

## APPENDIX 4D – HALF YEAR REPORT

PERIOD ENDED 31 DECEMBER 2013

**CI RESOURCES LIMITED  
AND ITS CONTROLLED ENTITIES  
ACN 006 788 754**

### Reporting Period

This information should be read in conjunction with the 30 June 2013 annual financial report.

Current reporting period: 31 December 2013

Previous corresponding period: 31 December 2012

### Results for announcement to the market

	31 Dec 2013 \$'000's	31 Dec 2012 \$'000's	% Change
Revenue from continuing operations	79,553	95,045	(16%)
Profit from ordinary activities after tax attributable to members	7,377	10,757	(31%)
Net profit for the period Attributable to members	7,318	11,093	(34%)

### Earnings Per Share

	31 Dec 2013	31 Dec 2012
Basic and Diluted	10.12 cents	14.76 cents

### Dividends

A final dividend of 1.0 cent per share fully franked was declared in the period and paid in December 2013.

### Entities Acquired and Disposed During the Period

The company did not acquire or dispose of any entities during the period.

**APPENDIX 4D – HALF YEAR REPORT (Continued)**

**PERIOD ENDED 31 DECEMBER 2013**

**CI RESOURCES LIMITED  
AND ITS CONTROLLED ENTITIES  
ACN 006 788 754**

**Net Tangible Asset Backing Per Security**

	<b>31 Dec 2013</b>	<b>31 Dec 2012</b>
Fully paid ordinary shares on issue at balance date	72,874,102	72,874,102
Net tangible asset backing per issued ordinary share as at balance date	99.7 cents	82.7 cents

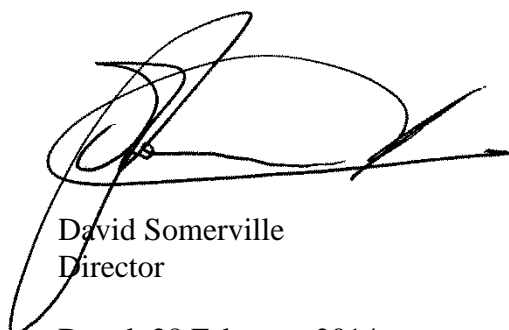
**Significant changes in the state of affairs of the Company**

No significant changes took place during the period in the state of affairs of the consolidated entity.

**Compliance Statement**

The report is based on financial statements reviewed by the auditor, a copy of which is attached.

For and on behalf of the directors:



David Somerville  
Director

Dated: 28 February 2014

# **CI Resources Limited**

ACN 006 788 754

## **Half Year Report**

**For the half-year ended 31 December 2013**

# CI Resources Limited ACN 006 788 754

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## CI RESOURCES LIMITED

### Directors' report

Your directors present their half year report on the consolidated entity ("Group") consisting of CI Resources Limited ("CII" or "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2013.

#### Directors

The following persons were directors of CI Resources Limited for the whole of the half-year and up to the date of this report, unless otherwise stated:

Mr David Somerville

Mr Tee Lip Sin

Mr Tee Lip Jen

Mr Adrian Gurgone

Mr Kelvin Tan Keh Feng

Mr Dato' Kamaruddin (appointed 17 January 2013)

#### Dividends

Dividends totaling 1.0 cents per share have been declared during the half year ended 31 December 2013 and paid in December 2013.

#### Review of operations

##### *CI Resources Limited*

CI Resources Limited currently holds 63.05% of the issued shares in Phosphate Resources Limited (PRL), and the Company is represented on the Board of PRL by Mr Tee Lip Sin, Mr Tee Lip Jen and Mr Dato' Kamaruddin

During the half year ended 31 December 2013 PRL reported a post-tax profit of \$12.202M (31 December 2012: \$19.394M), and has paid one dividend during this period. The Company received a total dividend from PRL of \$0.904M (2012: \$1.097M) during the half-year.

The Consolidated Entity is reporting a profit attributable to members of \$7.377M for the half-year ended 31 December 2013 (31 December 2012: \$10.757M).

##### *Financial Position*

At the end of the financial period the consolidated entity had net cash balances of \$38.145M (30 June 2013: \$40.582M) and net assets of \$122.334M (30 June 2013: \$111.801M).

Total liabilities amounted to \$60.466M (30 June 2013: \$57.514M), being trade and other creditors, borrowings and taxation liabilities.

#### Earnings per share

	<b>December 2013 Cents</b>	<b>December 2012 Cents</b>
Basic earnings per share	10.12	14.76

**CI RESOURCES LIMITED**

**Directors' report**

**Auditors' Independence Declaration**

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

**Rounding**

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under the *ASIC Class Order 98/0100*. The Company is an entity to which the Class Order applies.

**Auditor**

Ernst & Young continues in office in accordance with section 327 of the *Corporations Act 2001*.

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

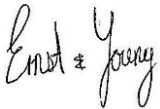
A handwritten signature in black ink, appearing to be 'D Somerville', written over a horizontal line.

D Somerville  
Chairman  
Perth, Western Australia

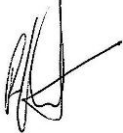
28 February 2014

## Auditor's Independence Declaration to the Directors of CI Resources Limited

In relation to our review of the financial report of CI Resources Limited for the half-year ended 31 December 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young



R J Curtin  
Partner  
Perth  
28 February 2014

CI RESOURCES LIMITED

**Consolidated Statement of Comprehensive Income  
For the half-year ended 31 December 2013**

	Notes	Consolidated	
		31 December 2013 \$'000s	31 December 2012 \$'000s
<b>Revenue from continuing operations</b>	2a	<b>79,553</b>	95,045
Cost of sales	2b	(55,993)	(55,501)
<b>Gross Profit</b>		<b>23,560</b>	39,544
Other income	2c	1,046	683
Finance Costs		(495)	(553)
Other expenses	2d	(7,067)	(9,893)
<b>Profit before income tax</b>		<b>17,044</b>	29,781
Income tax expense		(5,159)	(9,990)
<b>Net profit for the period</b>		<b>11,885</b>	19,791
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(93)	556
<b>Total comprehensive income for the period</b>		<b>11,792</b>	20,347
Net profit for the period is attributable to:			
Non-controlling interest		4,508	9,034
Owners of the parent		7,377	10,757
		<b>11,885</b>	19,791
Total comprehensive income for the period is attributable to:			
Non-controlling interest		4,474	9,254
Owners of the parent		7,318	11,093
		<b>11,792</b>	20,347
		<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings/(loss) per share		<b>10.12</b>	14.76

*The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.*



CI RESOURCES LIMITED

**Consolidated Statement of Financial Position  
As at 31 December 2013**

	Notes	Consolidated	
		31 December 2013 \$'000s	30 June 2013 \$'000s
<b>Current assets</b>			
Cash and cash equivalents	3	38,145	40,582
Trade and other receivables		30,806	26,212
Inventories		17,510	9,920
Total current assets		86,461	76,714
<b>Non-current assets</b>			
Term deposits		16,323	14,855
Plant & equipment		54,580	51,526
Goodwill		7,158	7,158
Biological assets	6	11,239	11,231
Deferred tax assets		7,039	7,831
Total non-current assets		96,339	92,601
<b>Total assets</b>		<b>182,800</b>	<b>169,315</b>
<b>Current liabilities</b>			
Trade and other payables		12,947	10,536
Borrowings		6,833	5,904
Tax liability		656	877
Provisions		5,766	6,636
Total current liabilities		26,202	23,953
<b>Non-current liabilities</b>			
Borrowings		5,622	5,446
Deferred tax liability		10,575	10,337
Provisions		18,067	17,778
Total non-current liabilities		34,264	33,561
<b>Total liabilities</b>		<b>60,466</b>	<b>57,514</b>
<b>Net assets</b>		<b>122,334</b>	<b>111,801</b>
<b>Equity</b>			
Contributed equity		17,970	17,970
Reserves		11,153	11,212
Accumulated profits		48,034	41,386
<b>Parent Interests</b>		<b>77,157</b>	<b>70,568</b>
Non-controlling interests		45,177	41,233
<b>Total equity</b>		<b>122,334</b>	<b>111,801</b>

*The above Statement of Financial Position should be read in conjunction with the accompanying notes.*

CI RESOURCES LIMITED

Consolidated Statements of changes in Equity  
For the half-year ended 31 December 2013

2013 Consolidated	Contributed Equity \$'000s	Foreign currency translation Reserve \$'000s	Discount on acquisition of Non- controlling interest Reserve \$'000s	Retained earnings \$'000s	Owners of the Parent \$'000s	Non-controlling Interest \$'000s	Total \$'000s
<b>At the beginning of the period</b>	17,970	2,713	8,499	41,386	70,568	41,233	111,801
Profit for the period	-	-	-	7,377	7,377	4,508	11,885
Other comprehensive income	-	(59)	-	-	(59)	(34)	(93)
<b>Total comprehensive income for the period</b>	-	(59)	-	7,377	7,318	4,474	11,792
<b>Transactions with owners in their capacity as owners</b>							
Dividends paid	-	-	-	(729)	(729)	(530)	(1,259)
Acquisition of Non-controlling interest in PRL	-	-	-	-	-	-	-
<b>At the end of the period</b>	17,970	2,654	8,499	48,034	77,157	45,177	122,334

CI RESOURCES LIMITED

Consolidated Statements of changes in Equity  
For the half-year ended 31 December 2013

2012 Consolidated	Contributed Equity \$'000s	Foreign currency translation Reserve \$'000s	Discount on acquisition of Non- controlling interest Reserve \$'000s	Retained earnings \$'000s	Owners of the Parent \$'000s	Non-controlling Interest \$'000s	Total \$'000s
<b>At the beginning of the period</b>	17,970	(87)	1,740	29,181	48,804	48,333	97,137
Profit for the period	-	-	-	10,757	10,757	9,034	19,791
Other comprehensive income	-	336	-	-	336	220	556
<b>Total comprehensive income for the period</b>	-	336	-	10,757	11,093	9,254	20,347
<b>Transactions with owners in their capacity as owners</b>							
Dividends paid	-	-	-	(729)	(729)	(956)	(1,685)
Acquisition of Non-controlling interest in PRL	-	-	1,072	-	1,072	(2,772)	(1,700)
<b>At the end of the period</b>	17,970	249	2,812	39,209	60,240	53,859	114,099

CI RESOURCES LIMITED

**Consolidated Statement of Cash Flows**  
**For the half-year ended 31 December 2013**

	Notes	Consolidated	
		31 December 2013 \$'000s	31 December 2012 \$'000s
<b>Cash flows from operating activities</b>			
Receipts from customers		74,578	91,888
Payments to suppliers and employees (inclusive of goods and services tax)		(67,132)	(68,225)
Interest received		393	410
Interest paid		(194)	(253)
Income taxes paid		(3,222)	(7,081)
<b>Net cash inflow/ (outflow) from operating activities</b>		<b>4,423</b>	<b>16,739</b>
<b>Cash flows from investing activities</b>			
(Increase)/decrease in short term investments		(1,468)	(1,205)
Proceeds from sale of property, plant and equipment		30	-
Purchase of property and equipment		(3,966)	(4,377)
<b>Net cash (outflow)/ inflow from investing activities</b>		<b>(5,404)</b>	<b>(5,582)</b>
<b>Cash flows from financing activities</b>			
Proceeds/ (payment) for finance lease		(799)	(692)
Acquisition of non-controlling interest		-	(1,700)
Dividends paid		(1,258)	(946)
<b>Net cash (outflow) from financing activities</b>		<b>(2,057)</b>	<b>(3,338)</b>
<b>Net increase in cash and cash equivalents held</b>		<b>(3,038)</b>	<b>7,819</b>
Cash and cash equivalents at the beginning of the financial year		40,582	36,606
<b>Impact of foreign exchange</b>		<b>601</b>	<b>(332)</b>
<b>Cash and cash equivalents at the end of the period</b>	3	<b>38,145</b>	<b>44,093</b>

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.*

**Notes to the financial statements  
For the half-year ended 31 December 2013**

**1 Basis of Preparation and Accounting Policies**

**Basis of preparation**

This general purpose condensed financial report for the half-year ended 31 December 2013 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of CI Resources Limited as at 30 June 2013.

Apart from the adoption of new or revised standards noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

**Changes in accounting policy**

The accounting policies adopted in the preparation of the half-year report are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2013, except for the adoption of new standards and interpretation noted below:

- AASB 10 Consolidated Financial Statements
- AASB 11 Joint Arrangements
- AASB 12 Disclosure of Interests in Other Entities
- AASB 13 Fair Value Measurement
- AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle
- AASB 119 Employee Benefits
- AASB 2012-2 Amendment to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities

The adoption of the above amendments has had and no material impact on the financial position or performance of the Group.

The Group has not elected to early adopt any new standards or amendments that are not mandatorily effective.

**Notes to the financial statements  
For the half-year ended 31 December 2013**

	<b>Consolidated</b>	
	<b>31 December 2013 \$'000s</b>	31 December 2012 \$'000s
<b>2 Revenue and Expenses</b>		
<b>(a) Revenue</b>		
Phosphate sales	<b>46,437</b>	66,631
Palm oil sales	<b>26,961</b>	23,103
Oil sales	<b>370</b>	366
Stevedoring	<b>815</b>	1,002
Finance revenue – interest	<b>393</b>	410
Other	<b>4,577</b>	3,533
	<b>79,553</b>	95,045
<b>(b) Cost of sales</b>		
Cost of production:		
Production costs	<b>41,502</b>	38,845
Royalties	<b>942</b>	1,028
Insurance	<b>1,049</b>	920
	<b>43,493</b>	40,793
Shipping costs:		
Shipping charges	<b>8,416</b>	10,790
Port charges	<b>1,090</b>	1,303
Levy	<b>848</b>	888
Commission	<b>-</b>	-
	<b>10,354</b>	12,981
Depreciation:		
Plant and equipment	<b>2,146</b>	1,727
	<b>55,993</b>	55,501
<b>(c) Other income</b>		
Bad debt expense recovered	<b>228</b>	-
Foreign exchange gain	<b>799</b>	673
Other	<b>19</b>	10
	<b>1,046</b>	683

Foreign exchange gain includes \$0.647 million relating to the accumulated foreign currency translation reserve which was transferred to statement of comprehensive income as a result of de-registration of Xi Feng International Pte Ltd, a subsidiary of the Group, during the half year ended 31 December 2012.

**Notes to the financial statements  
For the half-year ended 31 December 2013**

	<b>Consolidated</b>	
	<b>31 December 2013 \$'000s</b>	31 December 2012 \$'000s
<b>2 Revenue and Expenses (continued)</b>		
(d) <b>Other expenses</b>		
Redundancy expense	238	112
Depreciation	28	26
Administration and other	6,801	9,755
	<u>7,067</u>	<u>9,893</u>
<b>3 Reconciliation of Cash and Cash Equivalents</b>		
	<b>31 December 2013 \$'000s</b>	30 June 2013 \$'000s
Cash at bank	<u>38,145</u>	<u>40,582</u>
<b>4 Dividends Paid and Proposed</b>		
Franked dividends declared and paid (2012: payable) during the half-year on ordinary shares to the owners of the parent: \$0.01 (2012: \$0.01)	(729)	(729)
Dividends proposed and not yet recognised as a liability	-	-
	<u>(729)</u>	<u>(729)</u>
<b>5 Commitments and Contingencies</b>		

As at balance sheet date the consolidated entity had no expenditure commitments.

Since the last annual reporting date, there has been no material change to any contingent liabilities or contingent assets.

**Notes to the financial statements  
For the half-year ended 31 December 2013**

	<b>Consolidated</b>	
	<b>31 December 2013 \$'000s</b>	31 December 2012 \$'000s
<b>6 Biological Assets</b>		
Carrying amount on acquisition of subsidiary	<b>11,231</b>	11,135
Harvest/Amortisation	-	-
Effect of foreign exchange	<b>8</b>	1,117
Fair value adjustment	-	(1,021)
<b>Carrying amount at end</b>	<b>11,239</b>	<b>11,231</b>

Biological assets consist of mature oil palm trees.

The Group grows oil palm trees to produce palm oil. The plantation is located in Malaysia.

A valuation was conducted by Jones Lang Wootton, an independent professional valuer, on a subsidiary's oil palm estate development comprising land, ancillary facilities and biological assets, for the purposes of revaluing the biological assets of the subsidiary as at 30 June 2013.

At 31 December 2013, there has been no material change in the fair value of biological assets compared to 30 June 2013.

The Group is exposed to risks in respect of agricultural activity. The agricultural activity of the Group consists of the plantation development and cultivation of palm products.

The primary risk associated with this activity occurs due to the length of time between expending cash on planting and trees reaching production so that cash can be received from the sale of palm oil to third parties. The Group's strategy to manage this risk is to stage the replanting (20-30 year replanting cycle) to reduce the effect on the cash flow.

## **7 Events after the Balance Sheet Date**

No matter or circumstance has arisen since 31 December 2013 that has significantly affected, or may significantly affect, the operations of CI Resources Limited and its controlled entities, or the state of affairs of CI Resources Limited and its controlled entities in subsequent periods.

## **8 Financial Instruments**

The Directors have concluded that the fair value of those assets and liabilities are not materially different to book values. The methods and assumptions used to estimate the fair value of financial instruments were:

- Cash - The carrying amount is fair value due to the liquid nature of these assets.
- Term Deposits – The carrying value is the fair value of these assets.
- Receivables/payables - due to the short term nature of these financial rights and obligations, and/or market interest received/paid, their carrying values are estimated to represent their fair values.
- Derivatives - The fair values of forward currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.
- Finance lease liability – The fair value is the present value of minimum lease payments, which is also the approximate carrying value.
- Bank loan – All the bank loans of the Group are interest bearing with floating interest rates which move in accordance with the market interest rates. Therefore the fair value of the bank loans approximates their carrying value.



**Notes to the financial statements  
For the half-year ended 31 December 2013**

**8 Financial Instruments (continued)**

**Forward currency contracts – held for trading**

The Group has entered into forward exchange contracts which are economic hedges but do not satisfy the requirements for hedge accounting.

	Notional amounts \$AUD		Average exchange rate	
	31 Dec 2013 \$'000s	30 June 2013 \$'000s	31 Dec 2013	30 June 2013
<b>Sell US\$/buy Australian \$</b>				
Consolidated				
Sell US\$ maturity 0 to 12 months	9,398	20,842	0.9044	0.9836
Sell US\$ maturity 12 to 24 months	-	-	-	-

These contracts are fair valued by comparing the contracted rate to the market rates for contracts with the same length of maturity. All movements in fair value are recognised in profit or loss in the period they occur. The net fair value losses on foreign currency derivatives during the half-year were \$1.345 million for the Group.

The group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

**Level 1:** the fair value is calculated using quoted price in active markets;

**Level 2:** the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (as price) or indirectly (derived from prices); and

**Level 3:** the fair value is estimated using inputs for the assets or liability that are not based on observable market data.

	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Forward currency contracts – held for trading	-	(103)	-	(103)
	-	(103)	-	(103)

**Transfer between categories:**

There were no transfers between level 1 and level 2 during the half-year.

**Notes to the financial statements  
For the half-year ended 31 December 2013**

**9 Segment Reporting**

**Segment Reporting for the half-year ended 31 December 2013**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operation decision makers) in assessing performance and in determining the allocation of resource.

The Group has identified its operating segments to be Mining and Farming based on the different operating businesses within the Group. Discrete financial information about each of these operating segments is reported to the chief operation decision makers on a monthly basis.

Mining operating segment primarily involves mining, processing and sale of phosphate rock, phosphate dust and chalk

Farming operating segment primarily involves oil palm cultivation and palm oil processing

**Accounting policies and inter-segment transactions**

The accounting policy used by the Group in reporting segments internally are the same as those contained in Note 2 to the 30 June 2013 accounts.

Deferred tax assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment.

	<b>Half-Year ended 31 December 2013</b>			
	<b>Mining</b>	<b>Farming</b>	<b>Unallocated</b>	<b>Total</b>
	<b>\$'000s</b>	<b>\$'000s</b>	<b>\$'000s</b>	<b>\$'000s</b>
<b>Revenue</b>				
Revenue from external customers	46,437	26,961	-	73,398
Interest income	292	-	101	393
Stevedoring	-	-	815	815
Rendering of services	-	-	4,577	4,577
Oil sales	-	-	370	370
Total segment revenue	<b>46,729</b>	<b>26,961</b>	<b>5,863</b>	<b>79,553</b>
<b>Result</b>				
Segment net operating profit after tax (attributable to parent)	<b>10,181</b>	<b>1,545</b>	<b>159</b>	<b>11,885</b>
Depreciation and amortisation	1,413	645	88	2,146
Income tax expense	4,291	515	505	5,311
<b>Assets and Liabilities</b>				
Segment assets	<b>103,776</b>	<b>66,066</b>	<b>12,958</b>	<b>182,800</b>
Segment liabilities	<b>46,517</b>	<b>10,995</b>	<b>2,954</b>	<b>60,466</b>

**Notes to the financial statements  
For the half-year ended 31 December 2013**

**9 Segment reporting (continued)**

**Segment Reporting for the half-year ended 31 December 2012**

In the prior year, management had determined the operating segments based on reports reviewed by the Board (Chief Operations Decision Makers) for making strategic decisions. The company had three operating segments, that being the Sale of Phosphate, Stevedoring Services and Other.

The Other segment consists of the Oil, Australia and Singaporean operations.

	<b>Half-Year ended 31 December 2012</b>			
	<b>Mining</b>	<b>Farming</b>	<b>Unallocated</b>	<b>Total</b>
	<b>\$'000s</b>	<b>\$'000s</b>	<b>\$'000s</b>	<b>\$'000s</b>
<b>Revenue</b>				
Revenue from external customers	66,631	23,103	-	89,734
Interest income	286	-	124	410
Stevedoring	-	-	1,002	1,002
Rendering of services	-	-	3,533	3,533
Oil sales	-	-	366	366
Total segment revenue	<b>66,917</b>	<b>23,103</b>	<b>5,025</b>	<b>95,045</b>
<b>Result</b>				
Segment net operating profit after tax (attributable to parent)	<b>16,065</b>	<b>2,150</b>	<b>1,576</b>	<b>19,791</b>
Depreciation and amortisation	1,142	534	51	1,727
Income tax expense	8,862	798	330	9,990

**As at 30 June 2013**

<b>Assets and Liabilities</b>				
Segment assets	<b>91,224</b>	<b>65,254</b>	<b>12,837</b>	<b>169,315</b>
Segment liabilities	<b>40,351</b>	<b>13,568</b>	<b>3,595</b>	<b>57,514</b>

Revenue from external customers by geographical locations is detailed below. Revenue is attributed to geographic location based on the location of the customers. The Company does not have external revenues from external customers that are attributable to any foreign country other than as shown:

	<b>1 July 2013 to 31 December 2013 \$'000s</b>	<b>1 July 2012 to 31 December 2012 \$'000s</b>
Australia	11	27
Malaysia	26,961	23,103
Other foreign countries	52,581	71,915
	<b>79,553</b>	<b>95,045</b>

*Major customers*

The Group has number of customers to which it provides the products. There are no customers of the Group who account for more than 10% of total external revenue in 2013 and 2012.

**Notes to the financial statements  
For the half-year ended 31 December 2013**

**9 Segment reporting (continued)**

*Non-Current Assets by geographical regions:*

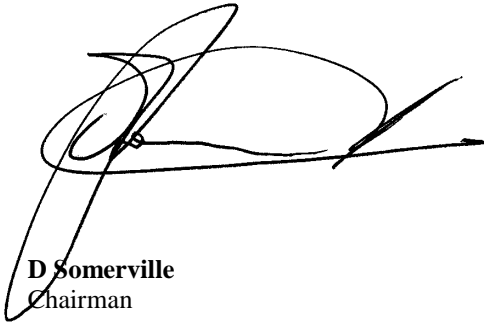
	<b>Consolidated</b>	
	<b>31 December 2013 \$'000s</b>	30 June 2013 \$'000s
Australia	45,228	37,872
Malaysia	49,325	51,065
Other foreign countries	1,786	3,664
	<b>96,339</b>	92,601
	<b>96,339</b>	92,601

**Directors' declaration  
For the year ended 31 December 2013**

In the directors' opinion:

- (a) 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*, including:
- (i) complying with Accounting Standard AASB 134: Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the company and the consolidated entity's financial position as at 31 December 2013 and of their performance, for the half-year ended on that date; and
- (b) 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 directors.



**D Somerville**  
Chairman

Perth  
28 February 2014

To the members of CI Resources Limited

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of CI 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, other selected explanatory notes 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 controls as the directors determine are 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 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 CI Resources Limited and the entities it controlled during the half-year, 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.

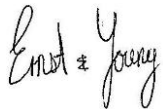
### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration.

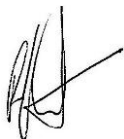
## Conclusion

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 CI 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 the *Corporations Regulations 2001*.



Ernst & Young



R J Curtin  
Partner  
Perth  
28 February 2014