while production ramps up. It is anticipated that as production increases at the Nicolson's Mine towards nameplate capacity that future gold sales should not only cover joint venture expenditure but, in time, generate further positive cash flows for the Company.

EVENTS SUBSEQUENT TO REPORTING DATE

On 29 January 2016 Bulletin commenced repayment of its secured loan to the Commonwealth Bank of Australia (CBA). Bulletin has executed a Senior Secured Gold Prepaid Forward and Mandatory Hedge Facility to the value of \$2.3 million.

Since the end of the period Bulletin has disposed of a further 3.65M shares in PNR on market.

Other than the above, no matter or circumstance has arisen subsequent to the balance date, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

DIRECTORS' REPORT
For the Half Year Ended 31 December 2015

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 8 for the half year ended 31 December 2015.

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



Paul Poli
Chairman

Dated this 15th day of March 2016

Halls Creek Tenements – Competent Persons Statement

The information in this report that relates to exploration and mineral resources is based on information compiled by Mr. Scott Huffadine B.Sc.(Honours) MAusIMM who is an employee of Pantoro Limited. Mr. Huffadine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Huffadine consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Reserves is based on information compiled by Mr. Paul Cmrlec (B. Eng (Mining) (Hons)), MAusIMM who is the Managing Director of Pantoro Limited. Mr. Cmrlec has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Cmrlec consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

DECLARATION OF INDEPENDENCE BY IAN SKELTON TO THE DIRECTORS OF BULLETIN RESOURCES LIMITED

As lead auditor for the review of Bulletin Resources Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.



Ian Skelton

Director

BDO Audit (WA) Pty Ltd

Perth, 15 March 2016

STATEMENT OF COMPREHENSIVE INCOME
For the Half-Year ended 31 December 2015

	Note	31 December 2015 \$	31 December 2014 \$
Revenue		912,725	-
Cost of sales		(979,749)	-
Gross Loss		(67,024)	-
Interest received		7,197	11,378
Other expenses			
Listing and share registry expense		(22,007)	(3,236)
Depreciation		(5,853)	(20,313)
Professional fees		(10,950)	(42,497)
Director fees		(72,901)	(85,270)
Exploration expenditure		(1,281)	(3,024)
Legal fees		(6,759)	(25,808)
Administration expenses		(85,866)	(37,862)
Finance costs		(28,912)	-
Audit fees		(22,107)	(8,844)
Loss on sale of investments		(138,754)	-
Share based payments expense		-	(45,358)
Expenses from operations		(395,390)	(272,212)
Loss from operations before income tax expense		(455,217)	(260,834)
Income tax expense		-	-
Loss after income tax expense for the period		(455,217)	(260,834)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in fair value of available-for-sale financial assets		188,737	(371,248)
Available-for-sale financial assets – realised in profit or loss on disposal		138,754	-
Total comprehensive loss for the half-year		327,491	(371,248)
Total comprehensive loss for the period attributable to equity holders of the company		(127,726)	(632,082)
Basic loss per share (cents per share)		(0.26)	(0.21)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Note	31 December 2015 \$	30 June 2015 \$
Current Assets			
Cash and cash equivalents		666,150	857,951
Trade and other receivables		151,742	810,652
Inventories		566,122	8,986
Available-for-sale financial assets	2	344,379	883,924
Total Current Assets		<u>1,728,393</u>	<u>2,561,513</u>
Non-Current Assets			
Mine property	3	3,028,530	1,059,136
Plant and equipment		1,384,950	1,690,719
Exploration expenditure		28,103	299,463
Total Non-Current Assets		<u>4,441,583</u>	<u>3,049,318</u>
Total Assets		<u>6,169,976</u>	<u>5,610,831</u>
Current Liabilities			
Trade and other payables		837,217	790,441
Provisions		33,797	9,305
Borrowings	4	36,261	21,985
Deferred revenue	5	1,202,139	567,642
Total Current Liabilities		<u>2,109,414</u>	<u>1,389,283</u>
Non-Current Liabilities			
Provisions		360,807	359,570
Borrowings	4	600,000	-
Deferred revenue	5	1,097,861	1,732,358
Total Non-Current Liabilities		<u>2,058,668</u>	<u>2,091,928</u>
Total Liabilities		<u>4,168,082</u>	<u>3,481,211</u>
Net Assets		<u>2,001,894</u>	<u>2,129,620</u>
Equity			
Issued capital	6	14,490,189	14,490,189
Reserves		4,051	(323,440)
Accumulated losses		(12,492,346)	(12,037,129)
Total Equity		<u>2,001,894</u>	<u>2,129,620</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
For the Half-Year ended 31 December 2015

	Issued Capital	Other Reserves	Equity Settled Benefits Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2014	13,849,255	-	2,450	(11,400,922)	2,450,783
Comprehensive loss for period attributable to members	-	(371,248)	-	(260,834)	(632,082)
Total comprehensive loss for the period	-	(371,248)	-	(260,834)	(632,082)
Issue of shares	-	-	-	-	-
Share issue cost	-	-	-	-	-
Share based payment	-	-	45,358	-	45,358
Balance at 31 December 2014	13,849,255	(371,248)	47,808	(11,661,756)	1,864,059
Balance at 1 July 2015	14,490,189	(371,248)	47,808	(12,037,129)	2,129,620
Comprehensive loss for period attributable to members	-	327,491	-	(455,217)	(127,726)
Total comprehensive loss for the period	-	327,491	-	(455,217)	(127,726)
Issue of shares	-	-	-	-	-
Share issue cost	-	-	-	-	-
Share based payment	-	-	-	-	-
Balance at 31 December 2015	14,490,189	(43,757)	47,808	(12,492,346)	2,001,894

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
For the Half Year Ended 31 December 2015

	31 December 2015 \$	31 December 2014 \$
Cash flows from operating activities		
Receipts from customers	912,725	-
Payments to suppliers and employees	(850,722)	(196,397)
Interest received	7,197	11,378
Net cash used in operating activities	<u>69,200</u>	<u>(185,019)</u>
Cash flows from investing activities		
Payments for exploration expenditure	(35,069)	(1,665)
Payments for other joint venture activities	82,685	-
Payments to joint venture for plant and equipment	(1,308,726)	-
Payments to joint venture for mine properties	(347,975)	-
Proceeds on sale of plant and equipment	20,000	-
Proceeds from sale of available-for-sale-investments	728,084	-
Net cash used in investing activities	<u>(861,001)</u>	<u>(1,665)</u>
Cash flows from financing activities		
Proceeds from loan monies	<u>600,000</u>	-
Net cash from financing activities	<u>600,000</u>	-
Net decrease in cash and cash equivalents held	(191,801)	(186,684)
Cash and cash equivalents at the beginning of the period	<u>857,951</u>	<u>847,070</u>
Cash and cash equivalents at the end of the period	<u><u>666,150</u></u>	<u><u>660,386</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION

- (a) The half year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 134 Interim Financial Reporting, applicable accounting standards and other mandatory professional reporting requirements.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by Bulletin Resources Limited during the half-year in accordance with the 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. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the entity as in the full financial report.

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 annual financial report for the financial year ended 30 June 2015 except as follows:

- (i) Revenue:

Gold sales

Revenue from gold production is recognised when the significant risks and rewards of ownership have passed to the buyer.

- (ii) Inventories

Raw materials and stores are valued at the lower of cost and net realisable value. Regular reviews are undertaken to establish whether any items are obsolete or damaged, and if so their carrying value is written down to net realisable value.

Inventories of ore and gold in circuit are valued at the lower of cost and net realisable value. Costs comprise direct material, labour and an appropriate proportion of variable and fixed overhead on the basis of normal operating capacity, and are included as part of mine operating costs in the statement of profit or loss and comprehensive income. Net realisable value is the estimated selling price in the ordinary course of business less cost of completion and the estimated cost necessary to perform the sale.

Inventories require certain estimates and assumptions most notably in regards grades, volumes and densities. Such estimates and assumptions may change as new information becomes available and could impact on the carrying value of inventories.

In the half year ended 31 December 2015, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2016.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the Company's accounting policies.

- (b) **Going Concern**

At 31 December 2015, Bulletin Resources Limited has cash and cash equivalent assets and available-for-sale financial assets of \$1,010,529 (30 June 2015: \$1,741,875). It incurred an operating loss of \$455,217 for the 6 months to 31 December 2015 (period ended 31 December 2014: \$260,384) and has net current liabilities of \$381,021 (30 June 2015: current assets of \$1,172,140). Included within current liabilities is a gold loan

1. BASIS OF PREPARATION (cont.)

(b) Going Concern (cont.)

repayment of \$1,202,139 which the company believes will be able to settle through future gold production.

As at 31 December 2015, the Company had a 20% interest in the Nicolsons Gold Project in which it is a participating party which is now in production and is expected to reach full production in the second half of the financial year.

Based on the above the preparation of these financial statements on a going concern basis is appropriate.

Should the cost of meeting its joint venture requirements be greater than the production and sale of product from the Nicolsons Gold Project the Company will be required to raise additional finance through debt or equity in order to meet its working capital requirements for the next 12 months. If the Company is unable to do so there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in these half-year financial statements.

2. AVAILABLE-FOR-SALE FINANCIAL ASSETS

- (a) The Company has a 1.05% (2014: 4.5%) interest Pantoro Limited (PNR), which is involved in exploration of gold and base metals in Australia and Papua New Guinea and is the Company's joint venture partner in the Nicolsons Gold Project. PNR is listed on the Australian Securities Exchange.

At the end of the period the Company's investment was \$344,379 (30 June 2015: 883,924) which is based on Pantoro's quoted share price. In the previous period the market value of the investment was lower than the carrying value, and the Company recognised a revaluation through other comprehensive income of \$371,248.

The market value of all fair value investments represents the fair value based on quoted prices on active markets (ASX) as at the reporting date without any deduction for transaction costs. These investments are classified as Level 1 financial instruments. There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of these financial instruments, or changes in its classification as a result of a change of the purpose or use of these assets.

3. MINE PROPERTY

	31 Dec 15	30 Jun 15
	\$	\$
Development areas at cost		
Mine site establishment	1,433,764	465,162
Accumulated amortisation	(70,183)	-
Net carrying amount	<u>1,363,581</u>	<u>465,162</u>
Mine capital development	1,805,842	593,974
Accumulated amortisation	(140,893)	-
Net carrying amount	<u>1,664,949</u>	<u>593,974</u>
Total mine properties	<u>3,028,530</u>	<u>1,059,136</u>

4. INTEREST BEARING LOANS

	31 Dec 15	30 Jun 15
	\$	\$
Current		
Finance lease liability (i)	7,343	21,895
Unsecured loan (ii)	28,918	
	36,261	21,895
Non-Current		
Unsecured loan (ii)	600,000	-
	600,000	-

- (i) Represents the Company's share of the finance leases which have repayment terms of less than 12 months over motor vehicles at the Nicolson's Gold Project.
- (ii) Represents the unsecured loan owing to Auro Pty Ltd including for both interest and the principal. The loan accrues interest at 12% per annum and is payable every 6 months. The loan is to be repaid by 31 December 2017.

5. DEFERRED REVENUE

	31 Dec 15	30 Jun 15
	\$	\$
Current		
Deferred revenue (i)	1,202,139	567,642
	1,202,139	567,642
Non-Current		
Deferred revenue (i)	1,097,861	1,732,358
	1,097,861	1,732,358

- (i) The Company has a secured loan facility with the Commonwealth Bank of Australia (CBA) which was provided to Bulletin to meet its share of the redevelopment of the Nicolson's mine.

The loan finance has been structured as a gold prepayment facility as follows:

- A gold prepay facility of \$2.3 million repayable by the delivery of 1,641 ounces of gold.
- A hedge facility with the CBA for 3,695 ounces at a fixed price of \$1,568 per ounce.
- The prepayment facility and the hedge facility are for a period of 22 months commencing in January 2016 and will be satisfied by the delivery of physical gold.
- The loan is secured by a fixed and floating charge over the Company' share of the Nicolson's Gold Project.

	31 Dec 15	30 Jun 15
	\$	\$
6. ISSUED CAPITAL		
174,043,074 (30 June 2015:174,043,074) ordinary shares	14,490,189	14,490,189
	14,490,189	14,490,189

6. ISSUED CAPITAL (cont.)

Issue of options during the period	Number of options	\$
Opening balance at 1 July 2015	5,250,000	-
Unlisted options issued to directors during the period	-	-
Unlisted options issued to others during the period	-	-
	5,250,000	-

No dividends have been paid or declared since the start of the financial period, and none are recommended.

7. SEGMENT REPORTING

The Company operates as a joint venture gold producer in Australia. For management purposes, the Company is organised into one main operating segment which involves a 20% interest in the operating Nicolsons Gold Project in Australia. All of the Company's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

8. CONTINGENT ASSETS AND LIABILITIES

In the opinion of the directors, there are no further contingent assets or liabilities as at 31 December 2015 and no changes in the interval between 31 December 2015 and the date of this report.

9. COMMITMENTS

In order to maintain its interest in the joint venture projects in which the Company is involved, the Company must meet its share of costs to maintain its interest in those joint venture projects. The Operator (Halls Creek Mining Pty Ltd) of the joint venture determines the level of funding required to maintain the project based on a formal approved budget in order for the Company to determine its commitment.

As part of the secured loan facility with the CBA (refer Note 5 above) Bulletin has entered into a hedge facility with the CBA for 3,695 ounces of gold at a fixed price of \$1,568 per ounce commencing 31 March 2016 with the final delivery being on 31 October 2017.

10. RELATED PARTIES

Arrangements with related parties continue to be in place. For details on these arrangements refer to the 30 June 2015 consolidated annual financial report.

11. EVENTS SUBSEQUENT TO REPORTING DATE

On 29 January 2016 Bulletin commenced repayment of its secured loan to the Commonwealth Bank of Australia (CBA) via gold delivery. Bulletin has executed a Senior Secured Gold Prepaid Forward and Mandatory Hedge Facility to the value of \$2.3 million.

Since the end of the period Bulletin has disposed of a further 3.65M shares in PNR on market.

Other than the above, no matter or circumstance has arisen subsequent to the balance date, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 16, are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standards AASB134 Interim Financial Reporting, the Corporations Regulations 2001; and other mandatory professional reporting requirements
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date
2. In the directors' opinion there are reasonable grounds to believe that Bulletin Resources Limited 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 directors.

Dated at Perth this 15th day of March 2016



Paul Poli
Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Bulletin Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Bulletin Resources Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such 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 Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2015 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 Bulletin 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 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Bulletin Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



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

- (a) giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1(b) in the half-year financial report, which describes the principal conditions that raise doubt about the entity's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern, and therefore, the entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Ian Skelton', written over a faint blue 'BDO' stamp.

Ian Skelton

Director

Perth, 15 March 2016