



ASX ANNOUNCEMENT

ASX CODE: RUM

ABN: 33 122 131 622

REGISTERED OFFICE
20/90 Frances Bay Drive
Stuart Park NT 0820

POSTAL ADDRESS
GPO Box 775
Darwin NT 0801

T +61 8 8942 0385
F +61 8 8942 0318
W www.rumjungleresources.com.au
E info@rumjungleresources.com.au

DIRECTORS
David Muller
Robert Annells
Jeff Landels
Chris Tziolis, MD

MAJOR PROJECTS
Ammaroo Phosphate
Karinga Lakes Sulphate Potash

RUM JUNGLE RESOURCES LTD

ABN 33 122 131 622

**INTERIM FINANCIAL REPORT FOR THE HALF YEAR
ENDED 31 DECEMBER 2014**

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Company Strategy

Rum Jungle Resources Ltd's strategic intent is to find, develop and operate fertiliser minerals, base metals and gold projects, located in close proximity to existing transport infrastructure.

Rum Jungle Resources Ltd has significant resources of both phosphate and potash.

Directors' Report

The Directors present their report together with the consolidated financial statements of Rum Jungle Resources Ltd, for the half-year ended 31 December 2014 and the independent audit review report thereon.

Directors

The Directors of the Company at any time during or since the end of the interim period are:

Name:	Status	Period of Directorship
David W Muller	Non Executive Chairman	Since 13 October 2006
Robert J Annells	Non-Executive Director	Since 10 October 2006
Jeffrey D Landels	Non-Executive Director	Since 17 October 2012
Christopher N Tziolis	Managing Director	Since 6 June 2013

Review of Operations

Overview

The Company's focus remained on exploration and evaluation of its key projects with the objective of establishing and continuing studies for the development of phosphate and potash fertiliser businesses.

Health, Safety, Environment and Community

During the six months ended 31 December 2014 over 4,834 hours of field work was conducted and there were no LTI's recorded. There were no reportable environmental incidents during the half year.

Operating Result

The Group's loss after tax for the half year ended 31 December 2014 was \$1,638,789 after impairment and write down of \$590,422 in exploration costs (2013 loss \$4,233,135). Corporate costs of \$1,167,473 (2013 \$2,321,707) decreased compared to the prior comparative half year reflecting non recurring advisory costs supporting the takeover for Central Australian Phosphate Limited and overheads incurred in the prior year. Exploration and evaluation (including studies) expenditure for the half year was \$3,161,000 (2013 \$4,073,000).

Phosphate

- Prefeasibility Study for the Ammaroo project was completed by Worley Parsons and announced to the ASX on 29th September 2014.
- Resource drilling was completed for 126 holes for 3,735 m and data utilised to join the eastern and western portions of the Ammaroo deposit.
- Exploration drilling northwest of the Ammaroo deposit was completed with 60 holes for 1,808m.

RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

Potash

- Scoping Study for Karinga Lakes project was completed by China International Chemical Consulting Corporation (CICCC) and GHD Australia and announced to the ASX on 22nd December 2014..
- Lake Mackay maiden JORC brine resource of 13 million tonnes of K₂SO₄ was announced to the ASX on 9th September 2014.
- Lake Hopkins maiden JORC brine resource of 4.5 million tonnes of K₂SO₄ was announced to the ASX on 12th September 2014.

Corporate

- Mr Chris Tziolis appointed Managing Director 1st July 2014.
- Flagstaff Partners appointed November 2014 to assist with strategy and facilitating engagement with investors around development of Company projects.

Other

The Quarterly Activities Report for the period ended 31 December 2014 was released to the ASX on the 30th January 2015 and can be referred for further information and discussion on the Group's projects.

Auditor's Independence Declaration

The auditor's independence declaration in relation to the review of the half-year financial report is set out on page 5 and forms part of this Directors' Report for the six months ended 31 December 2014.

Rounding Off

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the consolidated interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to Section 306 (3) of the *Corporations Act* 2001.



David Muller, MSc, MBA, FAusIMM
Chairman

Dated: Melbourne 12 March 2015

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001



Chartered Accountants
18 Smith Street
Darwin NT 0800

ABN: 51 194 660 183
Telephone: +61 8 8982 9000
Facsimile: +61 8 8941 0238
www.kpmg.com.au

GPO Box 1616
Darwin NT 0800
Australia

To: the directors of Rum Jungle Resources Ltd

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2014 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads 'KPMG'.

KPMG

A handwritten signature in blue ink that reads 'Clive Garland'.

Clive Garland
Partner

Darwin

12 March 2015

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RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	Consolidated	
		Half-Year Ended 31 Dec 2014 \$'000	Half-Year Ended 31 Dec 2013 \$'000
Continuing operations			
Other Income		119	101
Depreciation		(9)	(17)
Employee benefits expense		(649)	(1,077)
Exploration and evaluation assets impairment		(590)	(2,012)
Loss on sale of assets		-	(9)
Listing & Registry costs		(64)	(302)
Other expenses		(446)	(917)
Loss before income tax expense		(1,639)	(4,233)
Income tax benefit		-	-
Net loss for the half year		(1,639)	(4,233)
Other comprehensive income for the half year		-	-
Total comprehensive income for the period attributable to owners of Rum Jungle Resources Ltd		(1,639)	(4,233)
Earnings per share:			
Basic earnings per share		<i>Cents</i> (0.43)	<i>Cents</i> (1.50)
Diluted earnings per share		(0.43)	(1.50)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the consolidated interim financial statements.

RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	Consolidated	
		31 Dec 2014 \$'000	30 Jun 2014 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	4	4,396	9,229
Trade and other receivables		107	264
Other		898	967
Total Current Assets		5,401	10,460
Non-Current Assets			
Exploration and evaluation assets	5	41,583	39,012
Property, plant and equipment		1,020	1,119
Total Non-Current Assets		42,603	40,131
TOTAL ASSETS		48,004	50,591
LIABILITIES			
Current Liabilities			
Trade and other payables		491	1,610
Short-term provisions		90	71
Total Current Liabilities		581	1,681
TOTAL LIABILITIES		581	1,681
NET ASSETS		47,423	48,910
EQUITY			
Contributed equity	6	73,357	73,357
Share-based payments reserve		1,403	1,251
Accumulated losses		(27,337)	(25,698)
TOTAL EQUITY		47,423	48,910

The consolidated statement of financial position is to be read in conjunction with the notes to the consolidated interim financial statements.

RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Consolidated			
	Issued Capital	Share-based Payments Reserve	Accumulated Losses	Total Equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July, 2013	52,273	1,251	(18,380)	35,144
Loss for the half year	-	-	(4,233)	(4,233)
Total comprehensive Loss for the period	-	-	(4,233)	(4,233)
Transactions with owners of the Company, recognised directly in equity				
Share Issue 9 December 2014 (net of issue costs)	9,384	-	-	9,384
Share Issue pursuant to business combination	7,396	-	-	7,396
Balance at 31 December 2013	69,053	1,251	(22,613)	47,691
Balance at 1 July, 2014	73,357	1,251	(25,698)	48,910
Loss for the half year	-	-	(1,639)	(1,639)
Total comprehensive Loss for the period	-	-	(1,639)	(1,639)
Transactions with owners of the Company, recognised directly in equity				
Issue of employee share options	-	152	-	152
Balance at 31 December 2014	73,357	1,403	(27,337)	47,423

The statement of changes in equity is to be read in conjunction with the notes to the consolidated interim financial statements.

RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	Half-Year Ended 31 Dec 2014 \$'000 Consolidated	Half-Year Ended 31 Dec 2013 \$'000 Consolidated
Cash flow from operating activities			
Interest received		141	101
Payments to suppliers, employees and others		(2,033)	(3,622)
Net cash flows from operating activities		(1,892)	(3,521)
Cash flows from investing activities			
Purchase of non-current assets		(1)	(55)
Acquisition of subsidiary net of cash acquired		-	(4,594)
Proceeds from sale of non-current assets		17	119
Payments for exploration and evaluation assets		(3,026)	(4,045)
Payment of security bond		-	(85)
Recovery from secured Term Deposits		69	290
Net cash flows from investing activities		(2,941)	(8,370)
Cash flows from financing activities			
Proceeds from share issues net of issue costs		-	9,383
Net cash flows from financing activities		-	9,383
Net (decrease) in cash and cash equivalents		(4,833)	(2,508)
Cash and cash equivalents at the beginning of the half year		9,229	13,045
Cash and cash equivalents at end of the half year		4,396	10,537

The consolidated statement of cash flows is to be read in conjunction with the notes to the consolidated interim financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: Reporting entity

Rum Jungle Resources Ltd (“the Company”) is a company domiciled in Australia. They comprise the Company and its subsidiaries together referred to the “Group”. The Group is entirely involved in the exploration for and development of mineral resources in Australia.

NOTE 2: Basis of preparation

(a) Statement of compliance

These consolidated interim financial statements for the six months period ended 31 December, 2014 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting, the equivalent of the International Accounting Standard IAS34: Interim Financial Reporting.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2014. The consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2014.

These consolidated interim financial statements were approved by the Board of Directors on 12 March 2015.

The company is of a kind referred to in ASIC Class Order CO98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(b) Going Concern

Notwithstanding the loss for the half year of \$1,639,000 the financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities and realisation of assets and settlement of liabilities in the normal course of business. As is generally the case for explorers, the ability of the company to continue its exploration and evaluation activities as a going concern including meeting its obligations is dependent upon accessing investors in the capital markets.

After taking into consideration the past history of capital raising and the board’s intentions for raising additional capital when required, the directors are of the opinion that it is reasonable for the financial statements to be prepared on a going concern basis. If the company is not able to raise additional capital there is material uncertainty whether the company will 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 amounts stated in the financial report.

(c) Judgements and estimates

In preparing these interim financial statements, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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 that applied to the consolidated financial statements as at and for the year ended 30 June 2014.

NOTE 3: Significant accounting policies

Except as described below, the accounting policies applied by the Group in the consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2014. The following changes in accounting policies are also expected to be reflected in the Groups consolidated financial statements as at and for the year ended 30 June 2015.

Changes in accounting policies

The following new standards and amendments to standards, including any consequential amendments to other standards, are effective with a date of initial application of 1 July 2014.

AASB 136 Recoverable Amount Disclosures for Non- Financial Assets Amendments

AASB 2010-2012 Annual Improvements to Australian Accounting Standards 2011–2013 Cycle.

RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

NOTE 3: Significant accounting policies (continued)

In the half year ended 31 December 2014, the Group has reviewed the revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2014. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business with no impact on disclosure.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half year ended 31 December 2014. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is anticipated to Group accounting policies in subsequent periods.

Operating Segments

The Group operates in one segment, being the mining exploration sector solely within Australia.

	Consolidated	
	Half-Year Ended 31 Dec 2014	Year Ended 30 June 2014
	\$'000	\$'000
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	876	3,153
Term deposits	3,520	6,076
Total cash and cash equivalents	4,396	9,229

NOTE 4: CASH AND CASH EQUIVALENTS

Cash at bank and on hand

876

3,153

Term deposits

3,520

6,076

Total cash and cash equivalents

4,396

9,229

NOTE 5: DEFERRED EXPLORATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:

Exploration and evaluation assets – at cost

Balance at beginning of period

39,012

21,259

Expenditure cost incurred

3,161

7,937

Fair value of exploration expenditure on acquisition of subsidiary

-

13,571

Acquisition of Tenements

-

663

Sale of Mineral Rights

-

(110)

42,173

43,320

Impairment of exploration and evaluation assets

(590)

(4,308)

Total deferred exploration expenditure

41,583

39,012

The ultimate recoupment of the carrying value of Exploration and Evaluation assets is dependent upon the successful development and commercial exploitation or sale of the respective area of interest.

The impairment of exploration and evaluation assets reflect the Group's decision to focus on the Potash and Phosphate projects and represents the write off of previously capitalised exploration expenditure on a number of tenements not related to projects for which it is expected there will be future benefits.

RUM JUNGLE RESOURCES LTD – Interim Financial Report 31 December 2014

Consolidated
Half-Year Ended
31 December 2014

NOTE 6: ISSUED CAPITAL

Fully Paid Ordinary Shares

Balance at 1 July 2014

Shares issued during the period

Balance as 31 December 2014

No.	\$
385,504,597	73,356,647
-	-
385,504,597	73,356,647

Share options

At 31 December 2014, the following options for ordinary shares in Rum Jungle Resources Ltd were on issue:

	December 2014	June 2014
	Number	Number
Employee options	5,100,000	2,400,000
Directors options	14,000,000	9,000,000
Options issued and exercisable at end of period	19,100,000	11,400,000

NOTE 7: SEGMENT INFORMATION

Business segments

The Group operates in one geographic segment for management reporting, being Australia, and in one business segment, being mineral exploration and evaluation of minerals.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the period between the end of the half-year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future years.

DIRECTORS' DECLARATION

For the half-year ended 31 December 2014

In the opinion of the directors:

- (a) The consolidated financial statements and notes set out on pages 6 to 12 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Group as at 31 December 2014 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional reporting requirements.
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



David Muller, MSc, MBA, FAusIMM
Chairman

Dated: 12 March 2015.



Independent auditor's review report to the members of Rum Jungle Resources Ltd

Report on the financial report

We have reviewed the accompanying half-year financial report of Rum Jungle Resources Ltd, which comprises the consolidated statement of financial position as at 31 December 2014, and consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 8 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's 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 2014 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Rum Jungle Resources Ltd, 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 Rum Jungle Resources Ltd 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 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature of Clive Garland in black ink, appearing as 'KPMG'.

KPMG

A handwritten signature of Clive Garland in black ink, appearing as 'Clive Garland'.

Clive Garland
Partner

Darwin
12 March 2015