



NYOTA MINERALS LIMITED

A.C.N. 060 938 552

**HALF-YEAR REPORT
31 DECEMBER 2015**

DIRECTORS' REPORT

The Directors present their report on the Group consisting of Nyota Minerals Limited ("Nyota" or the "Company") and the entities it controlled at the end of, or during the half-year ended 31 December 2015.

DIRECTORS

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

Richard Chase, Michael Langoulant and Evan Kirby.

REVIEW AND RESULTS OF OPERATIONS

Ivrea Nickel-Copper Project, Italy

70% owned by Nyota

The Ivrea project is focused on the evaluation of that part of the Ivrea Gabbroic Complex that hosts a number of small nickel mines that operated intermittently between the mid-1800s and early 1900s, with some being brought back into operation between 1937 and 1949. All of them are typical of the lode type, high grade underground style of the time.

Project Progress

The emphasis during the period was on the interpretation and follow-up of the airborne survey data. Fieldwork becomes impractical from October / November due to the winter weather, and no discretionary spending was committed to in the fourth calendar quarter.

Technical Overview

An airborne electromagnetic and magnetic survey was undertaken in May / June over nine target areas comprising a total of 431 line kilometres. The steep topography in all areas necessitated terrain clearances significantly higher than optimal, which impacted on the efficacy of the survey.

A strike extensive conductor was defined in the Alpe di Laghetto survey block with a second strong conductor with a short strike length offset to its west. Less extensive conductors were found on the western side of the Fej block and at Gula. No conductors were found in a number of the target areas, each of which contain at least one historic nickel mine. This is attributed to the absence of conductive massive sulphides either due to their being mined-out or the sulphides are disseminated in nature.

The highest priority target is the Alpe di Laghetto target. In this area the mafic intrusive complex, as mapped at surface, correlates with a strong, positive magnetic anomaly (left hand image in Figure 1) coincidental with which is a conductive trend extending for approximately 5km (right hand image).

Along the eastern flank of the mafic intrusive / magnetic anomaly is a broad and strike extensive conductive trend that may represent one or more stratigraphic conductors (T3, 4, 5 & 6 in Figure 1) either at the contact or within the surrounding host rock (Kinzingite).

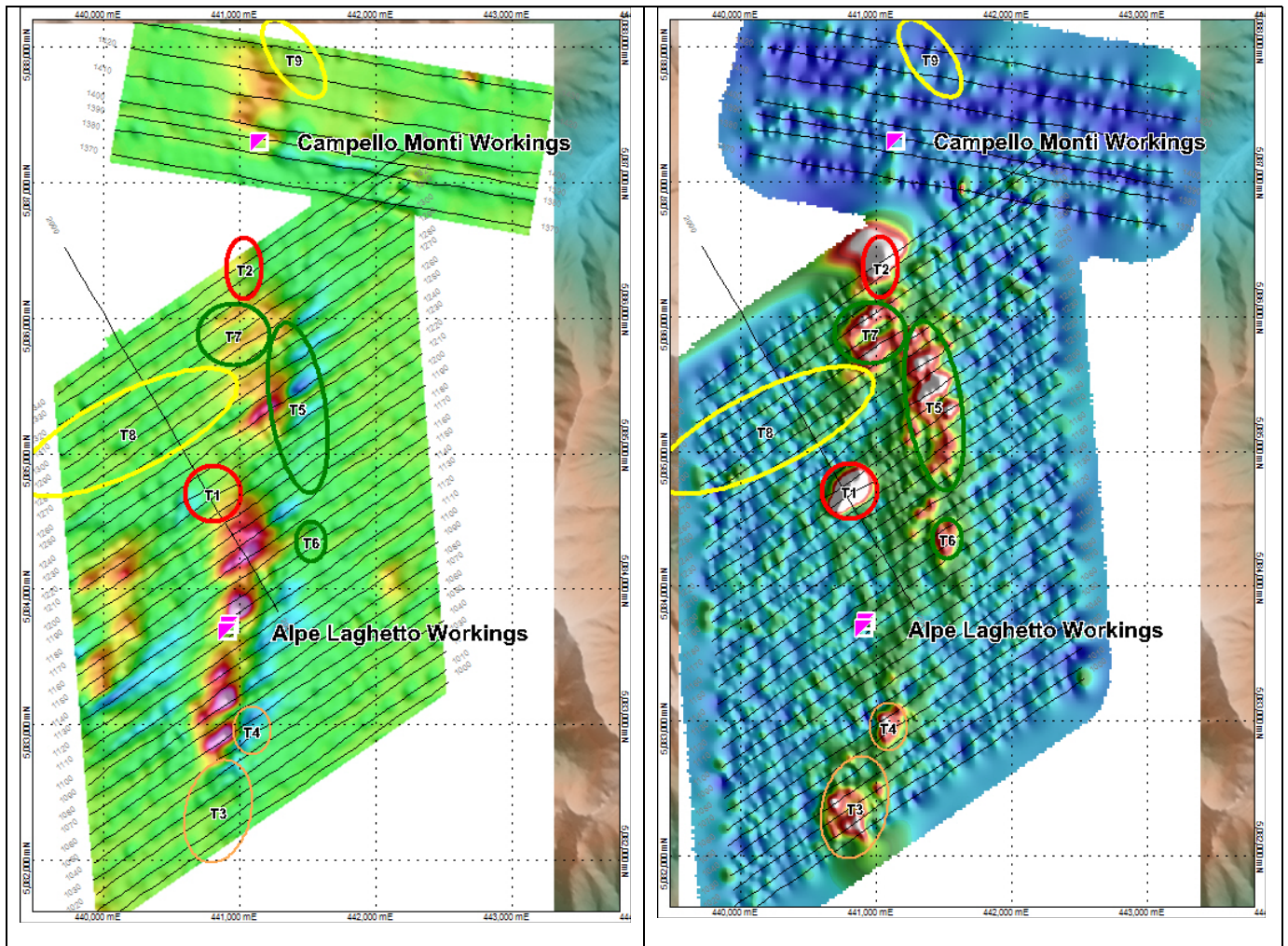
The strongest EM anomaly in the entire survey is however observed on the western boundary of the mapped mafic complex, between the Alpe di Laghetto and La Balma mine workings (T1 in Figure 1). It comprises of a conductor that extends for approximately 100m in a north-south direction and plunges / dips to the east.

It is self-evident that the coincidence of geophysical anomalies and old mines is significant. Furthermore, follow up fieldwork has identified sulphide minerals and their indicators at localities away from the old mines but where the VTEM survey shows there to be an anomalous conductor.

An archive search and data compilation undertaken during the period contributed further information, including fieldwork reports from the 1980's for the Alpe di Laghetto and La Balma target areas. Although no drilling was undertaken during this time, a modest ground geophysical survey and extensive geochemical sampling confirm the anomalous trend identified by Nyota's work and provide more information on the prospectivity.

Figure 1: Alpe di Laghetto Target

Left: Magnetic Image (TMI); Right: VTEM late time channel amplitude



It is important to note that, in all cases, conductors that could be associated with sulphides could also be magnetite rich layers within the layered complex or graphitic banding in the Kinzingite host rock. Nyota intends detailed ground geophysical surveys (magnetics, EM and possibly IP) to precede the siting of drill holes to test the sources of the responses. This will verify the targets, and provide better data for interpretation of the location, depth and dip of the conductive sources so that they can be drill tested effectively and efficiently.

Applications made to modify existing license areas based on the results of the survey are pending. The Conference (public meeting) to consider and, if there are objections, to recommend the issuance of the revised permits is scheduled for early April 2016. These areas include the anomalous trend at Alpe di Laghetto.

NEW BUSINESS OPPORTUNITIES

In a Chairman's statement released at the Company AGM held on 30 November 2015, it was noted that given the continuing difficulty in sourcing new equity funds for resource projects the Company would consider investments in other business sectors. Since then the Company has evaluated several potential opportunities.

CORPORATE

On 16 July 2015 the Company issued 545,454,545 Shares at an issue price of £0.00055 (0.055 pence) (approximately A\$600,000) to raise up to £300,000 (before costs) through a placement to institutional investors.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. A copy of this Independence Declaration is set out on page 5.

Dated at Perth this 11th day of March 2016.

Signed in accordance with a resolution of the Directors.



R Chase
Chief Executive Officer

Competent Person

The technical exploration information contained in this announcement has been reviewed and approved by Mr R. Chase, Chief Executive Officer of Nyota Minerals Limited. Mr Chase has sufficient experience which is relevant to the activities and results that he is reviewing to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results and as a qualified person under the AIM Note for Mining, Oil and Gas Companies. Mr. Chase is an employee of Nyota Minerals Limited and is a Member of the Institute of Materials, Minerals and Mining and a Fellow of the Geological Society of London. Mr Chase consents to the inclusion in this announcement of such information in the form and context in which it appears.

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Nyota Minerals Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



**Perth, Western Australia
11 March 2016**

**N G Neill
Partner**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year Ended 31 Dec 2015	Half-year Ended 31 Dec 2014
Notes	\$	\$
Revenue from continuing operations		
Other revenue	151	4,246
Other income – foreign exchange gains	<u>11,352</u>	<u>70,678</u>
Other expenses from continuing operations		
Administration	(212,636)	(556,213)
Exploration and evaluation expensed	(256,986)	(549,068)
Impairment of exploration and evaluation assets	-	(750,000)
Impairment of available-for-sale assets	(122,963)	(345,303)
Loss on sale of available-for-sale assets	-	(361,131)
Project generation costs	-	(31,309)
Loss before income tax	<u>(592,585)</u>	<u>(2,518,100)</u>
Income tax expense	-	-
Loss for half-year from continuing operations	<u>(581,082)</u>	<u>(2,518,100)</u>
Loss for the half-year after tax	<u>(581,082)</u>	<u>(2,518,100)</u>
Other comprehensive expense / income		
<i>Items that may be reclassified to profit and loss:</i>		
Changes in fair value of available-for-sale financial assets, net of tax	-	26,167
Exchange differences on translation of foreign operations	8,035	181,405
<i>Items that will not be subsequently reclassified to profit and loss:</i>		
Reclassification of fair value adjustments of available-for-sale financial assets to profit and loss	71,782	345,303
Other comprehensive income for the half-year	<u>79,817</u>	<u>552,875</u>
Total comprehensive income/(loss) for the half-year	<u>(501,265)</u>	<u>(1,965,225)</u>
Total comprehensive income/(loss) for the half year attributable to members of Nyota Minerals Limited	<u>(501,265)</u>	<u>(1,965,225)</u>
Loss per share from continuing operations		
Basic loss per share	(0.004)	(0.003)
Diluted loss per share	(0.004)	(0.003)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	31 Dec 2015 \$	30 June 2015 \$
ASSETS			
Current assets			
Cash and cash equivalents		201,032	106,280
Trade and other receivables		37,406	140,830
Available-for-sale assets		<u>31,934</u>	<u>83,115</u>
Total current assets		<u>270,372</u>	<u>330,225</u>
Non-current assets			
Property, plant and equipment		-	7,327
Exploration and evaluation expenditure	2	<u>287,500</u>	<u>287,500</u>
Total non-current assets		<u>287,500</u>	<u>294,827</u>
Total assets		<u>557,872</u>	<u>625,052</u>
LIABILITIES			
Current liabilities			
Trade and other payables		<u>116,181</u>	<u>245,600</u>
Total current liabilities		<u>116,181</u>	<u>245,600</u>
Total liabilities		<u>116,181</u>	<u>245,600</u>
Net assets		<u>441,691</u>	<u>379,452</u>
EQUITY			
Contributed equity	4	182,811,119	182,247,615
Reserves		6,745,869	6,666,052
Accumulated losses		<u>(189,115,297)</u>	<u>(188,534,215)</u>
Total equity		<u>441,691</u>	<u>379,452</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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

	Attributable to the owners of Nyota Minerals Limited			
	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance 1 July 2015	182,247,615	(188,534,215)	6,666,052	379,452
Loss for the half-year	-	(581,082)	-	(581,082)
Other comprehensive income for the half-year	-	-	79,817	79,817
Total comprehensive loss for the half-year	-	(581,082)	79,817	(501,265)
Transactions with equity holders in their capacity as equity holders:				
Shares issued	593,163	-	-	593,163
Capital raising costs	(29,659)	-	-	(29,659)
	563,504	-	-	563,504
Balance at 31 December 2015	182,811,119	(189,115,297)	6,745,869	441,691
Balance 1 July 2014	185,698,880	(185,493,030)	6,127,837	6,333,687
Loss for the half-year	-	(2,518,100)	-	(2,518,100)
Other comprehensive income for the half-year	-	-	552,875	552,875
Total comprehensive loss for the half-year	-	(2,518,100)	552,875	(1,965,225)
Transactions with equity holders in their capacity as equity holders:				
Employee share plan shares paid up	53,207	-	-	53,207
Capital reduction	(3,688,287)	-	-	(3,688,287)
	(3,635,080)	-	-	(3,635,080)
Balance at 31 December 2014	182,063,800	(188,011,130)	6,680,712	733,382

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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

	Half-year Ended 31 Dec 2015	Half-year Ended 31 Dec 2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(614,444)	(1,148,109)
Receipts from customers	126,155	-
Interest received	151	4,246
	<hr/>	<hr/>
Net cash flow used in operating activities	(488,138)	(1,143,863)
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for plant and equipment	-	(3,792)
Project generation payments	-	(31,309)
Sale of associates	-	1,305,224
	<hr/>	<hr/>
Net cash flow from investing activities	-	1,270,123
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issues	593,163	-
Capital raising costs	(29,659)	-
	<hr/>	<hr/>
Net cash flow from financing activities	563,504	-
Net increase in cash and cash equivalents	75,366	126,260
Cash and cash equivalents at the beginning of the half-year	106,280	511,717
Effect of exchange rate changes on cash and cash equivalents	19,386	70,678
	<hr/>	<hr/>
Cash and cash equivalents at the end of the half-year	201,032	708,655

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2015 is a general purpose financial statement prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial report has been prepared on a historical cost basis. The Company is domiciled in Australia and all accounts are presented in Australian dollars, unless otherwise stated.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Nyota Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

Going Concern

The Directors have prepared cash projections showing the need to raise additional funds to finance the Group's proposed minimum exploration work programme and working capital requirements for the next twelve months.

The Group's ability to continue as a going concern while meeting its preferred minimum exploration work programme is dependent upon the Group being successful in completing a capital raising and/or asset sale and/or joint venture agreement in the next 12 months. The Directors have mitigated this risk by reducing the Group's corporate overheads and exploration expenditure on the Group's projects where possible.

However there can be no guarantee that sufficient funds can be raised or that the funds raised will meet the Group's requirements. Failure to raise the required funds will result in the Group failing to meet its proposed exploration work programme and working capital requirements.

As a result of these matters, there is a material uncertainty that may cast significant doubt on whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. However, the directors believe that the Group will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern.

Significant Judgements and Estimates

In preparing this half-year financial report the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial report for the year ended 30 June 2015.

Adoption of new and revised accounting standards

In the half-year ended 31 December 2015 the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2015.

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

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half year ended 31 December 2015. As a result of this the Directors have determined that there is no impact, material or otherwise, of the new and revised standards and interpretations on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

2 Exploration and evaluation expenditure

	Six months to 31 Dec 2015	Twelve months to 30 June 2015
	\$	\$
Opening balance	287,500	1,000,000
Additions	-	287,500
Disposals via deconsolidation of subsidiaries	-	(250,000)
Impairment charge – Ethiopia	-	(750,000)
	287,500	287,500
Closing balance	287,500	287,500

(a) Impairment charge - Ethiopia

In the period ended 31 December 2014 the Board formed the view that the value of the Group's then remaining Ethiopian exploration assets, Northern Blocks, should be further impaired to a carrying value of \$250,000. An impairment charge of \$750,000 was raised at that time.

Since 31 December 2014 the Group was advised that its efforts to be awarded a mining licence on one of its Ethiopian tenements were rejected by the Ethiopian government. Subsequently, Nyota failed to raise sufficient investor interest in providing capital to complete its work program for the remaining Ethiopian tenements planned for the first half of 2015. As a result at the end of March 2015 the Company decided that it could not continue to provide financial support for those Ethiopian subsidiaries that held these tenements. On 30 April 2015 the Company announced that it had ceased funding its Ethiopian subsidiaries and had withdrawn from the country. These subsidiaries were deconsolidated from the Group's financial statements as at 30 June 2015.

3 Segment information

The Group has adopted AASB 8 *Operating Segments* which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance.

The Board reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period the Group operated predominately in one business and geographical segment, being the resources sector in Italy. Accordingly under the management approach outlined only one operating sector has been identified and no further disclosures are required in the notes to the consolidated financial statements.

4 Equity securities issued

(a) Movements in equity securities during the half-year period were:

Date	Details	Number of shares	\$
Half-Year 31 December 2015			
Fully paid ordinary shares			
1/7/2015	Opening balance	957,149,127	182,247,615
	Share issue	545,454,545	593,163
	Capital raising costs	-	(29,659)
31/12/2015	Balance	<u>1,502,603,672</u>	<u>182,811,119</u>
Year ended 30 June 2015			
Fully paid ordinary shares			
1/7/2014	Opening balance	882,149,127	185,698,880
	Employee share loans paid up	-	53,207
	Capital reduction	-	(3,688,287)
	Project acquisition	75,000,000	187,500
	Less transactions costs	-	(3,685)
30/6/2015	Balance	<u>957,149,127</u>	<u>182,247,615</u>

4 Equity securities issued

(b) Options on issue

	Number of options 31 Dec 2015	Number of options 30 June 2015
Employee options exercisable at \$0.35 on or before 31 December 2015	-	1,000,000
Options exercisable at GBP0.001 on or before 1 March 2017	27,272,727	-
	27,272,727	1,000,000

5 Contingencies / commitments

(a) Contingent liabilities

In December 2013 Nyota completed the sale of 75% and then in September 2014 a further 25% of its Ethiopian subsidiary, Kefi Minerals Ethiopia Ltd (KME). As part of this sale the Company provided warranties to the purchaser of KME, Kefi Minerals Ltd, on the financial and commercial affairs of KME normal for this type of transaction and a specific indemnification against claims that arise directly or indirectly as a result of any action by the Company or any of its subsidiaries before the date of completion. Tax warranties given expire 30 December 2019, while a warranty in connection with the liquidation of Yubdo Platinum and Gold Development Plc has no time restriction. Nyota is not aware of any existing liability in relation to these warranties.

As at 31 December 2015, the Group remains a guarantor to the landlord of its previous London office that has been sub-let by Nyota for the balance of the lease period. At half-year end this guarantee totalled £60,000 (\$120,000) reducing to nil by the end of the lease period in August 2016.

Apart from the above the Group does not have any known contingent liabilities as at 31 December 2015 (30 June 2015: Nil).

(b) Commitments

As at period end the Company has commitments in relation to sub-let office space in West Perth that total \$33,676 for the period through to the end of the sub-lease term on 30 November 2016.

6. Subsequent events

There are no matters or circumstances that have arisen since 31 December 2015 that may significantly affect operations, results or state of affairs of the group in future financial years except:

- On 22 January 2016 the Company completed the placement of 375,000,000 ordinary shares at an issue price of GBP0.005 to raise GBP187,500 (AUD387,400) before issue costs. The funds were raised to provide general working capital, to advance the Company's current exploration activities and to consider new project acquisition opportunities.

NYOTA MINERALS LIMITED

DIRECTORS' DECLARATION

In the directors' opinion:

- a) the financial statements and notes set out on pages 6 to 13 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and
- b) there are reasonable grounds to believe that Nyota Minerals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



R Chase
Chief Executive Officer

Dated at Perth, this 11th day of March 2016.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Nyota Minerals Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Nyota Minerals Limited ("the company") which comprises the condensed statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group'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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

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 Nyota Minerals Limited is not in accordance with the *Corporations Act 2001* including:

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

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 to the financial report which indicates that the continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they due are dependent upon the Group being successful in completing a capital raising and/or asset sale/joint venture agreement in the next 12 months. The directors have mitigated the risk by reducing the Group's corporate overheads and postponing expenditure on the Group's projects where possible.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.



HLB Mann Judd
Chartered Accountants



N G Neill
Partner

Perth, Western Australia
11 March 2016

NYOTA MINERALS LIMITED
AND ITS CONTROLLED ENTITIES

CORPORATE DIRECTORY

DIRECTORS	R Chase M Langoulant E Kirby
COMPANY SECRETARY	M Langoulant
REGISTERED OFFICE	Suite 2, 47 Havelock Street West Perth WA 6005 Telephone: (+61 8) 9324 2955 Facsimile: (+61 8) 9324 2977
INDEPENDENT AUDITOR	HLB Mann Judd Level 4, 130 Stirling Street Perth WA 6000 Australia
LAWYERS TO THE COMPANY	Australia: DLA Piper Australia Level 31, 152-158 St Georges Terrace Perth WA 6005
SHARE REGISTRY	Australia: Computershare Investor Services Pty Ltd Level 11, 172 St George's Terrace Perth WA 6000 United Kingdom: Computershare Investor Services Pty Ltd The Pavillions, Bridgewater Road Bristol BS13 8AE United Kingdom
ASX CODE	Shares: NYO
AIM CODE	Shares: NYO