



Freehill Mining Limited
(Formerly Iatia Limited)

Financial Report
for the half-year ended 31 December 2015

Corporate Information

Freehill Mining Limited (formerly Iatia Limited) (ASX:IAT) is based in Melbourne, Australia, and listed on the Australian Stock Exchange (ASX). Iatia's shares have been suspended from trading on the ASX since 18 January 2010.

Registered office

Level 1, 61 Spring Street
Melbourne, Victoria, 3000
Australia

Auditors

RSM Australia Partners
Level 21, 55 Collins Street
Melbourne, Victoria, 3000
Australia

Share register

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford, Victoria, 3067
Australia

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Results for announcement to the market

No dividends were paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2015.

				2015	2014
				\$	\$
Revenue from ordinary activities	Down	47%	to	20	38
Loss from ordinary activities after tax attributable to members	Up	174%	to	(284,414)	(103,642)
Loss for the period attributable to members	Up	174%	to	(284,414)	(103,642)

Directors' report

Your directors are pleased to present their report on Freehill Mining Limited (formerly Iatia Limited) for the half-year ended 31 December 2015.

Directors

The following persons were directors of Freehill Mining Limited (formerly Iatia Limited) during the whole of the half-year and up to the date of this report:

Raymond Charles Mangion	(appointed 20 March 2015)
Paul Davies	(CFO, appointed 20 March 2015 - previously Chairman, Appointed Finance Director/CFO August 3 2015)
Nicholas Kapes	(appointed 20 March 2015)
Stephen Chaplin	(Chairman appointed 3 August 2015)

Review and results of operations

Freehill Mining Limited incurred a net loss of \$284,414 for the half-year ended 31 December 2015 (Dec 2014: loss of \$103,642).

The Company has signalled its intention to acquire the Chilean mining assets of Freehill Investments Pty Ltd and is pursuing this transaction by obtaining shareholder approval at an Extraordinary General Meeting. The Company then intends to undertake the acquisition for shares and then proceed with a Compliance fundraising via Prospectus to finance establishment of JORC compliant reserves and further development of the assets.

Significant work has been undertaken on the Prospectus and ASIC has done a preliminary review. The Company is working actively to resolve a number of matters raised by ASIC to proceed with its intended path.

Significant events after balance date

The Directors report the following activities after balance date:

As a result of ASIC's review of its Prospectus the Company has been asked to re-submit to shareholder vote the acquisition of Freehill Investments Pty Ltd. The Company is in the process of preparing for an Extraordinary General Meeting to allow for this vote. Once the shareholder approval has been obtained the Company will proceed as described above.

On March 23rd the Company's shares were delisted by the ASX and it is the Company's intention to achieve relisting of its shares on the ASX through a Compliance listing via a Prospectus fundraising.

Auditor's independence declaration

The auditor's independence declaration is included on page 3 of this half-year financial report.

Signed in accordance with a resolution of the directors,



Paul Joseph Davies

Director

Melbourne, 14 April 2016

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Freehill Mining Limited (formerly Iatia 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:

- (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.

A handwritten signature in blue ink, appearing to read "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read "R B Miano".

R B MIANO
Partner

Melbourne, Victoria
Dated: 14 April 2016

Condensed statement of comprehensive income

for the half-year ended 31 December 2015

	Note	Dec-15	Dec-14
Revenue from continuing operations	2	20	38
Employee benefits expense		-	(12,189)
Filing Fees		(5,742)	-
Geologist's Reports		(59,801)	-
Interest Expense		(20,955)	-
Insurance expenses		(4,854)	(16,053)
Printing & Stationary		(6,140)	-
Professional fees		(91,527)	(42,206)
Share registry expenses		(40,526)	(33,025)
Technical Consultant		(15,000)	-
Travel & Accommodation		(30,827)	-
Web Services		(2,500)	-
Other expenses		(6,562)	(207)
Profit/(Loss) from continuing operations before income tax benefit		(284,414)	(103,642)
Income tax benefit		-	-
Profit/(Loss) from continuing operations		(284,414)	(103,642)
Total comprehensive income for the half-year		(284,414)	(103,642)
Basic earnings per share (cents per share)*		(2.55)	(1.69)
Diluted earnings per share (cents per share)*		(2.55)	(1.69)

*Calculated after 222 for 1 consolidation and approved issue of shares

Condensed statement of financial position

as at 31 December 2015

	Note	Dec-15 \$	Jun-15 \$
Current assets			
Cash and cash equivalents		51,661	25,651
Trade and other receivables	3	11,987	4,846
Total current assets		63,648	30,497
Total non-current assets		-	-
Total assets		63,648	30,497
Current liabilities			
Trade and other payables		124,576	56,119
Total current liabilities		124,576	56,119
Non Current Liabilities			
Financial Liabilities	4	179,493	47,505
Total non-current liabilities		179,493	47,505
Total liabilities		304,069	103,624
Net assets		(240,421)	(73,127)
Equity			
Contributed equity		16,821,001	16,821,001
Reserves		260,514	143,394
Accumulated losses		(17,321,936)	(17,037,522)
Total parent entity interest in equity		(240,421)	(73,127)
Total outside equity interest		-	-
Total equity		(240,421)	(73,127)

The above statement is to be read in conjunction with the accompanying notes.

Condensed statement of changes in equity

for half-year ended 31 December 2015

	Contributed equity	Equity component of convertible debt	Accumulated losses	Total
	\$	\$	\$	\$
Balance at 01 July 2014	16,791,001	99,474	(17,857,035)	(966,560)
Transactions with equity holders in their capacity as equity holders				
Issue of share capital	30,000	-	-	30,000
Share based payments	-	-	-	-
	16,821,001	99,474	(17,857,035)	(936,560)
Total recognised gains and losses for the year				
Loss for the period	-	-	(103,642)	(103,642)
	-	-	-	-
Balance at 31 December 2014	16,791,001	99,474	(17,960,677)	(1,040,202)
Balance at 01 July 2015	16,821,001	143,394	(17,037,522)	(73,127)
Transactions with equity holders in their capacity as equity holders				
Issue of share capital	-	-	-	-
Issue of Converting Loan	-	117,120	-	117,120
Share based payments	-	-	-	-
	16,821,001	260,514	(17,037,522)	43,993
Total recognised gains and losses for the year				
Loss for the period	-	-	(284,414)	(284,414)
	-	-	-	-
Balance at 31 December 2015	16,821,001	260,514	(17,321,936)	(240,421)

The above statement is to be read in conjunction with the accompanying notes.

Condensed statement of cashflows

for the half-year ended 31 December 2015

	Dec-15	Dec-14
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(234,503)	(74,912)
Interest received	20	38
Net cash flows (used in)/provided by operating activities	(234,483)	(74,874)
Cash flows from investing activities		
Business acquisition expenses	-	-
Net cash flows (used in)/provided by investing activities	-	-
Cash flows from financing activities		
Proceeds from issues of ordinary shares	-	30,000
Proceed / (Repayments) of borrowings	260,493	20,000
Capital Raising Expenses	-	-
Net cash flows (used in)/provided by financing activities	260,493	50,000
Net increase/(decrease) in cash held	26,010	(24,874)
Add opening cash brought forward	25,651	43,240
Closing cash carried forward	51,661	18,366

The above statement is to be read in conjunction with the accompanying notes.

Notes to the financial statements

for the half-year ended 31 December 2015

1. a. Basis of preparation of the half-year report

This general purpose financial report for the interim half-year reporting period ended 31 December 2015 has been prepared in accordance with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in the 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 Freehill Mining Limited (formerly Iatia 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 accounting period.

b. Going concern

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

As disclosed in the financial statements, the company incurred a loss of \$284,414 (December 2014: Loss of \$103,642) and had net cash outflows from operating activities of \$234,483 (December 2014: \$74,874) for the half-year ended 31 December 2015. As at that date the company had net current liabilities of \$60,928 (June 2015: \$25,622) and net liabilities of \$240,421 (June 2015: \$73,127).

These factors indicate a material uncertainty which may cast significant doubt over the ability of the company to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the company will be able to continue as a going concern after consideration of the following factors:

- At the AGM the Company gained approval for a share consolidation to facilitate a Prospectus fundraising to enable re-listing of the Company's shares.
- Just prior to Balance date the Company lodged a Prospectus with ASIC for a \$5million fundraising, with a minimum amount of \$3.5 million which is underwritten for \$3.5 million.
- The Company is working through the matters raised by ASIC to finalise its Prospectus and proceed with its intended fundraising and subsequent relisting of its shares on the ASX.
- The Company has proposed to acquire the Chilean mining assets Freehill Investments Pty. Ltd, and ASIC has advised that matters related to this acquisition have to be re-submitted to a meeting of shareholders. The Company is working with ASIC to satisfy their requirements with a shareholder meeting to be held in the near term.
- During the six months the Company raised a further \$240,000 through the issue of a convertible loan ratified at the AGM and since balance date has raised a further \$40,000. The Company anticipates being able to raise sufficient funds to execute its plan of action.

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concern.

	December-15	December-14
	\$	\$
2. Revenue		
Revenue from continuing operations		
Interest - unrelated parties	20	38
	<hr/>	<hr/>
Total revenue from continuing operations	20	38
	<hr/>	<hr/>

	December-15	June-15
	\$	\$
3. Trade and other receivables		
Current		
GST receivable	11,717	4,846
	11,717	4,846

	December-15	June-15
	\$	\$
4. Borrowings		
Non Current		
Convertible Notes	179,493	47,505
	179,493	47,505

Convertible notes with a face value of \$240,000 were issued in the six months ended 31 December 2015. All convertible Notes attract interest at 10% per annum payable in shares at conversion or in cash at the end of their 3 year term. The convertible notes are unsecured.

	December-15	June-15
	\$	\$
5. Net tangible assets per security		
Net tangible assets backing per ordinary share	(2.12)	(1.19)

6. Segment reporting

The financial information reviewed by the Chief Executive Officer is only prepared on a consolidated basis and no discrete financial information is available. Hence, there is only one business and geographical segment.

7. Contingent liabilities

There have been no changes in contingent liabilities or contingent assets since the end of the previous financial reporting period, 30 June 2015.

8. Subsequent events

The Company is proceeding with an Extraordinary General Meeting of shareholders to approve its proposed acquisition of Freehill Investments Pty Ltd.

Further funds of \$40,000 have been raised to support the Company's activities.

A Draft Prospectus has been provided to ASIC and discussions are ongoing to finalise this document and proceed with the Company's intended fundraising.

The ASX has delisted the Company's shares on March 23rd however the Company is committed to relisting the shares on the ASX through its intended fundraising.

Other than the matters above, no matters or circumstances have arisen since the balance date of this report which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Directors' declaration

The directors of Freehill Mining Limited (formerly Iatia Limited) declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the company'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.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

On behalf of the directors,



Paul Joseph Davies

Director

Melbourne, 14 April 2016

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INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF****FREEHILL MINING LIMITED (FORMERLY IATIA LIMITED)****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Freehill Mining Limited (formerly Iatia Limited) which comprises the condensed statement of financial position as at 31 December 2015, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed 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 company.

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 company'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 Freehill Mining Limited (formerly Iatia 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 Freehill Mining Limited (formerly latia 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 Freehill Mining Limited (formerly latia Limited) is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company'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 *Corporations Regulations 2001*.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1(b) in the financial report, which indicates that the company incurred losses of \$284,414 and had net cash outflows from operating activities of \$234,483 for the half-year ended 31 December 2015. As of that date, the company had net current liabilities and net liabilities of \$60,928 and \$240,421 respectively. The company is also reliant on its ability to obtain equity funds to enable it to meet its debts as and when they fall due. These conditions indicate the existence of a material uncertainty which 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.



RSM AUSTRALIA PARTNERS



R B MIANO
Partner

Melbourne, Victoria
Dated: 14 April 2016