APPENDIX 4D – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

Results for Announcement to the Market

Key Information	Half-year Ended 31 December 2015 RM'000	Half-year Ended 31 December 2014 RM'000	% Change
Revenue from ordinary activities	23,193	1,470	1,578
Loss after tax from ordinary activities attributable to members	(14,323)	(321)	4,462
Net loss attributable to members	(14,323)	(321)	4,462

Explanation of Key Information

An explanation of the above figures is contained in the Review of Operations" included within the attached directors' report.

Net Tangible Assets per share

	Half- Year Ended 31December 2015 RM/Share	Half-year Ended 31December 2014 RM/Share
Net tangible assets per share	0.17	0.79

Control Gained over Entities in the Half-year

On 16th September 2015, the company acquired 100% of the issued capital of Mistral Engineering Sdn Bhd (MISTRAL). MISTRAL contributed RM2,348,361 profit to the Group's consolidated profit from ordinary activities during the period.

Dividend Reinvestment Plans

The Group does not have any dividend reinvestment plans in operation.

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2015.

Directors

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

Tan Sri Mah King Thian (appointed 16 September 2015)

Dato Seri' Mah King Seng (appointed 16 September 2015)

Mr. Soong Swee Koon (appointed 16 September 2015)

Mr. Jack Tian Hock Tan

Mr. Lee Chong Hoe (appointed 16 September 2015)

Ms. Michelle Siew Yee Lee (appointed 16 September 2015)

Mr. Lawrence Nguyen (resigned 16 September 2015)

Mr. Ting Teck Kai (resigned 16 September 2015)

Review of Operations

During the period, the Company was actively engaged in the acquisition of Mistral Engineering Sdn. Bhd ("Mistral"), a biogas renewable energy company with a plant in Sandakan, Sabah, Malaysia. The acquisition was successfully completed on 16th September 2015 with Mistral becoming a wholly owned subsidiary of the Company. Simultaneously with the acquisition, the Company was delisted from the NSX and admitted to the official list of the ASX.

Mistral is focused on the upgrading of its biogas power plant for connection to the grid under the Malaysian Biogas Feed-in Tariff scheme. At the date of this report, civil and structural works have been completed. During the period, Mistral had mutually terminated its Emission Reductions Purchase Agreement with NE Climate ('NE') in consideration of a compensation payment of RM2,000,001 from NE.

Additional revenue was derived during the period from the sales of sludge oil skimmed from the Palm Oil Mill Effluent.

Although the Group achieved a consolidated profit from ordinary activities of RM 3,526,000 during the period, the goodwill impaired as a result of the acquisition of Timah has resulted in an overall loss of RM 14,323,000 during the period.

Rounding of Amounts

The consolidated group has applied the relief available to it under ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest RM1,000.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 3 for the half-year ended 31 December 2015.

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

Director ....

Tan Sri Mah King Thian

Dated this 26 day of February 2016

HALL CHADWICK (NSW)
Chartered Accountants and Business Advisers

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx : (612) 9263 2800

TIMAH RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN 69 123 981 537
AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TIMAH RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2015 there have been no contraventions of :

i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

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

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

GRAHAM WEBB
Partner

Date: 26 February 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Note	Consolidated Group	
		Half-year Ended 31 December 2015	Half-year Ended 31 December 2014
		RM'000	RM'000
Revenue	2	18,101	1,465
Cost of sales		(17,617)	(1,431)
Gross profit		484	34
Other income	2	5,092	5
Administrative expenses		(255)	(62)
Finance costs		(572)	(380)
Impairment of goodwill		(17,849)	-
Loss before income tax		(13,100)	(403)
Income tax expense		(1,223)	82
Loss for the period		(14,323)	(321)
Other comprehensive income:			
Exchange differences on translation of foreign operations		149	-
Total comprehensive income for the period		(14,174)	(321)
Earnings per share			
– basic earnings per share (cents)		(0.20)	(0.03)
– diluted earnings per share (cents)		(0.20)	(0.03)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	Consolidated Group	
		As at 31 December 2015	As at 30 June 2015
		RM'000	RM'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		7,308	739
Trade and other receivables		3,364	43
Other assets		205	428
Inventories		22	9
TOTAL CURRENT ASSETS		10,899	1,219
NON-CURRENT ASSETS			
Trade receivables		31,787	25,352
Property, plant and equipment		504	517
Deferred tax assets		-	913
TOTAL NON-CURRENT ASSETS		32,291	26,782
TOTAL ASSETS		43,190	28,001
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		15,399	8,249
Borrowings		1,650	1,650
TOTAL CURRENT LIABILITIES		17,049	9,899
NON-CURRENT LIABILITIES			
Borrowings		9,913	10,737
Deferred tax liabilities		309	-
TOTAL NON-CURRENT LIABILITIES		10,222	10,737
TOTAL LIABILITIES		27,271	20,636
NET ASSETS		15,919	7,365
EQUITY			
Issued capital	3	31,978	9,250
Foreign currency translation reserve		149	-
Retained earnings		(16,208)	(1,885)
TOTAL EQUITY		15,919	7,365

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

Consolidated Group	Ordinary Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Total
	RM'000	RM'000	RM'000	RM'000
Balance at 1 July 2014	250	(2,083)	-	(1,833)
Comprehensive income				
Loss for the period	-	(321)	-	(321)
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the period	9,000	-	-	9,000
Balance at 31 December 2014	9,250	(2,404)	-	6,846
Balance at 1 July 2015	9,250	(1,885)	-	7,365
Comprehensive income				
Loss for the period	-	(14,323)	-	(14,323)
Foreign exchange translation difference	-	-	149	149
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the period	22,861	-	-	22,728
Equity raising costs	(133)			
Balance at 31 December 2015	31,978	(16,208)	149	15,919

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Consolidated Group	
	Half-year Ended 31 December 2015	Half-year Ended 31 December 2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	2,303	1,465
Payments to suppliers and employees	(1,266)	(731)
Interest received	8	5
Finance costs	(572)	(380)
Net cash provided by operating activities	473	359
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets	-	(1,272)
Payment for construction assets	(6,364)	-
Net cash used in investing activities	(6,364)	(1,272)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(825)	(821)
Proceeds from issue of shares	6,490	9,000
Equity raising costs	(133)	
Advances from / (repayment to) holding company	6,761	(6,848)
Net cash provided by financing activities	12,293	1,331
Net increase in cash held	6,402	418
Cash and cash equivalents at beginning of period	739	99
Effect of exchange rate changes on cash and cash equivalents	167	-
Cash and cash equivalents at end of period	7,308	517

The accompanying notes form part of these financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. **Basis of Preparation**

These general purpose interim financial statements for half-year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Timah Resources Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 26 February 2016.

The consolidated financial statements have been prepared using reverse acquisition accounting. In reverse acquisition accounting, the cost of the business combination is deemed to have been incurred by the legal subsidiary Mistral (the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent, Timah (the acquire for accounting purposes).

The ultimate holding company of the Group is Cepatwawasan Group Berhad. Cepatwawasan Group Berhad is incorporated in Malaysia.

Functional and Presentation Currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Malaysian Ringgit which is the parent entity's functional and presentation currency.

b. **Going Concern**

The financial statements of the Group have been prepared on a going concern basis which assumes that the Group will continue in operational existence for the foreseeable future.

As of 31 December 2015, the Group's current liabilities exceeded its current assets by RM6,150,000. The ability of the Group to continue as a going concern and repayment of its debts as and when they fall due is dependent on the Group achieving future profitable operations and the continued financial support from the ultimate holding company. The financial statements do not include any adjustments which may be necessary should such financial support not be available.

The ultimate holding company has agreed to provide continue financial support to the extent that the Group will be able to meet it liabilities as and when they fall due during the next twelve months period ended 31 December 2016.

Based on the above basis, the director consider that it is appropriate to prepare the financial statements on a going concern basis.

c. **Accounting Policies**

The Group has adopted the following accounting policies upon the acquisition of Mistral. These accounting policies are in addition to those applied in the most recent annual financial statements of Timah.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

d. **Property, Plant and Equipment**

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowings costs for long-term construction projects if the recognition criteria are met.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and infrastructure	**5% - 7%**
Heavy equipment, plant and machinery	**6% - 10%**
Furniture, fittings and equipment	**10%**

Assets under construction are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

e. **Impairment of Non-Financial Assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

f. **Loans and Borrowings**

Loans and borrowings and payables are recognised initially at net of directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

g. **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Revenue from the sale of electricity is recognised upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

h. **Service Concession Arrangements**

Mistral and Sabah Electricity Sdn. Bhd. ("SESB") entered into a Renewable Energy Power Purchase Agreement on 1 April 2015 ("REPPA") to design, construct, own, operate and maintain a Renewable Energy Power Plant ("the Facilities"), to sell and deliver electrical energy to SESB under the Feed-In Tariff Program.

In accordance to the terms of the REPPA, SESB agrees to purchase the Annual Baseline Energy generate from the Facilities at a fixed tariff of 16 years from the commercial operation date.

i) Revenue

The Group recognises revenue from the construction of the Facilities in accordance with its accounting policy for construction contracts set out in Note 1 (i) below. Where the Group performs more than one service under the arrangement, consideration received or receivable is allocated to the components by reference to the relative fair values of the services delivered, when the amounts are separately identified.

ii) Financial Assets

The Company recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction services.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. **Construction Contracts**

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is possible that total contract costs will exceed total contract revenues, the expected loss is recognised as an expenses immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenues and they are capable of being reliably measured.

When the total of costs incurred on constructions contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is classified as amount due from customers on contracts. Then progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

j. **Foreign Currency Transactions and Balances**

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the statement of profit or loss.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

— assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;

— income and expenses are translated at average exchange rates for the period; and

— retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

NOTE 2: REVENUE

	Consolidated Group	
	Half-year Ended 31 December 2015	**Half-year Ended 31 December 2014**
	RM'000	**RM'000**
The following revenue items are relevant in explaining the financial performance for the interim period:		
Revenue:		
Sales of renewable energy	1,284	1,465
Construction of services concession facilities	16,817	-
Other Income:		
Sales of sludge oil	1,019	-
Interest income	824	5
Compensation for Emission Reductions Purchase Agreement termination	1,899	-
Debt forgiveness	1,349	-
Other income	1	-
	23,193	1,470

NOTE 3: ISSUED CAPITAL

Movements in share capital of the Company are set out below:

	No.	**RM'000**
Opening balance at 30 June 2015	80,252,626	9,250
Consideration shares issued for the acquisition of Mistral	85,500,000	16,371
	165,752,626	25,621
Less: Share consolidation 2:1	(82,876,313)	-
	82,876,313	25,621
Share issued during ASX IPO	10,605,000	6,490
Less: Costs directly attributable to the issue of ordinary shares	-	(133)
Closing balance	93,481,313	31,978

NOTE 4: BUSINESS COMBINATIONS

On 16th September 2015, the Company acquired 100% of the issued capital of Mistral, a biogas renewable energy company incorporated in Malaysia. The acquisition provides existing shareholders of the Company the opportunity to participate in the business opportunities of Mistral.

The acquisition is part of the Group's overall strategy to venture into the renewable energy business.

The acquisition was achieved by issuing 85,500,000 ordinary shares in the Company to the existing shareholders of Mistral, a 2:1 share consolidation and an Initial Public Offer (IPO) listing on the ASX. The existing shareholders of Mistral subscribed 10,000,000 consolidated ordinary shares in the IPO.

Upon completion, the previous shareholders of the Company hold 38.49% whilst the shareholders of Mistral hold 61.51%. For accounting purposes the acquisition is accounted for as a reverse acquisition resulting in a goodwill of RM 17,849,000 which was fully impaired during the period.

	RM'000
Purchase Consideration	16,371
Less:	
Fair value at acquisition date:	
Fixed assets	1
Other receivables	27
Cash and cash equivalents	6,569
Trade and other payables	(8,075)
Fair value of net assets acquired	(1,478)
Goodwill	17,849
Purchase Consideration	16,371

The acquisition resulted in a goodwill of MYR17,848,604 which has been written off in the period ended 31 December 2015 as disclosed in the prospectus. Goodwill represents the value of having an ASX listing status with all the capital raising avenues available.

Acquisition costs of RM1,037,847 have been expensed. Capital raising costs of MYR132,777 associated with the acquisition and the IPO have been deducted from the amount of capital raised.

NOTE 5: OPERATING SEGMENTS

The Group operated in one based single segment being renewal energy power generation on 2 geographical segments.

	Australia	**Malaysia**	**Total**
(i) Segment Performance	**RM'000**	**RM'000**	**RM'000**
Year Ended 31.12.2015			
Revenue	2	21,842	21,844
Debt forgiveness	1,349	-	1,349
Total Segment Revenue	**1,351**	**21,842**	**21,193**
Inter-Segment Elimination	-	-	-
Total Group Revenue	**1,351**	**21,842**	**21,193**
Segment Net (Loss)/Profit before tax	**(16,671)**	**2,348**	**14,323**

	Australia	Malaysia	Total
	RM'000	RM'000	RM'000
Year Ended 31.12.2014			
Revenue	-	1,470	1,470
Total Segment Revenue	**-**	**1,470**	**1,470**
Inter-Segment Elimination	-	-	-
Total Group Revenue	**-**	**1,470**	**1,470**
Segment Net Loss before tax	**-**	**(321)**	**(321)**
As at 31.12.2015			
Total Group Assets	**6,352**	**36,838**	**43,190**
As at 30.06.2015			
Total Group Assets	**-**	**28,001**	**28,001**
(iii) Segment Liabilities			
As at 30.12.2015			
Total Liabilities	**146**	**27,125**	**27,271**
As at 30.06.2015			
Total Liabilities	**-**	**20,636**	**20,636**

NOTE 6: EVENTS AFTER THE END OF THE INTERIM PERIOD

The directors are not aware of any significant events since the end of the interim period.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Timah Resources Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 14

   , are in accordance with the *Corporations Act 2001*, including:

   a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and

   b. giving a true and fair view of the consolidated entity'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 the company will be able to pay its debts as and when they become due and payable.

Director ______________________________

Tan Sri Mah King Thian

Dated this 26 day of February 2016

HALL CHADWICK (NSW)
Chartered Accountants and Business Advisers

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

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx : (612) 9263 2800

Report on the Half-year Financial Report

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

Directors' Responsibility for the Half-year Financial Report

The directors of Timah Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that 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 Timah Resources Limited'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 Timah Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Timah Resources Limited is not in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of Timah Resources Limited's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and

(ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW 2000

GRAHAM WEBB
Partner
Date: 26 February 2016