COAL of AFRICA LIMITED

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FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2014

CORPORATE DIRECTORY

REGISTERED OFFICE

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Mt Pleasant, Perth, WA 6153
Telephone: +61 8 9316 9100
Facsimile: +61 8 9316 5475
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SOUTH AFRICAN OFFICE

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BOARD OF DIRECTORS

Non-executive

Bernard Pryor (Chairman)
Andrew Mifflin (appointed 12 December 2014)
David Murray (resigned 12 December 2014)
Khomotso Mosehla
Peter Cordin
Rudolph Torlage
Thabo Mosololi (appointed 12 December 2014)

Executive

David Brown
Michael Meeser

COMPANY SECRETARY

Tony Bevan

	AUSTRALIA	UNITED KINGDOM	SOUTH AFRICA
AUDITORS	**Deloitte Touche Tohmatsu** 240 St Georges Terrace Perth WA 6000 Australia	**N/A**	**Deloitte & Touche** Deloitte Place Building 1 The Woodlands 20 Woodlands Drive Woodmead 2052 South Africa
BANKERS	**National Australia Bank Limited** Level 1, 1238 Hay Street West Perth WA 6005 Australia	**Investec Bank plc** 2 Gresham Street London EC2V 7QP United Kingdom	**ABSA Bank** The Podium Norton Rose Building 15 Alice Lane Sandton South Africa

CORPORATE DIRECTORY (CONTINUED)

	AUSTRALIA	UNITED KINGDOM	SOUTH AFRICA
BROKERS	**Euroz Securities Limited** Level 18, Alluvion 58 Mounts Bay Road Perth WA 6000 Australia	**Investec Bank plc** 2 Gresham Street London EC2V 7QP United Kingdom **Mirabaud** 21 St James' Street London SW1Y 4JP United Kingdom	**N/A**
LAWYERS	**Squire Patton Boggs (AU)** Level 21 300 Murray Street Perth WA 6000 Australia	**Squire Patton Boggs (UK) LLP** 2 Park Lane Leeds LS3 1 ES United Kingdom	**Edward Nathan Sonnenbergs** 150 West Street Sandton Johannesburg 2196 South Africa
NOMAD/ CORPORATE SPONSOR	**N/A**	**Investec Bank plc** 2 Gresham Street London EC2V 7QP United Kingdom	**Investec Bank Limited** 100 Grayston Drive Sandown 2196 Johannesburg South Africa

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The reports and statements set out below comprise the half-year report presented to shareholders:

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The Directors of Coal of Africa Limited ("CoAL" or "the Company") submit herewith the financial report of Coal of Africa Limited and its subsidiaries ("the Group") for the half-year ended 31 December 2014. All amounts expressed in US Dollars unless stated otherwise.

In order to comply with the provision of the Corporations Act 2001, the directors report as follows:

Directors

The names of the directors of the company during or since the end of the half-year are:

Bernard Pryor* (Chairman)
Andrew Mifflin*
David Murray*
Peter Cordin*
Khomotso Mosehla*
Rudolph Torlage*
Thabo Mosololi*
David Brown**
Michael Meeser**

* - Non-executive director
** - Executive director

The above named directors held office during and since the end of the half-year except for:

David Murray – resigned 12 December 2014
Andrew Mifflin – appointed 12 December 2014
Thabo Mosololi – appointed 12 December 2014
Michael Meeser – resigned 13 February 2015 ***

*** - Mr Meeser will remain with the Company for a period of three months until the end of April 2015

Review of Operations

Principal activity and nature of operations

The principal activity of the Company and its subsidiaries is the exploration and development of coking and thermal coal properties in South Africa.

The Company's principal coking and thermal coal assets and projects include:

- The development phase Vele Colliery, a coking and thermal coal project;
- The Makhado Project, a coking and thermal coal project, which is awaiting the granting of a New Order Mining Right ("NOMR");
- Three exploration stage coking and thermal coal projects, namely Chapudi, Generaal and Mopane, in the Soutpansberg Coalfield (the GSP project); and
- The Mooiplaats Colliery currently on care and maintenance and subject to a formal sale process.

The Company's focus on safety continued and no lost time incidents ("LTIs") were recorded during the six months (FY2014 H2: 1 LTI).

Vele Colliery

During the period an historic Biodiversity Offset Agreement ("BOA") was signed by the Department of Environmental Affairs ("DEA"), South African National Parks Board ("SANparks") and CoAL to the value of R55 million ($4.7 million) over a 25 year period. The BOA is intended to promote the development of Mapungubwe so that it benefits the environment, the local economy and resident communities and provides an appropriate framework to manage the interface between mining operations and the Mapungubwe World Heritage Site, located approximately 30 km from the mine.

The BOA is based on the ecosystem approach to biodiversity management, promoting the integrated management of land, water and natural capital and enhance co-operation between the three parties towards the conservation and sustainable development of the Mapungubwe World Heritage Site, safeguarding its integrity and ensuring that the negative impacts of development are avoided or minimised. It is the first of its kind in the mining industry.

The Company previously submitted applications to amend the colliery's Environmental Authorisation ("EA") to include the proposed plant modifications. These applications were approved by the DEA in early CY2015. Subsequent to the receipt of the amended approval, an intention to object was lodged with the regulatory authority. The Company has also submitted applications to amend and renew Vele's Integrated Water Use Licence ("IWUL") and CoAL is confident these will be received during H1 CY2015. The current Vele Colliery IWUL is valid until March 2016. Further approvals will be required with respect to a stream diversion, a process which the company envisages commencing shortly. The Company has delayed the commencement of the plant modification construction pending the receipt of these approvals, which also gives the Company further time to assess the outlook for coal prices.

The Front-End Engineering Design ("FEED") process for the Vele Colliery plant modification project undertaken by Sedgman South Africa was completed during the period. Changes to the plant modification design have resulted in a shortened construction period with the improvements resulting in the simultaneous production of semi-soft coking coal and thermal coal and the next stage of detailed design will commence upon project go ahead which is envisaged to be shortly after the receipt of the approvals applied for.

Makhado Coking Coal Project

As required under South African mining legislation, a minimum 26% black economic empowerment ("BEE") shareholding is required for mining and exploration projects. CoAL previously signed a Memorandum of Agreement to enable a Broad Based Black Economic Empowerment consortium comprising seven local communities to acquire a 20% interest in the Makhado Project and during the period the Company continued the process of identifying suitable BEE shareholders to acquire a further 6% interest in the project. These transactions were formalised subsequent to 31 December 2014 and will ensure that the Makhado Project has the requisite ownership structure.

During the December 2014 period an interim court interdict was issued against the Makhado Project seeking to halt any mining or construction activity on the site. The Company as one of the respondents has commenced work with the other respondents to set aside the interim interdict. CoAL does not anticipate that this process will impede on the delivery timetable for the mine to come into commercial production during CY2019 as no construction or mining activities are anticipated during CY2015.

Greater Soutpansberg Project (MbeuYashu)

During the reporting period the Company continued to engage with stakeholders, in particular communities, in relation to the Greater Soutpansberg Project which comprises the Generaal, Chapudi and Mopane projects.

Current and future funding

During the reporting period CoAL shareholders approved a two stage equity placement of up to 695 million shares for GBP0.055 raising approximately $64.9 million. The amount was calculated using an indicative exchange rate of GBP1:$1.70 which had weakened 8.6% to GBP1:$1.55 at the end of the half year, resulting in the revised expected proceeds of $60 million. The 8.4% weakening of the ZAR:$ exchange rate between August and December 2014 offsets the decline in the GBP:$ exchange rate as the Company's future expenses are predominantly Rand denominated. The required regulatory approvals for stage 1 were received during November 2014 resulting in the issue of 295 million CoAL shares to select book-build participants.

Current and future funding (continued)

During December 2014 the Company announced that it had agreed with all selected participants to split the second stage of the placement into two parts. This stage was previously conditional on receipt from a South African participant, TMM Holdings (Pty) Ltd, of confirmation that it had received sufficient funding to fulfil its second stage funding commitment. The second stage of the equity placement was completed during December 2014 with the issue of 300 million ordinary shares and the third stage will result in a further 144 million shares being issued, anticipated to be completed by April 2015.

Financial review

The loss for the six months under review amounted to $0.8 million, or 0.07 cents per share compared to a loss of $46.3 million, or 4.42 cents per share for the prior corresponding period.

The loss for the period under review of $0.8 million (H1 2013: $46.3 million) includes non-cash credits of $16.9 million (H1 2013: charges of $30.2 million) as follows:

- Mooiplaats impairment loss of nil ($16.5 million in the six months ended 31 December 2013);
- net foreign exchange profit of $17.7 million (2013: loss of $12.5 million) arising from the translation of inter-group loan balances, borrowings and cash due to changes in the ZAR:AUD exchange rate during the period;
- depreciation of $0.3 million (2013: $0.7 million) and amortisation of $0.5 million (2013: $0.5 million) contributed further to the non-cash charges.

As at 31 December 2014, the Company had cash and cash equivalents of $20.6 million compared to cash and cash equivalents of $2.1 million at 30 June 2014.

Authorised and issued share capital

CoAL had 1,599,368,613 fully paid ordinary shares in issue as at 31 December 2014. The holders of ordinary shares are entitled to one vote per share and are entitled to receive dividends when declared.

Dividends

No dividends were declared or paid during the six months.

Highlights and events after the reporting period

- The Company received the amended and updated Environmental Authorisation for the Vele Colliery. The application for the amendment and extension of the Integrated Water Use License for the colliery is still to be received, following which the Company will make a decision as to the timing of the start of the plant modification at the colliery.

- Subsequent to 31 December 2014, the Company extended the date on an non-exclusive basis for which Blackspear Capital ("Blackspear"), a wholly owned subsidiary of Blackspear Holdings (Pty) Ltd are required to fulfil the conditions precedent for the sale of Mooiplaats until April 2015, and while the delay is unwelcome it will not impact on the ability of the Company to continue with the finalisation of its turnaround strategy.

- On 13 February 2015 Michael Meeser, Executive Director and Chief Financial Officer, resigned but will remain with the Company until the end of April 2015.

- Subsequent to 31 December 2014, the Company formalised the Makhado Project BEE structuring ensuring that the project complies with South African mining legislation.

Rounding off of amounts

The Company is a company of the kind referred to in ASIC Class Order 98/100, date 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 26 of the half-year report.

The half-year report set out on pages 8 to 26, which has been approved on the going concern basis, was approved by the board on 12 March 2015 and was signed on its behalf by:

Bernard Robert Pryor	**David Hugh Brown**
Chairman	Chief Executive Officer
12 March 2015	12 March 2015

Dated at Johannesburg, South Africa, this 12th day of March 2015.

COAL OF AFRICA LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	Six months ended 31 Dec 2014 $'000	Six months ended 31 Dec 2013 $'000
Continuing operations			
Revenue		2	60
Cost of sales		-	(76)
Gross loss		2	(16)
Depreciation and amortisation		(790)	(1,286)
Foreign exchange profit / (loss)	4	14,292	(12,564)
Employee benefits expense		(2,532)	(4,116)
Other expenses	4	(10,761)	(5,759)
Take or pay port obligation		-	(1,549)
Operating lease expenses		(114)	(174)
Other income		249	388
Operating profit / (loss)		346	(25,076)
Interest income		250	371
Finance costs		(716)	(285)
Loss before tax		(120)	(24,990)
Income tax credit / (charge)		-	-
Net loss for the period from continuing operations		(120)	(24,990)
Operations held for sale			
Loss for the period from operations held for sale	8	(707)	(21,306)
LOSS FOR THE PERIOD		(827)	(46,296)
Other comprehensive loss, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(42,665)	(3,672)
Total comprehensive loss for the period		(43,492)	(49,968)
Loss for the period attributable to:			
Owners of the parent		(827)	(46,296)
Non-controlling interests		-	-
		(827)	(46,296)
Total comprehensive loss attributable to:			
Owners of the parent		(43,492)	(49,968)
Non-controlling interests		-	-
		(43,492)	(49,968)
Loss per share	11		
From continuing operations and operations held for sale			
Basic and diluted (cents per share)		0.07	4.42
From continuing operations			
Basic and diluted (cents per share)		0.01	2.38

The accompanying notes are an integral part of these condensed consolidated financial statements

COAL OF AFRICA LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Note	31 Dec 2014 $'000	30 June 2014 $'000
ASSETS			
Non-current assets			
Development, exploration and evaluation assets	7	245,060	271,711
Property, plant and equipment		15,639	17,413
Intangible assets		12,919	15,488
Other receivables		1,963	2,245
Other financial assets		1,448	1,607
Restricted cash	12	1,888	5,153
Deferred tax assets		2,454	2,694
Total non-current assets		281,371	316,311
Current assets			
Inventories		251	528
Trade and other receivables		924	1,902
Other financial assets		673	610
Cash and cash equivalents	12	20,417	2,017
		22,265	5,057
Assets associated with discontinued operations	8	21,300	23,030
Total current assets		43,565	28,087
Total assets		324,936	344,398
LIABILITIES			
Non-current liabilities			
Deferred consideration		-	-
Provisions		7,113	4,643
Total non-current liabilities		7,113	4,643
Current liabilities			
Deferred consideration	9	24,266	29,800
Trade and other payables		4,175	15,083
Borrowings	10	-	6,372
Provisions		176	2,447
Current tax liabilities		1,369	1,583
		29,986	55,285
Liabilities associated with discontinued operations	8	4,024	4,150
Total current liabilities		34,010	59,435
Total liabilities		41,123	64,078
NET ASSETS		283,813	280,320
EQUITY			
Issued capital	6	981,395	935,891
Accumulated deficit		(712,340)	(790,964)
Reserves		14,183	134,818
Equity attributable to owners of the parent		283,238	279,745
Non-controlling interests		575	575
TOTAL EQUITY		283,813	280,320

The accompanying notes are an integral part of these condensed consolidated financial statements

COAL OF AFRICA LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Issued capital $'000	Accumulated deficit $'000	Share based payment reserve $'000	Capital profits reserve $'000	Foreign currency translation reserve $'000	Attributable to owners of the parent $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 July 2014	935,891	(790,964)	82,464	91	52,263	279,745	575	280,320
Total comprehensive loss for the period	-	(827)	-	-	(42,665)	(43,492)	-	(43,492)
Loss for the period – continuing operations	-	(120)	-	-	-	(120)	-	(120)
Loss for the period – operations held for sale	-	(707)	-	-	-	(707)	-	(707)
Other comprehensive loss, net of tax	-	-	-	-	(42,665)	(42,665)	-	(42,665)
	935,891	(791,791)	82,464	91	9,598	236,253	575	236,828
Shares issued for capital raising	47,811	-	-	-	-	47,811	-	47,811
Share issue costs	(2,307)	-	-	-	-	(2,307)	-	(2,307)
Share based payments	-	-	1,481	-	-	1,481	-	1,481
Share options expired	-	79,451	(79,451)	-	-	-	-	-
Balance at 31 December 2014	981,395	(712,340)	4,494	91	9,598	283,238	575	283,813
Balance at 1 July 2013	935,891	(707,535)	82,438	91	31,008	341,893	575	342,468
Total comprehensive loss for the period	-	(46,296)	-	-	(3,672)	(49,968)	-	(49,968)
Loss for the period – continuing operations	-	(24,990)	-	-	-	(24,990)	-	(24,990)
Loss for the period – operations held for sale	-	(21,306)	-	-	-	(21,306)	-	(21,306)
Other comprehensive loss, net of tax	-	-	-	-	(3,672)	(3,672)	-	(3,672)
	935,891	(753,831)	82,438	91	27,336	291,925	575	292,500
Share based payments	-	-	2,028	-	-	2,028	-	2,028
Balance at 31 December 2013	935,891	(753,831)	84,466	91	27,336	293,953	575	294,528

The accompanying notes are an integral part of these condensed consolidated financial statements

COAL OF AFRICA LIMITED

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

	Note	**Six months ended 31 Dec2014 $'000**	**Six months ended 31 Dec2013 $'000**
Cash Flows from Operating Activities			
Receipts from customers		883	23,490
Payments to employees and suppliers		(18,856)	(45,573)
Cash used in operations		(17,973)	(22,083)
Interest received		191	495
Interest paid		(656)	(177)
Income taxes paid		-	-
Net cash used in operating activities		(18,438)	(21,765)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(20)	-
Decrease in restricted cash		4,073	-
Payments for exploration and evaluation assets		(72)	(1,624)
Increase in other financial assets		(985)	3,428
Payments for development assets		(692)	(4,038)
Net cash generated from / (used in) investing activities		2,304	(2,234)
Cash Flows from Financing Activities			
Proceeds from the issue of shares and options, net of costs		47,811	-
Share issuance costs		(2,307)	-
Repayment of borrowings		(6,124)	(12,355)
Repayment of deferred consideration		(6,590)	-
Proceeds from borrowings		-	10,664
Finance lease repayments		-	(54)
Net cash generated by / (used in) financing activities		32,790	(1,745)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		16,656	(25,744)
Cash and cash equivalents at the beginning of the half-year		2,099	29,938
Foreign exchange differences		1,796	30
Cash and cash equivalents at the end of the half-year	12	20,551	4,224

The accompanying notes are an integral part of these condensed consolidated financial statements

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134: '*Interim Financial Reporting'*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting'*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

All amounts are presented in United States dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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 2014 annual financial report for the financial year ended 30 June 2014, except for the impact of the Standard and Interpretations described below. These accounting policies are consistent with the Australian Accounting Standards and with International Financial Reporting Standards ("IFRS").

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("the AASB") that are relevant to their operations and effective for the current reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1031 *'Materiality' (2013)*
- AASB 2012-3 '*Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'*
- AASB 2013-3 '*Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets''*
- AASB 2013-9 '*Amendments to Australian Accounting Standards' – Part B: 'Materiality'*
- AASB 2014-1 '*Amendments to Australian Accounting Standards'*
  - Part A: '*Annual Improvements 2010-2012 and 2011-2013 Cycles*'
  - Part C: '*Materiality*'

Impact of the application of AASB 1031 'Materiality' (2013)

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impact of the application of AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'

The Group has applied the amendments to AASB 132 for the first time in the current year. The amendments to AASB 132 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

As the Group does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'

The Group has applied the amendments to AASB 136 for the first time in the current year. The amendments to AASB 136 remove the requirement to disclose the recoverable amount of a cash-generating unit ("CGU") to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by AASB 13 'Fair Value Measurements'.

The application of these amendments does not have any material impact on the disclosures in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, at the same time it makes various editorial corrections to Australian Accounting Standards as well. The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2014-1 'Amendments to Australian Accounting Standards'
Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycle'

The Annual Improvements 2010-2012 Cycle include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to AASB 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to AASB 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of AASB 9 or AASB 139 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to AASB 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to AASB 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impact of the application of AASB 2014-1 'Amendments to Australian Accounting Standards'
Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycle' (continued)

The amendments to the basis for conclusions of AASB 13 clarify that the issue of AASB 13 and consequential amendments to AASB 139 and AASB 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to AASB 116 and AASB 138 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to AASB 124 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The 'Annual Improvements 2011-2013 Cycle' include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to AASB 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, AASB 139 or AASB 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within AASB 132.

The amendments to AASB 140 clarify that AASB 140 and AASB 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

a) the property meets the definition of investment property in terms of AASB 140; and
b) the transaction meets the definition of a business combination under AASB 3.

Part C – 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard. The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements

2. GOING CONCERN

These consolidated financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The Consolidated Entity has incurred a net loss after tax for the half year ended 31 December 2014 of $0.827 million (31 December 2013: loss of $46.2 million), including realised and unrealised foreign exchange gains of $14.3 million (2013: losses of $12.6 million) and depreciation and amortisation charges of $0.790 million (2013: $1.2 million). During the six month period under review net cash outflows from operating activities (including once-off items totalling $12.5 million) were $18.4 million (31 December 2013 net outflow: $21.8 million). As at 31 December 2014 the Consolidated Entity had a net current liability position of $7.7 million (30 June 2014: net current liabilities of $50.2 million), excluding assets and liabilities classified as held for sale.

2. GOING CONCERN (continued)

These conditions indicate that there is a material uncertainty relating to the ability of the Consolidated Entity to continue as a going concern.

In the six month period under review the Consolidated Entity has made the following areas of progress with regard to its ability to continue as a going concern:

- Progressed negotiations to sell the Mooiplaats and Holfontein projects currently held for sale.
- Progressed negotiations with Rio Tinto for the continued deferral of the $23.5 million liability.
- Received the first two tranches of the equity funding in November and December 2014.

The ability of the Consolidated Entity to continue as a going concern and to pay its debts as and when they fall due is dependent on:

i. The successful conclusion of negotiations with Rio Tinto with respect to the continued deferral of the US$23.5 million liability in order to match the Consolidated Entities available cash resources.

ii. The timely receipt of the third tranche of equity funding of $12 million anticipated in April 2015.

iii. The successful conclusion and receipt of funds from the sale of the Mooiplaats Colliery anticipated to be received within the next 12 months.

iv. The continual review by the Directors of the quantum and timing of all discretionary expenditures including exploration and development costs, and wherever necessary, these costs will be minimised or deferred to suit the Consolidated Entity's cash flow from operations.

At the date of this report and having considered the above factors, the Directors are confident that the Consolidated Entity will be able to continue as a going concern.

In the event that the Consolidated Entity does not achieve successful outcomes in relation to the matters set out above, significant uncertainty would exist as to the ability of the Consolidated Entity to continue as a going concern and, therefore, the Consolidated Entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report for the half year ended 31 December 2014 does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Consolidated Entity not continue as a going concern.

3. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of performance is more specifically focused on the stage within the mining pipeline that the operation finds itself in.

The Group's reportable segments under AASB 8 are therefore as follows:

- Exploration;
- Development;
- Mining (discontinued operation); and
- Corporate.

3. SEGMENT INFORMATION (continued)

The Exploration segment is involved in the search for resources suitable for commercial exploitation, and the determination of the technical feasibility and commercial viability of resources. As at 31 December 2014, projects within this reportable segment include:

- the Makhado Project and
- the Chapudi, Generaal and Mopane projects in the Soutpansberg Coalfield (collectively the GSP Project).

The Development segment is engaged in establishing access to and commissioning facilities to extract, treat and transport production from the mineral reserve, and other preparations for commercial production. As at 31 December 2014 projects included within this reportable segment include one coking coal project, namely the Vele Colliery, in the early operational and development stage.

The Mining segment was involved in day to day activities of obtaining a saleable product from the mineral reserve on a commercial scale and includes the Mooiplaats Colliery. As of 30 June 2013 the Mooiplaats Colliery has been classified as a discontinued operation and is currently on care and maintenance with the Company seeking to dispose of its thermal assets (refer Note 8).

The Corporate segment is involved in the administrating and managing of day to day activities throughout the group (including a treasury function).

The following is an analysis of the Group's results by reportable operating segment for the half-years under review:

For the six months ended 31 December 2014

	Continuing operations				Discontinued operations
	Exploration	**Development**	**Corporate**	**Total**	**Mining**
Revenue	2	-	-	2	-
Cost of sales	-	-	-	-	(248)
Gross loss	2	-	-	2	(248)
Depreciation and amortisation	(37)	(33)	(720)	(790)	-
Foreign exchange profit / (loss)	(3,151)	-	17,443	14,292	3
Employee benefits expense	(63)	(225)	(2,244)	(2,532)	(180)
Other expenses	(109)	(3,396)	(7,256)	(10,761)	(280)
Take or pay port obligation	-	-	-	-	-
Operating lease expenses	(4)	-	(110)	(114)	(9)
Other income	4	-	245	249	6
Operating profit / (loss)	(3,358)	(3,654)	7,358	346	(708)
Interest income	-	31	219	250	59
Finance costs	(413)	(43)	(260)	(716)	(58)
Loss before tax	(3,771)	(3,666)	7,317	(120)	(707)

3. SEGMENT INFORMATION (continued)

For the six months ended 31 December 2013

	Continuing operations				Discontinued operations
	Exploration	**Development**	**Corporate**	**Total**	**Mining**
Revenue	-	-	60	60	1,778
Cost of sales	-	-	(76)	(76)	(2,817)
Gross loss	-	-	(16)	(16)	(1,039)
Depreciation and amortisation	(7)	(33)	(1,246)	(1,286)	-
Impairment	-	-	-	-	(15,849)
Foreign exchange profit / (loss)	-	(2)	(12,562)	(12,564)	146
Employee benefits expense	-	(296)	(3,820)	(4,116)	(2,821)
Other expenses	(139)	(831)	(4,789)	(5,759)	(2,599)
Take or pay port obligation	-	-	(1,549)	(1,549)	-
Operating lease expenses	-	-	(174)	(174)	(87)
Other income	-	-	388	388	751
Operating profit / (loss)	(146)	(1,162)	(23,768)	(25,076)	(21,498)
Interest income	-	-	371	371	192
Finance costs	(3)	(34)	(248)	(285)	-
Loss before tax	(149)	(1,196)	(23,645)	(24,990)	(21,306)

The following is an analysis of the Group's assets by reportable operating segment:

	31 Dec 2014 $'000	**30 June 2014 $'000**
Exploration	125,656	145,995
Development	119,404	135,991
Corporate	58,576	39,382
Total assets – continuing operations	303,636	321,368
Mining – discontinued operation	21,300	23,030
Total assets	324,936	344,398

4. RESULTS FOR THE PERIOD

Loss for the period from continuing operations has been arrived at after charging or (crediting):

	31 Dec 2014 $'000	**31 Dec 2013 $'000**
Foreign exchange profit / (loss)		
Unrealised	16,175	(12,534)
Realised	(1,883)	(30)
	14,292	(12,564)

Other expenses

Other expenses for the six months ended 31 December 2014 includes $1.4 million related to the share option expense in connection with the Investec working capital facility as well as $2.6 million relating to the signing of the BOA and the subsequent recording of the liability.

5. DIVIDENDS

No dividend has been paid or is proposed in respect of the half-year ended 31 December 2014 (2013: None).

6. ISSUED CAPITAL

During the reporting period CoAL shareholders approved a two stage equity placement of up to 695 million shares for GBP0.055. The required regulatory approvals for stage 1 were received during November 2014 resulting in the issue of 295 million CoAL shares to select book-build participants.

During December 2014 the Company announced that it had agreed with all selected participants to split the second stage of the placement into two parts. This stage was previously conditional on receipt from a South African participant, TMM Holdings (Pty) Ltd, of confirmation that it had received sufficient funding to fulfil its second stage funding commitment. The second stage of the equity placement was completed during December 2014 with the issue of 300 million ordinary shares and the third stage will result in a further 144 million shares being issued, anticipated to be completed by April 2015.

	31 December 2014 $'000
1,599,368,613 (2013: 1,048,368,613) fully paid ordinary shares	981,395
Movements in issued capital	
Opening balance	935,891
Shares issued for capital raising, net of costs	45,504
	981,395

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Options

The following unlisted options to subscribe for ordinary fully paid shares are outstanding at 31 December 2014:

Number Issued	Exercise Price	Expiry Date
2,500,000	A$1.20	9 November 2015
1,441,061	A$1.40	30 September 2015
2,670,000	ZAR7.60	30 June 2016
3,500,000	GBP0.25	30 November 2015
3,932,928	ZAR1.75	30 June 2017
4,125,000	ZAR2.00	30 June 2018
20,000,000*	ZAR1.32	21 October 2018

* Issued to Investec as part of the short term bridging facility and vest six months after granting.

7. DEVELOPMENT, EXPLORATION AND EVALUATION ASSETS

	31 Dec 2014 $'000
Development, exploration and evaluation assets comprise:	
Exploration and evaluation assets	125,656
Development assets	119,404
Balance at end of period	245,060

A reconciliation of development, exploration and evaluation assets is presented below:

Exploration and evaluation assets

Balance at beginning of period	139,991
Additions	170
Foreign exchange differences	(14,505)
Balance at end of period	125,656

Development assets

Balance at beginning of period	131,720
Additions	640
Foreign exchange differences	(12,956)
Balance at end of period	119,404

Development assets have been allocated for impairment testing purposes to the Vele Project.

The recoverable amount of this cash-generating unit is determined based on a discounted cash flow valuation to which a resource multiple which ascribes value to the resources outside of the mine plan is added.

The model, which was developed as at 30 June 2014, uses cash flow projections in nominal ZAR terms based on management estimates and a post-tax nominal ZAR denominated weighted average cost of capital of 16.75% for the year ended June 2014. The projected post-tax, nominal, ZAR-denominated cash flows were prepared for a period of 18 years, from 1 July 2014 to 30 June 2032.

For the purposes of assessing the impairment of the cash generating unit as at 31 December 2014, the model originally developed at 30 June 2014 has been subjected to various sensitivity analyses to assess the effect on the recoverable value of reasonable changes to the macroeconomic key assumptions and the timings of the major cash flows.

The Directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Recoverability of the carrying value of interests in exploration and development assets is subject to the successful development and exploitation of the exploration and development properties or alternatively, the sale of these tenements at amounts at least equal to the book values. The ability of the Consolidated Entity to fund the successful development and exploitation of the exploration and development properties is dependent on the going concern assumptions set out in Note 2 'Going Concern'.

8. DISCONTINUED OPERATIONS

	31 Dec 2014 $'000	30 June 2014 $'000
Carrying amounts of		
Holfontein Investments Proprietary Limited ('Holfontein')	-	-
Langcarel Proprietary Limited ('Mooiplaats')	17,276	18,880
	17,276	18,880
Assets associated with discontinued operations		
Holfontein	-	-
Mooiplaats	21,300	23,030
	21,300	23,030
Liabilities associated with discontinued operations		
Holfontein	-	-
Mooiplaats	4,024	4,150
	4,024	4,150
	17,276	18,880

Holfontein

The Company has signed an Option Agreement to dispose of the asset. The option grants the holder an exclusive right to purchase the Holfontein equity and claims for ZAR50.0 million (US$4.8 million) for one year which can be extended on payment of further option fees.

The option holder paid ZAR5.0 million (US$0.5 million) in December 2013 and further payment of ZAR2.5 million (US$0.21 million) during the six months ended December 2014 to extend the option period until end CY2015.

Mooiplaats

The Company is seeking to dispose of its thermal assets which include the Mooiplaats Colliery. The Company expects to recover the carrying value through the disposal of the project.

The major classes of assets and liabilities of Mooiplaats at the end of the reporting period are as follows:

Assets classified as held for sale		
Property, plant and equipment	17,310	18,229
Other financial assets	2,720	2,266
Restricted cash	279	1,474
Inventories	842	929
Trade and other receivables	15	50
Cash and cash equivalents	134	82
	21,300	23,030
Liabilities classified as held for sale		
Provisions	2,727	2,932
Trade payables and accrued expenses	1,297	1,218
	4,024	4,150
Net assets of Mooiplaats	17,276	18,880

8. DISCONTINUED OPERATIONS (continued)

The loss for the half-year from the discontinued operations is analysed as follows:

	Six months ended 31 Dec 2014 $'000	Six months ended 31 Dec 2013 $'000
Revenue	-	1,778
Other gains	69	1,501
	69	3,279
Expenses	(776)	(24,585)
Loss before tax	(707)	(21,306)
Attributable income tax credit	-	-
Loss for the period from operations held for sale (attributable to owners of the parent)	(707)	(21,306)

Cash flows from discontinued operations held for sale

Net cash outflows from operating activities	(412)	(3,479)
Net cash outflows from investing activities	436	329
Net cash outflows from financing activities	-	(12,409)
Net cash outflows	24	(15,559)

These operations have been classified and accounted for as discontinued operations since 30 June 2013.

9. DEFERRED CONSIDERATION

The liability owing to Rio Tinto was reduced during the half-year on the payment of $6.3 million while discussions continued on the settlement of the remaining balance of $23.5 million.

Notwithstanding that the Company is currently in negotiations with Rio Tinto to defer the payments, the payable has been reflected as current in the balance sheet as at 31 December 2014, as no formal agreement to defer the payment has been reached yet.

The Company is confident that they will be successful in negotiating the deferment of the payment.

10. BORROWINGS

The Investec working capital facility of ZAR67.5 million ($5.8 million) was settled in full, in accordance with its terms, on 11 November 2014.

11. LOSS PER SHARE

	Six months ended 31 Dec 2014	Six months ended 31 Dec 2013
	Cents per share	**Cents per share**
Basic loss per share		
From continuing operations	0.01	2.38
From discontinued operations	0.06	2.04
	0.07	4.42

11.1 Basic loss per share

	$'000	$'000
Loss for the period attributable to owners of the parent	(827)	(46,296)
Loss for the period from operations held for sale	707	21,306
Loss used in the calculation of basic loss per share from continuing operations	(120)	(24,990)
	'000 shares	**'000 shares**
Weighted number of ordinary shares		
Weighted average number of ordinary shares for the purposes of basic loss per share	1,182,035	1,048,368

11.2 Diluted loss per share

Diluted loss per share is calculated by dividing loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of diluted ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

As at 31 December 2014, 18,168,989 options (31 December 2013 – 21,987,489 options) and the 20 million options issued to Investec were excluded from the computation of the loss per share as their impact is anti-dilutive.

Headline loss per share (In line with JSE listing requirements)

The calculation of headline loss per share at 31 December 2014 was based on the headline loss attributable to ordinary equity holders of the Company of $0.8 million (2013: $29.8 million) and a weighted average number of ordinary shares outstanding during the period ended 31 December 2014 of 1,182,035,280 (2013: 1,048,368,613).

The adjustments made to arrive at the headline loss are as follows:

	Six months ended 31 Dec 2014 $'000	Six months ended 31 Dec 2013 $'000
Loss for the period attributable to ordinary shareholders	827	46,296
Adjust for:		
Impairment losses	-	(16,453)
Headline earnings	827	29,843
Headline loss per share (cents per share)	**0.07**	**2.85**

12. CASH AND CASH EQUIVALENTS

	31 Dec 2014 $'000	30 Jun 2014 $'000
Bank balances	20,417	2,017
Bank balances associated with discontinued operations (refer Note 8)	134	82
	20,551	2,099
Restricted cash	1,888	5,153
Restricted cash associated with discontinued operations (refer Note 8)	279	1,474
	2,167	6,627

13. CONTINGENT LIABILITIES

In accordance with normal industry practice, the Company has agreed to provide financial support to its controlled entities.

The Group has contingent liabilities as listed below:

Ferret Mining Proprietary Limited

During the period, Ferret's 26% shareholding in Mooiplaats Mining Limited was re-instated. Although they are not entitled to any assets or claims in the Mooiplaats group, they are entitled to receive ZAR10.0 million (US$1.0 million) upon the successful disposal of the Mooiplaats Colliery. This has been taken into account in determining the fair value less costs to sell of the Mooiplaats Colliery.

There are no other significant contingent liabilities as at 31 December 2014.

14. EVENTS SUBSEQUENT TO REPORTING DATE

- The Company received the amended and updated Environmental Authorisation for the Vele Colliery. The application for the amendment and extension of the Integrated Water Use License for the colliery is still to be received, following which the Company will make a decision as the timing of the start of the plant modification at the colliery.
- Subsequent to reporting period end, the Company extended the date on a non-exclusive basis for which Blackspear are required to fulfil the conditions precedent for the sale of Mooiplaats until April 2015, and while the delay is unwelcome it will not an impact of the ability of the Company to continue with the finalisation of its turnaround strategy.
- On 13 February 2015 Michael Meeser, Executive Director and Chief Financial Officer, resigned but will remain with the Company until the end of April 2015.
- Subsequent to 31 December 2014, the Company formalised the Makhado Project BEE structuring ensuring that the project complies with South African mining legislation.

15. KEY MANAGEMENT PERSONNEL

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

16. FINANCIAL INSTRUMENTS

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

16.1 Fair value of the Group's financial assets and financial liabilities that are measure at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Financial assets / financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
		31 Dec 2014	30 Jun 2014				
1.	Other financial assets – Unlisted Investments	Assets - $1.1m	Assets - $0.9m	Level 2	Value certificate obtained from investment institution	N/A	N/A
2.	Other financial assets – Listed Investments	Assets - $0.3m	Assets - $0.7m	Level 1	Quoted prices in an active market	N/A	N/A

The Directors declare that in the directors' opinion,

1. The condensed financial statements and notes of the consolidated entity are in accordance with the following:

    a. complying with accounting standards and the Corporations Act 2001; and

    b. 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.

2. 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, made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

Bernard Robert Pryor
Chairman
12 March 2015

David Hugh Brown
Chief Executive Officer
12 March 2015

Dated at Johannesburg, South Africa, this 12th day of March 2015.

Deloitte.

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The Board of Directors
Coal of Africa Limited
Suite 8, 7 The Esplanade
Mount Pleasant WA 6153

12 March 2015

Dear Board Members

Auditor's Independence Declaration to Coal of Africa Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Coal of Africa Limited.

As lead audit partner for the review of the financial statements of Coal of Africa Limited 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:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Ross Jerrard
Partner
Chartered Accountants

Deloitte.

Deloitte Touche Tohmatsu
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Independent Auditor's Review Report to the members of Coal of Africa Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Coal of Africa Limited, which comprises the condensed statement of financial position as at 31 December 2014, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 12 to 25.

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 gives a true and fair view and 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 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 Coal of Africa 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.

Deloitte.

Auditor's Independence Declaration

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 Coal of Africa 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 Coal of Africa Limited 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 the *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the financial report, which indicates that the Consolidated Entity incurred a net loss of $0.827 million and had net cash outflows from operating activities of $18.4 million for the half year ended 31 December 2014 and had a net current liability position of $7.7 million, excluding assets and liabilities classified as held for sale as at that date. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and therefore, the Consolidated Entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Ross Jerrard
Partner
Chartered Accountants
Perth, 12 March 2015