



CONDOTO PLATINUM NL
ACN 131 213 824

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

Note: The information contained in this condensed report is to be read in conjunction with Condoto Platinum NL's 2014 annual report and any announcements made by the company during the half-year period ending 31 December 2014

CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY
ABN 43 131 213 824
INTERIM FINANCIAL REPORT 31 DECEMBER 2014

DIRECTORS REPORT

Your Directors submit the financial report of Condoto Platinum NL (“the Company”) and its controlled entity Condoto Platinum Limited (“the Group”) for the half-year ended 31 December 2014.

Directors

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

Andrew Johnstone	Executive Director
William Hayden	Non Executive Chairman
Nicholas Raffan	Non-Executive Director

Review of Operations

During the half year the Company continued to monitor the security situation in the Company’s operating area of Choco, Colombia. Security monitoring was maintained through the Company’s Colombian team located in the major city of Medellin and through contract staff at Novita. Novita contractors are tasked with maintaining the Novita camp and mining/ processing equipment, which are on care and maintenance. Recent advice indicates the Novita region may again be stable enough for the CPD processing plant to be reinstated. The Company has also reviewed and assessed a number of new Colombian gold/gold-copper projects in stable regions close to major cities and good infrastructure. With the current global commodity downturn comes opportunities to secure projects that would not usually be available or suitably priced.

The Company continued to apply a prudent fiscal approach over the half year. Cash burn has been significantly reduced, and additionally, Colombian and Australian costs are under constant review. Cash preservation is paramount to ensure funds are available for the Novita operation’s re-establishment, new opportunity assessment and the ongoing management of the Company.

Further details of the Company’s project can be found in the quarterly activity reports located on the Company Website.

Events after the end of the interim period

There have been no significant events after the reporting date.

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 2014.

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



William Hayden
NON-EXECUTIVE CHAIRMAN

Dated 6 March 2015

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To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Condoto Platinum NL for the half year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



BENTLEYS
Chartered Accountants



MARK DELAURENTIS CA
Director

Dated at Perth this 6th day of March 2015

CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY
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CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS
 AND OTHER COMPREHENSIVE INCOME
 FOR THE HALF YEAR ENED 31 DECEMBER 2014

	31 December 2014	31 December 2013
	\$	\$
Revenue	9,497	18,105
Other income	-	-
Accounting and professional expense	(49,054)	(109,280)
Share registry and listing fees	(11,038)	(18,404)
Directors fees	(59,621)	(100,000)
Legal and consulting fees	(754)	(1,025)
Travel and accommodation expenses	(7,426)	(20,857)
Share based payment expense	(15,680)	(110,557)
Non capitalised exploration and Impairment expense	(35,436)	(2,486)
Depreciation expense	-	(59,546)
Other expenses	(13,342)	(43,569)
Results from operating activities	(182,854)	(447,619)
Loss before income tax	(182,854)	(447,619)
Income tax expense	-	-
Loss for the period	(182,854)	(447,619)
Other comprehensive income:		
<i>Items that will not be reclassified to profit or loss</i>	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	(1,294)	155,778
Other comprehensive income for the period, net of tax	(1,294)	155,778
Total comprehensive income for the period	(184,148)	(291,841)
Basic loss per share (cents per share)	(0.30)	(0.80)

The accompanying notes form part of these financial statements.

CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2014

	Note	31 December 2014 \$	30 June 2014 \$
CURRENT ASSETS			
Cash and cash equivalents		757,638	862,628
Other receivables		5,738	4,470
Other assets		11,567	511
TOTAL CURRENT ASSETS		774,943	867,609
NON-CURRENT ASSETS			
Property, plant and equipment		-	-
Exploration and evaluation assets		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		774,943	867,609
CURRENT LIABILITIES			
Trade and other payables		244,005	327,620
TOTAL CURRENT LIABILITIES		244,005	327,620
TOTAL LIABILITIES		244,005	327,620
NET ASSETS		530,938	539,989
EQUITY			
Issued capital	5	17,233,301	17,073,884
Reserves		2,662,681	5,527,770
Accumulated losses		(19,365,044)	(22,061,665)
TOTAL EQUITY		530,938	539,989

The accompanying notes form part of these financial statements.

CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE HALF YEAR ENDED
 31 DECEMBER 2014

	Issued capital	Option reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2013	17,082,428	5,234,888	205,146	(9,868,622)	12,653,840
Loss for the period	-	-	-	(447,619)	(447,619)
Other comprehensive income	-	-	155,778	-	155,778
Total Comprehensive income for the period	-	-	155,778	(447,619)	(291,841)
Transactions with owners, recognised directly in equity					
Options issued during the period	-	110,557	-	-	110,557
Capital raising costs	(8,544)	-	-	-	(8,544)
Balance at 31 December 2013	17,073,884	5,345,445	360,924	(10,316,241)	12,464,012
Balance at 1 July 2014	17,073,884	5,325,266	202,504	(22,061,665)	539,989
Loss for the period	-	-	-	(182,854)	(182,854)
Other comprehensive income	-	-	(1,294)	-	(1,294)
Total Comprehensive income for the period	-	-	(1,294)	(182,854)	(184,148)
Transactions with owners, recognised directly in equity					
Shares issued during the period	176,888	-	-	-	176,888
Options issued during the period	-	15,680	-	-	15,680
Options expired during the period	-	(2,879,475)	-	2,879,475	-
Capital raising costs	(17,471)	-	-	-	(17,471)
Balance at 31 December 2014	17,233,301	2,461,471	201,210	(19,365,044)	530,938

The accompanying notes form part of these financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE HALF YEAR ENDED
 31 DECEMBER 2014

	31 December 2014 \$	31 December 2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(238,489)	(253,840)
Interest received	9,497	18,105
Payment for exploration expenditure	(35,415)	(437,299)
Net cash used in operating activities	<u>(264,407)</u>	<u>(673,034)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(31,964)
Net cash used in investing activities	<u>-</u>	<u>(31,964)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	176,888	-
Payment for share issue costs	(17,471)	(8,544)
Net cash (used in)/ provided by financing activities	<u>159,417</u>	<u>(8,544)</u>
Net decrease in cash and cash equivalents	(104,990)	(713,542)
Cash and cash equivalents at the beginning of the period	862,628	1,815,129
Effect of exchange rate fluctuations on cash and cash equivalents held	-	(2,378)
Cash and cash equivalents at the end of the period	<u>757,638</u>	<u>1,099,209</u>

The accompanying notes form part of these financial statements.

CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY
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CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 31 December 2014 have been prepared in accordance with AASB 134 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30 June 2014.

Changes in accounting policies, accounting standards and interpretations

The Accounting policies adopted in the preparation of this half-year financial report are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year ended 30 June 2014, except for the adoption of new standards and interpretations noted below:

AASB 2014-1 Amendments to Australian Accounting Standards (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)

This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle.

Annual Improvements to IFRSs 2010–2012 Cycle addresses the following items:

- AASB 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'.
- AASB 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to AASB 137.
- AASB 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets.
- AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle'
- AASB 116 and AASB 138 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts.
- AASB 124 - Defines a management entity providing KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph 17 of AASB 124 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed.

Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items:

- AASB 13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132.

These amendments are effective for annual periods beginning on or after 1 July 2014. The adoption of these amendments had no material impact on the financial position or performance of the Group.

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CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION – CONTINUED

Changes in accounting policies, accounting standards and interpretations (continued)

AASB 2014-2 Amendments to AASB 1053 – Transition to and between Tiers, and related Tier 2 Disclosure Requirements

The Standard makes amendments to AASB 1053 Application of Tiers of Australian Accounting Standards to:

- Clarify that AASB 1053 relates only to general purpose financial statements.
- Make AASB 1053 consistent with the availability of the AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors option in AASB 1 First-time Adoption of Australian Accounting Standards.
- Clarify certain circumstances in which an entity applying Tier 2 reporting requirements can apply the AASB 108 option in AASB 1; permit an entity applying Tier 2 reporting requirements for the first time to do so directly using the requirements in AASB 108 (rather than applying AASB 1) when, and only when, the entity had not applied, or only selectively applied, applicable recognition and measurement requirements in its most recent previous annual special purpose financial statements.
- Specify certain disclosure requirements when an entity resumes the application of Tier 2 reporting requirements.

These amendments are effective for annual periods beginning on or after 1 July 2014. The adoption of these amendments had no material impact on the financial position or performance of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Going concern

The consolidated group has incurred a net loss after tax for the period ended 31 December 2014 of \$182,854 (December 2013: \$447,619 loss) and incurred net cash outflows from operations of \$264,407 (December 2013: \$673,034). As at 31 December 2014, the consolidated group had cash and cash equivalents of \$757,638 (30 June 2014: \$862,628) and net assets of \$530,938 (30 June 2014: \$539,989).

In the forthcoming 12 months from the date of these financial statements, the Company will be evaluating new projects if management determines they wish proceed then they may require further capital to meet any new commitments. This may require funds that are above and beyond the working capital of the consolidated group at 31 December 2014. Funding alternatives including future raising through various equity issues and additional scaling back of corporate costs may be required.

The Directors have prepared cash flow forecasts based on contractual commitments in place at 31 December 2014, and the financial report has been prepared on the going concern basis that the Company and consolidated group will continue to meet their commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

NOTE 2: OPERATING SEGMENTS

	Australian Exploration \$	Colombian Exploration \$	Corporate \$	Total \$
31 December 2014				
REVENUE				
Interest revenue	-	-	9,497	9,497
External Sales	-	-	-	-
Total segment revenue	-	-	9,497	9,497

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CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 2: OPERATING SEGMENTS	Australian Exploration \$	Colombian Exploration \$	Corporate \$	Total \$
Reconciliation to net loss:	-	(47,593)	(119,581)	(167,174)
Share based payment expense				(15,680)
Loss before income tax				(182,854)
As at 31 December 2014				
Segment assets	-	-	774,943	774,943
Segment asset increases for the period:				
- Exploration expenditure	-	30,767	-	30,767
- Capital expenditure	-	-	-	-
- Impairment		(30,767)		(30,767)
	-	-	-	-
Segment liabilities	-	226,428	17,577	244,005
31 December 2013				
REVENUE				
Interest revenue	-	-	18,105	18,105
Total segment revenue	-	-	18,105	18,105
Reconciliation to net loss:	-	(82,685)	(194,831)	(277,516)
Share based payment expense				(110,557)
Depreciation expense				(59,546)
Loss before income tax				(447,619)
As at 30 June 2014				
Segment assets	-	-	867,609	867,609
Segment asset increases for the period:				
- Exploration expenditure	-	541,643	-	541,643
- Capital expenditure	-	31,965	-	31,965
- Impairment	-	(573,608)	-	(573,608)
	-	-	-	-
Segment liabilities	-	274,328	53,292	327,620

NOTE 3: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting period.

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CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 4: KEY MANAGEMENT PERSONNEL

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

In addition, during the half year, options were issued to the following KMP.

- Mr Andrew Johnstone was issued 500,000 options,
- Mr William Hayden was issued 500,000 options,
- Mr Nicholas Raffan was issued 500,000 options, and
- Mr Jay Stephenson was issued 250,000 options.

The options vested immediately at an exercise price of \$0.02 cents exercisable on or before 17 November 2017. These share options had a fair value at grant date of \$0.00896 cents per share option.

NOTE 5: ISSUED CAPITAL

	31 December 2014	30 June 2014
	\$	\$
(a) Share Capital		
64,578,250 (June 2014: 56,155,000) fully paid ordinary shares		
(b) Movements in fully paid Ordinary Capital	\$	\$
Balance at beginning of the reporting period	17,073,884	17,082,428
Shares Issued 8 September 2014	176,888	-
Transaction costs	(17,471)	(8,544)
Balance at end of the reporting period	17,233,301	17,073,884
(c) Movements in fully paid Ordinary Capital	No.	No.
Balance at beginning of the reporting period	56,155,000	56,155,000
Shares Issued 8 September 2014	8,423,250	-
Balance at end of the reporting period	64,578,250	56,155,000

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll. Shares have no par value.

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CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 6: FINANCIAL INSTRUMENTS

The Group's financial instruments consist of those which are measured at amortised cost including other receivables and trade and other payables. The carrying amount of these financial assets and liabilities approximate their fair value.

NOTE 7: EVENTS AFTER THE END OF THE INTERIM PERIOD

There have been no significant events after the reporting date.

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DIRECTORS DECLARATION

The Directors declare that:

1. The financial statements and notes, as set out on pages 4 - 12:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001; and
 - b. give a true and fair view of the Group's financial position as at 31 December 2014 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.



William Hayden
NON-EXECUTIVE CHAIRMAN

Dated 6 March 2015

Independent Auditor's Review Report

To the Members of Condoto Platinum NL

We have reviewed the accompanying half-year financial report of Condoto Platinum NL ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

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 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 financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2014 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 the Consolidated Entity, 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.

Independent Auditor's Review Report

To the Members of Condoto Platinum NL (Continued)



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 Condoto Platinum NL and Controlled Entities is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2014 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.

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

Dated at Perth this 6th day of March 2015