

7 March 2017

Company Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**Interim Financial Report for the half-year ended 31 December 2016**

Attached is the Hampton Hill Mining NL Interim Financial Report for the half-year ended 31 December 2016.

Yours faithfully

P C Rutledge  
Company Secretary

**HAMPTON HILL MINING NL**

**INTERIM FINANCIAL REPORT**

**FOR THE HALF YEAR ENDED**

**31 DECEMBER 2016**

**ABN 60 060 628 524**

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# HAMPTON HILL MINING NL

## DIRECTORS' REPORT

The directors of Hampton Hill Mining NL (Hampton Hill or the Company) submit their report for the half year ended 31 December 2016.

## DIRECTORS

The names of the Company's directors in office during the half year and until the date of this report are as set out below. Directors were in office for this entire period unless otherwise stated.

Mr Joshua Pitt	Executive Chairman
Mr Neil Tomkinson	Non Executive Director
Mr Wilson Forte	Non Executive Director

## REVIEW AND RESULTS OF OPERATIONS

The operating loss of the Company for the half year ended 31 December 2016 was \$39,726 (2015: \$437,311).

Hampton Hill continued with its policy of limiting expenditures and restraining moves to raise capital while it awaited greater clarity as to the potential of the Millennium Zinc Project reported on below. In the six months to December 31, the Company funded all operations largely from existing cash reserves, loans from directors and the sale of a minor portion of its shareholding in Peel Mining Limited, which contracted from 11.3 million to 10 million fully paid shares.

Direct exploration activity by Hampton Hill during the half year was restricted to the Millennium Zinc Project where the Company continued with earn-in expenditures towards gaining a 25% ownership. At 31 December, Hampton Hill had almost completed this earn-in expenditure requirement as total joint venture expenditure approached \$3 million. Project manager and majority owner, Encounter Resources Limited, reported diamond drilling programs involving two holes completed for 1,516.6 metres (*HHM ASX release 30 January 2017*).

The two diamond holes were designed to test for zinc sulphide mineralization associated with the basin margin Tabletop Fault at the southern end of the Millennium gossanous target. No economically significant mineralization was intersected and the joint venture will next plan diamond drill testing at the northern extension of the target.

The Company also holds a 5% gross overriding royalty interest on all gold production in excess of one million ounces produced from the Apollo Hill Gold Project. No field work was reported by the project owner, Peel Mining Limited, during the half year.

Hampton Hill holds several other royalty and exploration rights relating to mineral tenements in Western Australia in respect of which no exploration was reported during the half year.

The Hampton Hill board commenced a review of its operations policy towards the end of the half year recognizing the desirability of securing new resource target assets.

## AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is included in this Interim Financial Report.

Signed in accordance with a resolution of the directors made pursuant to section 306(3) of the Corporations Act 2001.



**Joshua Pitt**  
Executive Chairman

Perth, 7 March 2017

# HAMPTON HILL MINING NL

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Note	31 December 2016 \$	31 December 2015 \$
Revenue from continuing operations	2	454	1,977
Other income	2	172,180	93,489
Exploration expenditure written off		-	(1,497)
Finance costs		(10,586)	(3,529)
Administration expenses	3	(169,911)	(182,764)
<b>Loss before income tax</b>		(7,863)	(92,324)
Income tax expense	4	(31,863)	(344,987)
<b>Loss for the half year</b>		(39,726)	(437,311)
<b>Other comprehensive income</b>			
Change in the fair value of available-for-sale financial assets	5	(111,800)	(1,149,955)
Income tax relating to the other comprehensive income	4	31,863	344,987
<b>Other comprehensive income for the half year, net of tax</b>		(79,937)	(804,968)
<b>Total comprehensive loss for the half year attributable to the ordinary equity holders of the Company</b>		(119,663)	(1,242,279)
<b>Loss per share attributable to the ordinary equity holders of the Company</b>			
<b>Basic and diluted loss per share</b>		(0.02) cents	(0.19) cents

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# HAMPTON HILL MINING NL

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	31 December 2016 \$	30 June 2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		270,793	126,471
Trade and other receivables		25,886	413,914
Available-for-sale financial assets	5	<u>1,700,000</u>	<u>1,921,000</u>
Total Current Assets		<u>1,996,679</u>	<u>2,461,385</u>
<b>Non-Current Assets</b>			
Exploration assets	6	2,705,654	2,343,317
Plant and equipment		<u>3,512</u>	<u>991</u>
Total Non-Current Assets		<u>2,709,166</u>	<u>2,344,308</u>
Total Assets		<u>4,705,845</u>	<u>4,805,693</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		129,577	109,762
Borrowings	7	<u>600,000</u>	<u>600,000</u>
Total Current Liabilities		<u>729,577</u>	<u>709,762</u>
Total Liabilities		<u>729,577</u>	<u>709,762</u>
<b>Net Assets</b>		<u>3,976,268</u>	<u>4,095,931</u>
<b>EQUITY</b>			
Issued capital	8	21,790,489	21,790,489
Reserves	9	821,165	901,102
Accumulated losses		<u>(18,635,386)</u>	<u>(18,595,660)</u>
<b>Total Equity</b>		<u>3,976,268</u>	<u>4,095,931</u>

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

# HAMPTON HILL MINING NL

## STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Issued Capital	Reserve – share-based payments	Reserve – available-for-sale financial assets	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	21,790,489	206,265	694,837	(18,595,660)	4,095,931
Comprehensive income					
Net loss for the half year	-	-	-	(39,726)	(39,726)
Change in fair value of available-for-sale financial assets, net of tax	-	-	(79,937)	-	(79,937)
Total comprehensive loss for the half year	-	-	(79,937)	(39,726)	(119,663)
Transaction with equity holders in their capacity as owners:	-	-	-	-	-
<b>Balance at 31 December 2016</b>	21,790,489	206,265	614,900	(18,635,386)	3,976,268
<b>Balance at 1 July 2015</b>	21,790,489	206,265	1,426,218	(18,112,171)	5,310,801
Comprehensive income					
Net loss for the half year	-	-	-	(437,311)	(437,311)
Change in fair value of available-for-sale financial assets, net of tax	-	-	(804,968)	-	(804,968)
Total comprehensive loss for the half year	-	-	(804,968)	(437,311)	(1,242,279)
Transaction with equity holders in their capacity as owners:	-	-	-	-	-
<b>Balance at 31 December 2015</b>	21,790,489	206,265	621,250	(18,549,482)	4,068,522

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# HAMPTON HILL MINING NL

## STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	31 December 2016	31 December 2015
	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(203,239)	(213,389)
Interest received	6,951	2,497
Interest paid	(13,665)	-
Rent received	60,908	64,642
	<hr/>	<hr/>
Net cash outflow from operating activities	(149,045)	(146,250)
<b>Cash flows from investing activities</b>		
Payments for exploration expenditure	(291,639)	(770,034)
Receipt of Research and Development Incentive	368,033	-
Payment for plant and equipment	(3,889)	-
Proceeds from disposal of plant and equipment	390	-
Proceeds from sale of equity investments	220,472	41,866
	<hr/>	<hr/>
Net cash inflow/(outflow) from investing activities	293,367	(728,168)
<b>Cash flows from financing activities</b>		
Loans received	-	200,000
	<hr/>	<hr/>
Net cash inflows from financing activities	-	200,000
<b>Net increase/(decrease) in cash and cash equivalents</b>	<hr/>	<hr/>
	144,322	(674,418)
Cash and cash equivalents at the beginning of the half year	<hr/>	<hr/>
	126,471	725,241
<b>Cash and cash equivalents at the end of the half year</b>	<hr/> <hr/>	<hr/> <hr/>
	270,793	50,823

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



# HAMPTON HILL MINING NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

### NOTE 1 – SEGMENT INFORMATION

The directors of Hampton Hill (who, collectively as the board, are the chief operating decision makers) have determined that the Company has one reportable segment, being mineral exploration within Australia. The board of directors monitors the Company based on actual versus budgeted exploration expenditure. This internal reporting framework is the most relevant to assist the board with making decisions regarding its ongoing exploration activities.

	31 December 2016	30 June 2016
	\$	\$
Reportable segment assets	2,705,654	2,343,317
Reportable segment liabilities	(95,370)	(24,672)
Reconciliation of reportable segment liabilities:		
Reportable segment liabilities	(95,370)	(24,672)
Unallocated corporate liabilities	(634,207)	(685,090)
Total liabilities	(729,577)	(709,762)

	31 December 2016	31 December 2015
	\$	\$
Reportable segment loss	-	(1,497)
Reconciliation of reportable segment loss:		
Reportable segment loss	-	(1,497)
Other profit	172,634	95,466
Unallocated corporate expenses	(180,497)	(186,293)
Loss before income tax	(7,863)	(92,324)

### NOTE 2 – REVENUE AND OTHER INCOME

#### Revenue from continuing operations

Interest income	454	1,977
<b>Other income</b>		
Rent	60,908	64,642
Gain on disposal of available-for-sale financial assets	111,272	28,847
	172,180	93,489

# HAMPTON HILL MINING NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

### NOTE 3 – ADMINISTRATION EXPENSES

	31 December 2016	31 December 2015
	\$	\$
<b>Loss before income tax includes the following specific administration expenses:</b>		
Personnel expenses		
Salaries, superannuation and associated expenses	11,875	12,138
Depreciation	468	176
Other administration expenses		
Accounting	29,176	33,764
Audit	7,143	9,453
Listing fees	18,196	14,819
Operating lease - office	63,343	70,344
Secretarial and administration services	22,853	23,940
Other	16,857	18,130
	<u>169,911</u>	<u>182,764</u>

### NOTE 4 – INCOME TAX

An income tax expense of \$31,863 (2015: \$344,987) has been recognised in respect of the net balance on the available-for-sale financial assets reserve and movement thereon. The deferred tax asset arising from this recognition has been offset against the deferred tax liability.

### NOTE 5 – AVAILABLE-FOR-SALE FINANCIAL ASSETS

	31 December 2016	31 December 2015
Opening balance at 1 July	1,921,000	3,100,475
Disposals	(109,200)	(13,020)
Revaluation	(111,800)	(1,149,955)
	<u>1,700,000</u>	<u>1,937,500</u>

The available-for-sale financial assets comprise listed equity securities.

AASB13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability;
- (c) Level 3 Inputs for the asset or liability that are not based on observable market data.

The securities are traded in an active market, being the Australian Securities Exchange, and consequently they are measured as a Level 1 instrument on the fair value hierarchy. The quoted market price, used to determine the value of these securities is the bid price at balance date. There has been no transfer between measurement levels during the year. If there is objective evidence of impairment of available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity and recognised in profit or loss. Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

# HAMPTON HILL MINING NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

### NOTE 6 – EXPLORATION ASSETS

	31 December 2016	31 December 2015
	\$	\$
Opening balance at 1 July	2,343,317	1,952,301
Expenditure incurred during the period on exploration of tenements	362,337	517,877
Impairment of exploration expenditure	-	(1,497)
	<hr/>	<hr/>
Closing balance at 31 December	2,705,654	2,468,681

Since the last reporting date, there has been no change to the Company's accounting policy regarding exploration assets. Refer to the 2016 annual report for details.

### NOTE 7 – BORROWINGS AND RELATED PARTY TRANSACTIONS

Borrowings relate to the unsecured short term loans facility of \$650,000 from entities of which Mr Pitt and Mr Tomkinson are directors. This was drawn down to \$600,000 at balance date, and has a repayment date of 31 October 2017. All terms and conditions remained unchanged during the half year to 31 December 2016.

All other arrangements with related parties set out in the financial statements for the year ended 30 June 2016 continue to be in place.

### NOTE 8 – ISSUED CAPITAL

	31 December 2016	30 June 2016
	\$	\$
235,741,595 ordinary shares issued and fully paid	21,787,839	21,787,839
2,650,000 ordinary shares partly paid to 0.1 cents	2,650	2,650
	<hr/>	<hr/>
	21,790,489	21,790,489

There was no movement in the number of shares and issued capital during the half year.

### NOTE 9 – RESERVES

Available-for-sale financial assets reserve	614,900	694,837
Share-based payments reserve	206,265	206,265
	<hr/>	<hr/>
	821,165	901,102

The share-based payments reserve records items recognised as expenses on valuation of partly paid shares and options issued to employees.

The available-for-sale financial assets reserve arises from changes in the fair value of equities classified as available-for-sale financial assets net of tax. The changes in value net of income tax are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

### NOTE 10 – SHARE BASED PAYMENTS

The Company from time to time issues partly-paid ordinary shares and options to the executive director, key management personnel and other employees as part of their remuneration. 2,650,000 partly-paid shares have been issued in terms of this remuneration practice.

No partly paid shares or options have been issued during the half year.

# HAMPTON HILL MINING NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

### NOTE 11 – COMMITMENTS FOR EXPENDITURE

In order to maintain the mineral tenements in which the Company and other parties are involved, the Company is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. Since the last reporting date, there has been no material change to these commitments.

### NOTE 12 – EVENTS OCCURRING AFTER BALANCE DATE

To the best of the directors' knowledge and belief, there were no material items, transactions or events subsequent to the end of the financial year which, although they do not relate to conditions existing at that date, have not been dealt with in these financial statements and which would cause reliance on the information shown in this report to be misleading.

### NOTE 13 – CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities as at 31 December 2016.

### NOTE 14 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hampton Hill is a public company, incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX).

#### Statement of compliance and basis of preparation

The half year financial statements are general-purpose financial statements, prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 "Interim Financial Reporting".

The half year financial statements do not include full disclosures of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the annual financial statements.

The half year financial statements should be read in conjunction with the annual financial report for the year ended 30 June 2016 and considered together with any public announcements made by Hampton Hill during the half year ended 31 December 2016 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and the ASX Listing Rules.

The half year financial statements have been prepared on the accruals basis and are based on historical cost, except for the revaluation of certain financial instruments to fair value.

For the purpose of preparing the half year financial statements, the half year has been treated as a discrete reporting period.

#### Accounting policies and methods of computation

The accounting policies and methods of computation adopted in the preparation of the half-year financial statements are consistent with those adopted and disclosed in the Company's annual financial statements for the year ended 30 June 2016 and the corresponding interim reporting period.

#### Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

# HAMPTON HILL MINING NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

### **Adoption of new and revised standards**

#### *Standards and Interpretations applicable to 31 December 2016*

In the half year ended 31 December 2016, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2016.

As a result of this review, the directors have determined that there is no material impact for the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to accounting policies.

#### *Standards and Interpretations issued, but not yet effective, applicable to 31 December 2016*

The directors have also reviewed all of the new and revised Standards and Interpretations issued, but not yet effective, that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2017.

As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations issued, but not yet effective, on the Company and therefore no material change is necessary to accounting policies.

# HAMPTON HILL MINING NL

## DIRECTORS' DECLARATION

In the opinion of the directors of the Company:

1. the accompanying financial statements and notes, as set out in this Interim Financial Report, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory reporting requirements; and
  - (b) give a true and fair view of the Company's financial position as at 31 December 2016 and of the 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 directors made pursuant to section 303(5) of the Corporations Act 2001.



**Joshua Pitt**  
**Executive Chairman**

7 March 2017

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Hampton Hill Mining NL

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

We have reviewed the accompanying half-year financial report of Hampton Hill Mining NL ("the company"), which comprises the condensed statement of financial position as at 31 December 2016, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the 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.

#### *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 gives a true and fair view and 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 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

#### *Independence*

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

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Hampton Hill Mining NL 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 2016 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*.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

**HLB Mann Judd**  
**Chartered Accountants**

A handwritten signature in black ink that reads 'B G McVeigh'.

**B G McVeigh**  
**Partner**

**Perth, Western Australia**  
**7 March 2017**



**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Hampton Hill Mining NL for the half-year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



Perth, Western Australia  
7 March 2017

**B G McVeigh**  
Partner