



# Interim Financial Report 2013

for the Half-Year ended 31 December 2013

ABN 38 116 834 336



**BOSS**  
RESOURCES LIMITED



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## Corporate Directory

### DIRECTORS

Mr Evan Cranston

Mr Thomas Gladwin-Grove

Mr Peter Williams

Non-Executive Director

Non-Executive Director

Technical Director

### COMPANY SECRETARY

Ms Oonagh Malone

### PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Suite 23, 513 Hay Street

Subiaco WA 6008

### CONTACT DETAILS

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PO Box 1311

Subiaco WA 6904

### SOLICITORS TO THE COMPANY

Bellanhouse Legal

Suite 1, 6 Richardson Street

West Perth WA 6005

### AUDITORS

RSM Bird Cameron Partners

8 St Georges Terrace

Perth WA 6000

### STOCK EXCHANGE

Australian Securities Exchange

Exchange Plaza, 2 The Esplanade

Perth WA 6000

Code: BOE

### SHARE REGISTRY

Security Transfer Registrars Pty Ltd

770 Canning Highway

Applecross WA 6153

Ph: +61 8 9315 2333



## Directors' Report

Your Directors present their report on the Group for the half-year ended 31 December 2013.

### Directors

The names of the Directors in office at any time during the reporting period or since the end of the year are:

Mr Evan Cranston

Mr Thomas Gladwin-Grove

Ms Oonagh Malone (appointed 24 July 2013 and resigned 20 August 2013)

Mr Leigh Ryan (resigned 24 July 2013)

Mr Peter Williams (appointed 20 August 2013)

### Result

The operating loss for the consolidated entity for the half-year ended 31 December 2013 was \$1,575,866 (2012: loss of \$2,185,531).

### Principal Activities

The principal activities of the Group during the reporting period were the exploration its nickel / copper projects in Finland and Sweden, its gold interests in Burkina Faso and its oil shale resources in Tasmania. The Group continues to pursue the maximisation of its investments and the seeking of complementary projects to the ultimate benefit of its shareholders.

There were no other significant changes in the nature of the Group's principal activities during the financial year.

### Review of Operations and Significant Changes in State of Affairs

#### Scandinavian Projects

- New exploration strategy with initial focus on underexplored resource rich European mineralised belts utilising modern direct detection geophysical technologies
- Right to acquire up to 100% of 2 exciting nickel and copper projects in the highly prospective Fennoscandian shield with known disseminated mineralisation and completely open at depth – Liakka in northern Finland and Skogtrask in Sweden
- Liakka Project:
  - Completion of ground magnetics and TEM and further historical data found
  - Two 600-700m long conductors have been identified with potential to extend known shallow disseminated sulphide mineralization at depth
  - Conductor indicates potential extension to mineralisation to the north of the historical drilling which included:
    - 27.3m @ 0.7% Cu, 0.3% Ni, 177 ppm Co, from 47.2 m down hole depth  
Incl. 10.3m @ 1% Cu, 0.5% Ni, 219 ppm Co
    - 6m @ 0.8% Cu, 0.5% Ni, 225 ppm Co, 0.4 ppm Au from 23.8 m down hole depth
    - 11.3m @ 0.8% Cu, 0.2% Ni, 130 ppm Co, 0.22 ppm Au from 33.9 m down hole depth



## Directors' Report *continued*

- A sub-parallel conductive zone of similar dimension is also mapped to the immediate east
- Only one historic hole drilled which intersected a thin intercept of a similar style of mineralisation
  - 1.7 m @ 0.3% Cu, 0.2% Ni, 160 ppm Co, 0.1 ppm Au from 55.6m
- A drill program is currently being planned and ground access approval sought
- High powered ground TEM and magnetics are being conducted on the Skogtrask Project in the first quarter of 2014

### Other Projects

No significant work was conducted on Boss' Burkina Faso or Tasmanian projects during the period.

### Events Subsequent to the Reporting Period

There has not been any other event that has arisen since 31 December 2013 which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years, other than as stated below:

- On 5 March 2014 the Company announced that it had entered into a binding heads of agreement with Gryphon Minerals Limited to joint venture Boss Resources' gold assets in Burkina Faso.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included within this financial report.

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

**EVAN CRANSTON**

**Director**

DATED at PERTH this 11<sup>th</sup> day of March 2014

*The information in this report that relates to the ground magnetic survey and TEM on the Liakka Prospect and the exploration results for the Skogtrask Prospect is based on information compiled by Mr Peter Williams, Technical Director of Boss Resources Ltd, who is a member of the Australian Institute of Geoscientists. Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williams consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The information in this report that relates to historic drill results at the Liakka Prospect was first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

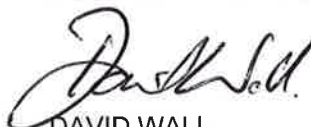
### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Boss Resources Limited for the half-year ended 31 December 2013, 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.



RSM BIRD CAMERON PARTNERS



DAVID WALL  
Partner

Perth, WA  
Dated: 11 March 2014



## Statement of Comprehensive Income For the Half-Year Ended 31 December 2013

	Note	Consolidated	
		Half-Year ended 31 December 2013 \$	Half-Year ended 31 December 2012 \$
<b>Revenue</b>		55,784	45,379
Employees and consultants		(275,193)	(1,240,169)
Accounting and legal		(38,500)	(35,886)
Travel and accommodation		(6,638)	(53,035)
Financing charges		(2,744)	(2,499)
Regulatory fees		(17,879)	(12,461)
Occupancy and communications		(25,661)	(92,475)
Exploration and evaluation expenditure		(137,776)	(510,637)
Impairment of exploration and evaluation		(1,022,167)	-
Other expenses		(105,092)	(283,748)
<b>Loss before income tax</b>		(1,575,866)	(2,185,531)
Income tax expense		-	-
<b>Loss for the period</b>		(1,575,866)	(2,185,531)
<b>Other comprehensive income / (loss):</b> <i>Item that may be reclassified subsequently to operating result</i>			
Revaluation movement of available-for-sale financial assets		42,140	(50,742)
Exchange differences on translating foreign controlled entities		1,393	(229,286)
<b>Other comprehensive income / (loss) for the period, net of tax</b>		43,533	(280,028)
<b>Total comprehensive income / (loss) for the period</b>		(1,532,333)	(2,465,559)
Basic and diluted loss per share (cents)		(0.38)	(0.58)

The accompanying notes form part of these financial statements.



## Statement of Financial Position As at 31 December 2013

		Consolidated	
	Note	31 December 2013 \$	30 June 2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,407,973	1,681,524
Trade and other receivables		116,759	27,401
Other assets		15,103	1,492
<b>TOTAL CURRENT ASSETS</b>		<b>2,539,835</b>	<b>1,710,417</b>
<b>NON CURRENT ASSETS</b>			
Financial assets		194,820	270,936
Plant and equipment		216,056	163,913
Exploration and evaluation expenditure		5,080,000	6,009,356
<b>TOTAL NON CURRENT ASSETS</b>		<b>5,490,876</b>	<b>6,444,205</b>
<b>TOTAL ASSETS</b>		<b>8,030,711</b>	<b>8,154,622</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		208,184	115,695
Provisions		-	5,112
<b>TOTAL LIABILITIES</b>		<b>208,184</b>	<b>120,807</b>
<b>NET ASSETS</b>		<b>7,822,527</b>	<b>8,033,815</b>
<b>EQUITY</b>			
Issued capital	2	43,145,045	41,792,589
Reserves		6,351,308	6,339,186
Accumulated losses		(41,673,826)	(40,097,960)
<b>TOTAL EQUITY</b>		<b>7,822,527</b>	<b>8,033,815</b>

The accompanying notes form part of these financial statements.



## Statement of Changes in Equity

### For the Half-Year Ended 31 December 2013

Consolidated	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Financial Assets Reserve	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2012</b>	<b>39,525,493</b>	<b>(26,648,272)</b>	<b>93,015</b>	<b>5,995,714</b>	<b>22,746</b>	<b>18,988,696</b>
Loss for the period	-	(2,185,531)	-	-	-	(2,185,531)
Other comprehensive loss for the period	-	-	(229,286)	-	(50,742)	(280,028)
Total comprehensive loss for the period	-	(2,185,531)	(229,286)	-	(50,742)	(2,465,559)
<b>Transactions with owners in their capacity as owners:</b>						
Shares issued during the period	2,313,451	-	-	-	-	2,313,451
Capital raising costs	(46,355)	-	-	-	-	(46,355)
Share based payment	-	-	-	743,662	-	743,662
<b>Balance at 31 December 2012</b>	<b>41,792,589</b>	<b>(28,833,803)</b>	<b>(136,271)</b>	<b>6,739,376</b>	<b>(27,996)</b>	<b>19,533,895</b>
<b>Balance at 1 July 2013</b>	<b>41,792,589</b>	<b>(40,097,960)</b>	<b>(409,751)</b>	<b>6,776,409</b>	<b>(27,472)</b>	<b>8,033,815</b>
Loss for the period	-	(1,575,866)	-	-	-	(1,575,866)
Other comprehensive loss for the period	-	-	1,393	-	42,140	43,533
Total comprehensive loss for the period	-	(1,575,866)	1,393	-	42,140	(1,532,333)
<b>Transactions with owners in their capacity as owners:</b>						
Shares issued during the period	1,377,183	-	-	-	-	1,377,183
Capital raising costs	(24,727)	-	-	-	-	(24,727)
Share based payment	-	-	-	(31,411)	-	(31,411)
<b>Balance at 31 December 2013</b>	<b>43,145,045</b>	<b>(41,673,826)</b>	<b>(408,358)</b>	<b>6,744,998</b>	<b>14,668</b>	<b>7,822,527</b>

The accompanying notes form part of these financial statements.



## Statement of Cash Flows For the Half-Year Ended 31 December 2013

	Note	Consolidated	
		Half-Year ended 31 December 2013	Half-Year ended 31 December 2012
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash payments in the course of operations		(234,666)	(976,474)
Cash payments for mineral exploration and evaluation		(394,066)	(792,867)
Finance costs		(14)	(2,499)
Interest received		39,633	45,379
<b>NET CASH (USED IN) OPERATING ACTIVITIES</b>		<b>(589,113)</b>	<b>(1,726,461)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds on disposal of plant and equipment		25,000	-
Purchase of plant and equipment		-	(224,541)
Payments for exploration expenditure		(20,000)	-
<b>NET CASH PROVIDED BY /(USED IN) INVESTING ACTIVITIES</b>		<b>5,000</b>	<b>(224,541)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net proceeds from issue of share capital		1,299,683	2,017,096
Share application monies received pending share allotment		10,000	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>1,309,683</b>	<b>2,017,096</b>
<b>NET INCREASE IN CASH</b>		<b>725,570</b>	<b>66,094</b>
Cash at the beginning of the financial period		1,681,524	2,946,353
Exchange differences on cash and cash equivalents		879	(1,845)
<b>CASH AT THE END OF THE FINANCIAL PERIOD</b>		<b>2,407,973</b>	<b>3,010,602</b>

The accompanying notes form part of these financial statements.



## Notes to the Financial Statements For the Half-Year Ended 31 December 2013

### NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2013 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Boss Resources Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

#### New and Revised Accounting Standards

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

### NOTE 2: ISSUED CAPITAL

	<b>31 December 2013</b>	<b>30 June 2013</b>
	<b>\$</b>	<b>\$</b>
Issued Capital - fully paid ordinary shares	<u>43,145,045</u>	<u>41,792,589</u>
<b>a) Ordinary Shares</b>	<b>Number</b>	<b>\$</b>
Balance at 30 June 2013	390,373,182	41,792,589
Share issue – 29 August 2013 at \$0.008 per share	7,500,000	60,000
Share issue – 22 October 2013 at \$0.01 per share	57,570,882	575,709
Share issue – 30 December 2013 at \$0.01 per share	74,147,413	741,474
Share issue costs	-	(24,727)
Balance at 31 December 2013	<u>529,591,477</u>	<u>43,145,045</u>



## Notes to the Financial Statements For the Half-Year Ended 31 December 2013

### **NOTE 3: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS**

On 19 August 2013, the Company entered into two earn in agreements with Newgenco Pty Ltd over the Liakka and Skogtrask Copper-Nickel Projects located in Finland and Sweden respectively. Under each agreement, the Company committed to a minimum exploration spend of \$80,000 in the first year and to free carry the vendors to completion of bankable feasibility studies for each project to secure an 80% interest. Following any decision to mine over particular tenements, the Company is obliged to acquire the remaining 20% vendor's interest in these tenements at a fair value that will be determined at that stage.

The service agreement with Peter Williams provides for a monthly fee of \$11,250 and permits termination without cause by the Company upon 3 months' notice. This creates a commitment of \$33,750 at 31 December 2013 (30 June 2013: nil).

### **NOTE 4: DIVIDENDS**

No dividends have been declared or paid during the half-year ended 31 December 2013 or in the prior period, and the Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2013.

### **NOTE 5: EVENTS SUBSEQUENT TO BALANCE DATE**

There has not been any other event that has arisen since 31 December 2013 which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years other than:

- On 5 March 2014 the Company announced that it had entered into a binding heads of agreement with Gryphon Minerals Limited to joint venture Boss Resources' gold assets in Burkina Faso.

### **NOTE 6: RELATED PARTY TRANSACTIONS AND BALANCES**

Kingslane Pty Ltd and associated entities (Kingslane) is a substantial shareholder in the Company and held 59,187,500 ordinary shares in the Company at 31 December 2013. Entities controlled by Kingslane received \$18,000 during the half year for office rent.

Konkera Corporate, a related party of Kingslane Pty Ltd, received \$62,500 for company secretarial and administrative services for the half year. Kingslane and Konkera Corporate are related parties of Evan Cranston.

Peter Williams is a director of Newgenco Pty Ltd (Newgenco). Newgenco is the vendor of the Liakka and Skogtrask Copper-Nickel Projects. Newgenco:

- Received \$20,000 in cash plus 7,500,000 ordinary shares at an agreed value of \$0.008 per share for \$60,000 as part of the earn in agreements with over the Liakka and Skogtrask Copper-Nickel Projects, and
- received \$875 for other mining consulting services for the half year

All related party transactions are on normal arms' length terms.



## Notes to the Financial Statements For the Half-Year Ended 31 December 2013

### NOTE 7: SEGMENT REPORTING

#### SEGMENT INFORMATION

The segment information provided to the Board of Directors for the reportable segments for the half-year ended 31 December 2013 is as follows:

	<b>Gold</b>	<b>Oil</b>	<b>Nickel/ Copper</b>	<b>Corporat e</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>31 December 2013</b>					
<b>Revenue</b>					
Other revenues from external customers	-	-	-	16,151	16,151
Total segment revenue	-	-	-	16,151	16,151
<b>Result</b>					
Segment result	(268,390)	(1,022,167)	(101,433)	(183,876)	(1,575,866)
Interest Revenue	-	-	-	39,633	39,633
Depreciation	(64,074)	-	-	(1,519)	(65,593)
<b>Assets and Liabilities at 31 December 2013</b>					
Segment assets					
Exploration expenditure	5,000,000	-	80,000	-	5,080,000
Plant and equipment	215,178	-	-	878	216,056
Cash and cash equivalents	13,312	-	-	2,394,661	2,407,973
Prepayments	-	-	-	15,103	15,103
Trade and other receivables	70,260	-	-	46,499	116,759
Financial assets	16,133	-	-	178,687	194,820
	5,314,883	-	80,000	2,635,828	8,030,711
Total assets as per the statement of financial position	5,314,883	-	80,000	2,635,828	8,030,711
Segment liabilities					
Trade and other payables	59,240	-	-	148,944	208,184
Total liabilities as per the statement of financial position	59,240	-	-	148,944	208,184



## Notes to the Financial Statements For the Half-Year Ended 31 December 2013

### NOTE 7: SEGMENT REPORTING (CONT'D)

	<b>Gold</b>	<b>Oil</b>	<b>Corporate</b>	<b>Total</b>
	\$	\$	\$	\$
<b>31 December 2012</b>				
<b>Revenue</b>				
Other revenues from external customers	-	-	-	-
Total segment revenue	-	-	-	-
<b>Result</b>				
Segment result	(904,444)	-	(1,281,087)	(2,185,531)
Interest Revenue	-	-	45,379	45,379
Depreciation	(146,130)	-	(3,114)	(149,244)
<b>Assets and Liabilities at 31 December 2012</b>				
Segment assets				
Exploration expenditure	15,505,500	1,009,356	-	16,514,856
Plant and equipment	313,175	-	14,302	327,477
Cash and cash equivalents	11,453	-	2,999,149	3,010,602
Prepayments	23,186	-	22,863	46,049
Trade and other receivables	7,854	-	196	8,050
Financial assets	-	-	138,081	138,081
	15,861,168	1,009,356	3,174,591	20,045,115
Total assets as per the statement of financial position	15,861,168	1,009,356	3,174,591	20,045,115
Segment liabilities				
Trade and other payables	151,380	-	332,157	483,537
Provisions	-	-	27,683	27,683
Total liabilities as per the statement of financial position	151,380	-	359,840	511,220



## Directors' Declaration

In the opinion of the directors of Boss Resources Limited ('the Company'):

1. The financial statements and notes thereto of the consolidated entity, as set out within this financial report, are in accordance with the *Corporations Act 2001* including:
  - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year then ended.
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 signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Evan Cranston', written over a light grey background.

**EVAN CRANSTON**  
Director

DATED at PERTH this 11<sup>th</sup> day of March 2014



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
BOSS RESOURCES LIMITED**

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

We have reviewed the accompanying half-year financial report of Boss Resources Limited which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and 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 of the consolidated entity 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 consolidated entity's financial position as at 31 December 2013 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 Boss 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 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*. We confirm that the independence declaration required by the *Corporations act 2001*, which has been given to the directors of Boss Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's 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 Boss Resources 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 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

*RSM Bird Cameron Partners.*

RSM BIRD CAMERON PARTNERS



DAVID WALL  
Partner

Perth, WA  
Dated: 11 March 2014