

**A C C E N T**  
**R E S O U R C E S N . L .**



ACN 113 025 808

**HALF-YEAR REPORT**

**FOR THE SIX MONTHS ENDED  
31 DECEMBER 2014**

# **A C C E N T**

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**R E S O U R C E S      N . L .**



ACN 113 025 808

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**Directors**

Yuzi (Albert) Zhou – Executive Chairman  
Dianzhou He - Non-Executive Director and  
Deputy Chairman  
Jun Sheng Liang – Non-Executive Director  
Jie You (alternate Director to Jun Sheng Liang)

**Company Secretary**

Robert Allen

**Auditors**

Crowe Horwath  
Level 6  
256 St Georges Terrace  
PERTH WA 6000

**Bankers**

BankWest  
1/1215 Hay St  
WEST PERTH WA 6005

**Solicitors**

Hilary Macdonald  
Suite 29, 18 Stirling Highway  
NEDLANDS WA 6009

Steinepreis Paganin  
Level 4, Next Building  
16 Milligan Street  
PERTH WA 6000

**Share Registry**

Advanced Share Registry  
150 Stirling Highway  
NEDLANDS WA 6009

**Stock Exchange Listing**

Australian Securities Exchange Limited  
(Home Branch - Perth)  
ASX Code: ACS

**Registered Office**

Level 9, 250 Queen Street  
MELBOURNE VIC 3000

**Exploration & Administration Office**

4/29 Ord Street  
WEST PERTH WA 6005

**Contacts**

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Your Directors present their report together with the financial report of Accent Resources NL ("the Company") for the half-year ended 31 December 2014.

## Directors

The Directors in office at the date of this report and at any time during the half-year are as follows:

Yuzi (Albert) Zhou – Executive Chairman  
Dianzhou He – Non-Executive Director and Deputy Chairman  
Jun Sheng Liang – Non-Executive Director  
Jie You (alternate Director to Jun Sheng Liang)

Directors were in office for the entire period unless otherwise stated.

## Chief Executive Officer

During the half-year ended 31 December 2014 the CEO of the Company, Mr Philip Ash, resigned from the company and position as CEO effective 19 December 2014. As at the date of this report the position of CEO is vacant.

## Results of Operations

The net loss of the Company after income tax for the six months ended 31 December 2014 amounted to \$13,260,710 (2013: \$2,265,926).

## Review of Operations

### Corporate

Due to a reduced level of exploration, no capital raisings were required during the reporting period. The company continues to assess opportunities and projects for acquisition.

### Exploration Activities

The Company continued with exploration and evaluation activities at its Western Australian projects during the half year reporting period.

### Magnetite Range Iron Ore Project (ACS 100%)

The Company's wholly owned Magnetite Range project is located in the Midwest region of Western Australia, immediately adjacent to the Extension Hill iron ore mine, and contains total JORC resources of 434.5 Mt at 31.4% Fe at 15% weight recovery cut off, as announced to the ASX on 28 November 2012.

Project studies at the Mt Gibson (Magnetite Range) Project have been deferred until a future time. This is an impairment indicator under AASB 6 and has necessitated an assessment, by the Company, of the Mt Gibson Project's recoverable value, as required by AASB 136. As a result of this assessment, the Company has impaired the carrying value of its Mt Gibson Project by \$11,385,853 to nil, at 31 December 2014.

### **Katanning Vanadium Project (ACS 90%)**

No field work was completed during the period. The sole remaining tenement (E70/2729) expired on 17 November 2014 and a 1 year extension of term application was submitted to the WA Department of Mines and Petroleum ('DMP'). The application was pending review at time of report preparation.

### **Norseman Gold project (ACS 100%)**

The Norseman project occurs within a strongly mineralised portion of the southern Norseman-Wiluna greenstone belt and is located 5km south of Norseman.

A JORC 2004 compliant resource for Iron Duke and Surprise deposits of **1,039,400 tonnes @ 1.8 g/t Au for 59,500 ounces** (99 percentile upper cut, 1.0 g/t Au lower cut off) was announced to the ASX on 26 November 2012. Over 70-80% of the resource is shallow, within 50m of surface. The review and resource estimation exercise has clearly demonstrated that additional drilling is required to test deeper potential and newly identified zones.

Drill hole reconnaissance and installation of fencing at shafts were completed during the period.

### **Arcadia (Meekatharra) Gold Project (ACS 100%)**

Previous RC and diamond drilling at the Hope River Prospect has identified an auriferous quartz dolerite over a 2km length of the N-S trending Hope River shear zone. The most significant intersections include:

- 8m @ 4.24 g/t Au (MHD 46 on cross section 7023950mN)
- 8m @ 3.89 g/t Au (MHC 21 on cross section 7023235mN)
- 1m @ 15.5 g/t Au (MHC 13 on cross section 7024435mN)

Aircore drill testing of a portion of the untested northern strike extension of the Hope River shear zone returned anomalous composite assay results (peak 8m @ 1.2 g/t Au) over more than 1km and require RC follow up.

### **Project Acquisition Research**

Due to reduced focus at Magnetite Range, the Company's strategy is to concentrate on the identification of investment opportunities in the resources sector and development of existing projects.

The Company's objective is to identify mineral resource projects that have a clear pathway to production or monetisation. Asset values are currently substantially discounted and provide an attractive investment opportunity using the Company's sound cash position and access to overseas funding. Major shareholders are committed to the Company's acquisition strategy and are assisting the search.

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#### **Competent Person Statement**

The information in this report that relates to exploration results, mineral resources or ore reserves has been compiled by Mr Philip Ash MAusIMM, who is a former full time employee of Accent Resources NL. Mr Ash has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a competent person as defined in the 2012 edition of the Australasian Code for the reporting of exploration results, mineral resources and ore reserves. We also note that subsequent to the period ended 31 December 2014, Mr Ash has departed Accent Resources NL but provided his consent to be included as the competent person for these six months. Mr Ash consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Going forward, Mr Douglas Allan MAIG, who is a competent person with regard to exploration results, will compile the results.

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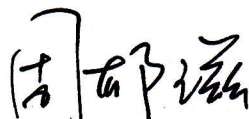
**Subsequent events**

Following an extensive review of the Katanning project and the desire of the company to focus on project acquisition activities, it was decided subsequent to half year end to relinquish E70/2729. The capitalised carrying value of this tenement, which amounted to \$1.6m, has been written off in this current interim financial report. This leaves a carrying value of \$150k remaining as capitalised expenditure relating to this tenement.

**Auditor's Independence Declaration**

The auditor's independence declaration has been received and is included with this half-year report.

Signed in accordance with a resolution of the Board of Directors.



Yuzi (Albert) Zhou  
Executive Chairman

Dated this 15<sup>th</sup> day of March 2015

ACCENT RESOURCES NL  
 STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2014



	31 December 2014 \$	31 December 2013 \$
Revenue	29,969	66,991
Administration expenses	(144,422)	(176,290)
Depreciation	(4,125)	(1,568)
Occupancy expenses	(29,418)	(40,218)
Directors fees	(140,980)	(145,315)
Other expenses	(16,435)	(49,549)
Write-off of exploration expenditure	(1,569,446)	(1,919,977)
Impairment of exploration expenditure	(11,385,853)	-
Loss before income tax expense	(13,260,710)	(2,265,926)
Income tax expense	-	-
<b>Loss for the period attributable to the members of the company</b>	<b>(13,260,710)</b>	<b>(2,265,926)</b>
Other Comprehensive income	-	-
<b>Total comprehensive loss for the period attributable to the members of the company</b>	<b>(13,260,710)</b>	<b>(2,265,926)</b>
	<b>Cents Per Share</b>	
Basic and diluted loss per share	(7.35)	(1.25)

The accompanying notes form part of these financial statements.



ACCENT RESOURCES NL  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014



	31 December 2014 \$	30 June 2014 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1,794,201	2,455,773
Trade and other receivables	1,484	6,560
<b>Total Current Assets</b>	<b>1,795,685</b>	<b>2,462,333</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	47,041	45,245
Exploration and evaluation assets	3,660,549	16,288,025
<b>Total Non-Current Assets</b>	<b>3,707,590</b>	<b>16,333,270</b>
<b>Total Assets</b>	<b>5,503,275</b>	<b>18,795,603</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	148,089	147,370
Provisions	50,881	83,218
<b>Total Current Liabilities</b>	<b>198,970</b>	<b>230,588</b>
<b>Total Liabilities</b>	<b>198,970</b>	<b>230,588</b>
<b>NET ASSETS</b>	<b>5,304,305</b>	<b>18,565,015</b>
<b>EQUITY</b>		
Issued capital	29,058,955	29,058,955
Reserves	176,100	176,100
Accumulated losses	(23,930,750)	(10,670,040)
<b>TOTAL EQUITY</b>	<b>5,304,305</b>	<b>18,565,015</b>

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL  
 STATEMENT OF CHANGES IN EQUITY  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2014



	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Total Equity \$
<b>Balance at 1 July 2013</b>	<b>29,058,955</b>	<b>(8,013,462)</b>	<b>176,100</b>	<b>21,221,593</b>
<b>Comprehensive income</b>				
Loss for the year	-	(2,265,926)	-	(2,265,926)
Transactions with owners in their capacity as owners	-	-	-	-
<b>Balance at 31 December 2013</b>	<b>29,058,955</b>	<b>(10,279,388)</b>	<b>176,100</b>	<b>18,955,667</b>
<b>Balance at 1 July 2014</b>	<b>29,058,955</b>	<b>(10,670,040)</b>	<b>176,100</b>	<b>18,565,015</b>
<b>Comprehensive income</b>				
Loss for the year	-	(13,260,710)	-	(13,260,710)
Transactions with owners in their capacity as owners	-	-	-	-
<b>Balance at 31 December 2014</b>	<b>29,058,955</b>	<b>(23,930,750)</b>	<b>176,100</b>	<b>5,304,305</b>

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL  
 STATEMENT OF CASH FLOWS  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2014



	31 December 2014 \$	31 December 2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	29,969	66,991
Payments to suppliers and employees	(355,567)	(478,036)
Net cash used in operating activities	<u>(325,598)</u>	<u>(411,045)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for plant and equipment	(7,307)	(6,709)
Payments for exploration and evaluation	(328,666)	(371,218)
Net cash used in investing activities	<u>(335,973)</u>	<u>(377,927)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents held	(661,571)	(788,972)
Cash and cash equivalents at the beginning of the financial period	2,455,772	6,070,354
Cash and cash equivalents at the end of the financial period	<u><b>1,794,201</b></u>	<u><b>3,208,128</b></u>

The accompanying notes form part of these 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 shall be read in conjunction with the most recent annual financial report. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

### Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2014 have been prepared in accordance with requirements of the *Corporations Act 2001* and comply with Australian Accounting Standards including AASB 134 *Interim Financial Reporting*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2014, together with any public announcements made during the half-year.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Company's last annual financial statements for the year ended 30 June 2014.

### New and revised Standards

Accent 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 half-year.

No new and amended standards and interpretations from the AASB which were made during the year had a material impact on the financial report of the Company.

### Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical cost.

## 2. DIVIDENDS PAID

There have been no dividends paid nor declared since the last reporting date.

## 3. CONTINGENT LIABILITIES

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

#### 4. SEGMENT INFORMATION

##### Identification of Reportable Segment

The Company identifies its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Company operates in mineral exploration in Australia. The financial information in the Statement of Comprehensive Income and the Statement of Financial Position is the same as that presented to the chief operating decision maker.

#### 5. SUBSEQUENT EVENTS

Following an extensive review of the Katanning project and the desire of the company to focus on project acquisition activities, it was decided subsequent to half year end to relinquish E70/2729. The capitalised carrying value of this tenement, which amounted to \$1.6m, has been written off in this current interim financial report. This leaves a carrying value of \$150k remaining as capitalised expenditure relating to this tenement.

#### 6. ISSUED CAPITAL

There was no change in Issued Capital during the period.

#### 7. EXPLORATION AND EVALUATION COSTS

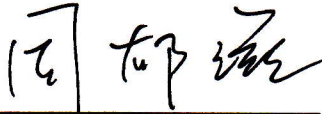
	31 December 2014	30 June 2014
	\$	\$
Opening Balance	16,288,025	17,455,713
Deferred exploration expenditure incurred during the period	327,823	754,888
Adjustment – historical capitalized expenses	-	(2,599)
Write off of capitalized expenditure	(1,569,446)	(1,919,977)
Impairment of capitalized expenditure	(11,385,853)	-
Closing Balance	3,660,549	16,288,025

Project studies at the Mt Gibson (Magnetite Range) Project have been deferred until a future time. This is an impairment indicator under AASB 6 and has necessitated an assessment, by the Company, of the Mt Gibson Project's recoverable value, as required by AASB 136. As a result of this assessment, the Company has impaired the carrying value of its Mt Gibson Project by \$11,385,853 to nil, at 31 December 2014.

In accordance with a resolution of the Board of Directors, the Directors of the Company declare that:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company's financial position at 31 December 2014 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting.
- (b) 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.

On behalf of the Board



Yuzi (Albert) Zhou  
Executive Chairman

Dated this 15<sup>th</sup> day of March 2015

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACCENT RESOURCES NL**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Accent Resources NL (the Company) which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity, the 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 Financial Report*

The Directors of Accent Resources NL (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*, 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 Accent Resources NL'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 Accent Resources NL, 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*.

*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 Accent Resources NL is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2014 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.



**Crowe Horwath Perth**



**Cyrus Patell**  
Partner

Signed at Perth, 15th March 2015



## AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Accent Resources NL for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



**Crowe Horwath Perth**



**Cyrus Patell**  
Partner

Signed at Perth, 15<sup>th</sup> March 2015