



ABN 36 124 893 465

## **HALF – YEAR FINANCIAL REPORT**

31 DECEMBER 2011

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## Contents

|                                                                             |    |
|-----------------------------------------------------------------------------|----|
| Corporate information .....                                                 | 3  |
| Directors' report .....                                                     | 4  |
| Consolidated statement of financial position .....                          | 6  |
| Consolidated statement of comprehensive income .....                        | 7  |
| Consolidated statement of changes in equity .....                           | 8  |
| Consolidated statement of cash flows .....                                  | 9  |
| Notes to the consolidated financial statements .....                        | 10 |
| 1 Corporate information .....                                               | 10 |
| 2 Basis of preparation and changes to the Group's accounting policies ..... | 10 |
| 3 Operating segments .....                                                  | 11 |
| 4 Revenue and other income .....                                            | 14 |
| 5 General and administrative expenses .....                                 | 14 |
| 6 Cash and cash equivalents .....                                           | 15 |
| 7 Consumables .....                                                         | 15 |
| 8 Trade and other receivables .....                                         | 15 |
| 9 Other assets .....                                                        | 16 |
| 10 Property, plant and equipment .....                                      | 16 |
| 11 Exploration and evaluation assets .....                                  | 17 |
| 12 Mine properties .....                                                    | 17 |
| 13 Accounts payable and other payables .....                                | 18 |
| 14 Interest-bearing loans and borrowings .....                              | 18 |
| 15 Provisions .....                                                         | 19 |
| 16 Derivative financial instruments .....                                   | 19 |
| 17 Issued capital .....                                                     | 20 |
| 18 Reserves .....                                                           | 22 |
| 19 Losses per share .....                                                   | 22 |
| 20 Capital commitments and other contingencies .....                        | 23 |
| 21 Events after the reporting date .....                                    | 24 |
| 22 Comparatives .....                                                       | 24 |
| Directors' declaration .....                                                | 25 |



## Corporate information

**ABN 36 124 893 465**

### **Directors**

|                       |                        |
|-----------------------|------------------------|
| HRH Tunku Naquiyuddin | Chairman               |
| Mr Wayne David Norris | Managing Director      |
| Mr Brian David Thomas | Non-Executive Director |
| Ms Xi Xi              | Non-Executive Director |

### **Company Secretary**

Mr Anthony Ho

### **Registered Office and Principal Place of Business**

Suite 3, Level 3  
South Shore Centre  
85 South Perth Esplanade  
South Perth, Western Australia, 6151  
Telephone: +61 8 9474 6771

### **Ghanaian Office**

6 Sunflower Road  
East Legon, Accra  
Ghana

### **Share Registry**

Computershare Investor Services Pty Ltd  
45 St George's Terrace  
Perth, Western Australia, 6000  
Telephone: +61 8 9323 2000

### **Auditor**

Ernst & Young  
11 Mounts Bay Road  
Perth, Western Australia, 6000

### **Solicitors**

Norton Rose  
Level 39, BankWest Tower  
108 St Georges Terrace  
Perth, Western Australia, 6000

### **Bankers**

Australia and New Zealand Banking Group Limited  
486 Albany Highway  
East Victoria Park, Western Australia, 6101

### **Stock Exchange**

ASX Limited  
Exchange Plaza, 2 The Esplanade  
Perth, Western Australia, 6000

ASX Code: NMG  
NMGOA



## Directors' report

Your directors submit their report for the half-year ended 31 December 2011.

### Directors

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

HRH Tunku Naquiyuddin (Chairman)  
Mr Wayne David Norris (Managing Director)  
Mr Brian David Thomas (Non-Executive Director)  
Mr Duncan Coutts (Non-Executive Director - resigned 8 July 2011)  
Ms Xi Xi (Non-Executive Director - appointed 24 October 2012)

### Review and results of operations

Noble Mineral Resources Limited (ASX: NMG) has completed a successful 6-month period in its Bibiani Gold Project in Ghana, West Africa that has put the Company on the cusp of production and cashflow.

Noble began the financial year by raising A\$ 19,355,000 via loyalty options expiring 21 July 2011. A total of 64,518,051 options with an exercise price of A\$ 0.30 were converted to ordinary shares in July 2011, representing a conversion rate of 99%. A further A\$ 34,100,000 was successfully raised through a share placement in October 2011.

The raised funds enabled the Company to get the refurbishment of the 3Mtpa processing plant close to completion and fund the extensive drilling campaign around the Bibiani main pit and multiple satellite pits in the area. A significant milestone was the granting of an Environmental Permit by the Ghana Environmental Protection Agency on 9 November 2011. This enabled Noble to start mining activities with preparing the satellite pits, pre-stripping waste and stockpiling ore on the Run-Of-Mine (ROM) pad. The processing plant refurbishment progressed well during the reporting period and by the end of December the plant was just about ready for commissioning to start.

During the 6-month period Noble's drilling program produced great results leading to an upgrade to the JORC resources and reserves at Bibiani. The additional ounces came from the Aheman, Grasshopper, Strauss and Walsh satellite deposits and lifted the total resource calculation for Bibiani from 1.98Moz to 2.26Moz. The reserves were upgraded from 790,000oz to 958,000oz. To further speed up the drill results and upcoming resource/reserve upgrades Noble opened an on-site assay laboratory in December 2011. The laboratory is owned by Noble and operated by Performance Laboratories and will slash the turnaround times for assay results from up to five weeks to as little as 24 hours in addition to reducing sample costs.

Noble continued its commitment in working with the community by sponsoring a trial for natural biolarvicide Mousticide aiming at managing mosquito populations and reducing Malaria. The trial included a baseline survey, two phases of treatment with Mousticide, an evaluation report and a follow-up interview in the community. The trial was a success with Mousticide providing 100% larval mortality within the first 24 hours and achieving high residual effect of at least 3 weeks.

#### *Results*

The Group incurred a loss of US \$13,052,000 (31 Dec 2010: US\$ 11,058,000) for the half-year ended 31 December 2011. This loss included exploration and evaluation expenditure of US \$57,000 (31 Dec 2010: US\$ 666,000) written off in accordance with the Group's accounting policies.



## **Directors' report (continued)**

### **Review and results of operations (continued)**

The Group finished the half-year with cash or cash equivalents of US \$6,238,000 plus a further US \$2,730,000 of funds on deposit securing environmental obligations (31 Dec 2010: US \$36,548,000 plus a further US \$2,730,000 of funds on deposit securing environmental obligations).

### **Rounding**

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

### **Competent Person's Statement**

The information in this announcement that relates to Exploration Results, Mineral Resource or Ore Reserves is based on information compiled by Mr Mark Laing (BE (Hons), Mining), who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Laing is a full-time employee of Noble Mineral Resources Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Laing consents to the inclusion in this report of the matters based on his information in the form and content in which it appears.

### **Auditor independence declaration**

The auditor's independence declaration for the half-year ended 31 December 2011 has been received and is located with the Independent Auditor's Report on page 26.

Signed in accordance with a resolution of the directors.



W. Norris  
Managing Director  
15 March 2012



## Consolidated statement of financial position

As at 31 December 2011

|                                       | Note | Consolidated               |                            |
|---------------------------------------|------|----------------------------|----------------------------|
|                                       |      | 31 Dec 2011<br>US \$ (000) | 30 Jun 2011<br>US \$ (000) |
| <b>ASSETS</b>                         |      |                            |                            |
| <b>Current Assets</b>                 |      |                            |                            |
| Cash and cash equivalents             | 6    | 7,524                      | 9,430                      |
| Consumables                           | 7    | 7,146                      | 5,022                      |
| Trade and other receivables           | 8    | 2,554                      | 1,025                      |
| Other assets                          | 9    | 1,373                      | 9,430                      |
| <b>Total current assets</b>           |      | <b>18,597</b>              | <b>24,907</b>              |
| <b>Non-current assets</b>             |      |                            |                            |
| Property, plant and equipment         | 10   | 114,982                    | 81,764                     |
| Exploration and evaluation assets     | 11   | 10,572                     | 4,765                      |
| Mine properties                       | 12   | 16,087                     | 9,918                      |
| Other assets                          | 9    | 2,994                      | 2,888                      |
| <b>Total non-current assets</b>       |      | <b>144,635</b>             | <b>99,335</b>              |
| <b>TOTAL ASSETS</b>                   |      | <b>163,232</b>             | <b>124,242</b>             |
| <b>LIABILITIES</b>                    |      |                            |                            |
| <b>Current Liabilities</b>            |      |                            |                            |
| Trade and other payables              | 13   | 12,005                     | 13,647                     |
| Interest-bearing loans and borrowings | 14   | 35,154                     | 34,646                     |
| Provisions                            | 15   | 1,525                      | 1,590                      |
| Derivative financial instruments      | 16   | 2,063                      | 2,947                      |
| <b>Total current liabilities</b>      |      | <b>50,747</b>              | <b>52,830</b>              |
| <b>Non-current liabilities</b>        |      |                            |                            |
| Provisions                            | 15   | 9,481                      | 9,481                      |
| Deferred tax liability                |      | 8,314                      | 8,314                      |
| <b>Total non-current liabilities</b>  |      | <b>17,795</b>              | <b>17,795</b>              |
| <b>TOTAL LIABILITIES</b>              |      | <b>68,542</b>              | <b>70,625</b>              |
| <b>NET ASSETS</b>                     |      | <b>94,690</b>              | <b>53,617</b>              |
| <b>EQUITY</b>                         |      |                            |                            |
| Issued capital                        | 17   | 129,499                    | 78,373                     |
| Reserves                              | 18   | 3,849                      | 850                        |
| Accumulated losses                    |      | (38,658)                   | (25,606)                   |
| <b>TOTAL EQUITY</b>                   |      | <b>94,690</b>              | <b>53,617</b>              |



## Consolidated statement of comprehensive income

For the half - year ended 31 December 2011

|                                                                                                          | Note | Consolidated               |                            |
|----------------------------------------------------------------------------------------------------------|------|----------------------------|----------------------------|
|                                                                                                          |      | 31 Dec 2011<br>US \$ (000) | 31 Dec 2010<br>US \$ (000) |
| Revenue                                                                                                  | 4    | 484                        | 324                        |
| Other income                                                                                             | 4    | 1,663                      | 1,790                      |
| Gain (Loss) on derivative financial instruments                                                          | 16   | 883                        | (2,830)                    |
| General and administrative expenses                                                                      | 5    | (16,012)                   | (9,631)                    |
| Exploration and evaluation expenses written off                                                          |      | (57)                       | (666)                      |
| Borrowing expenses                                                                                       |      | (13)                       | (45)                       |
| <b>Loss before income tax</b>                                                                            |      | <b>(13,052)</b>            | <b>(11,058)</b>            |
| Income tax                                                                                               |      | -                          | -                          |
| <b>Net loss for the period</b>                                                                           |      | <b>(13,052)</b>            | <b>(11,058)</b>            |
| <b>Total comprehensive loss for the period</b>                                                           |      | <b>(13,052)</b>            | <b>(11,058)</b>            |
|                                                                                                          |      | <b>Cents</b>               | <b>Cents</b>               |
| <b>Losses per share for loss from continuing operations attributable to the ordinary equity holders:</b> |      |                            |                            |
| Basic losses per share                                                                                   | 19   | (2.70)                     | (3.64)                     |
| Diluted losses per share                                                                                 | 19   | (2.70)                     | (3.64)                     |



## Consolidated statement of changes in equity

For the half - year ended 31 December 2011

|                                                  | Issued<br>Capital<br>US \$ (000) | Foreign<br>Currency<br>Translation<br>Reserve<br>US \$ (000) | Option<br>Reserve<br>US \$ (000) | Accumulated<br>Losses<br>US \$ (000) | Total<br>US \$ (000) |
|--------------------------------------------------|----------------------------------|--------------------------------------------------------------|----------------------------------|--------------------------------------|----------------------|
| <b>Balance as at 1 July 2011</b>                 | <b>78,373</b>                    | <b>310</b>                                                   | <b>540</b>                       | <b>(25,606)</b>                      | <b>53,617</b>        |
| Net profit (loss) for the period                 | -                                | -                                                            | -                                | (13,052)                             | (13,052)             |
| Other comprehensive income                       | -                                | -                                                            | -                                | -                                    | -                    |
| Total comprehensive profit (loss) for the period | -                                | -                                                            | -                                | (13,052)                             | (13,052)             |
| Issue of share capital                           | 33,278                           | -                                                            | -                                | -                                    | 33,278               |
| Share based payments                             | -                                | -                                                            | 2,999                            | -                                    | 2,999                |
| Exercise of options                              | 21,131                           | -                                                            | -                                | -                                    | 21,131               |
| Share issue costs                                | (3,283)                          | -                                                            | -                                | -                                    | (3,283)              |
| <b>Balance as at 31 December 2011</b>            | <b>129,499</b>                   | <b>310</b>                                                   | <b>3,539</b>                     | <b>(38,658)</b>                      | <b>94,690</b>        |
| <b>Balance as at 1 July 2010</b>                 | <b>41,954</b>                    | <b>310</b>                                                   | <b>-</b>                         | <b>(4,889)</b>                       | <b>37,375</b>        |
| Net profit (loss) for the period                 | -                                | -                                                            | -                                | (11,058)                             | (11,058)             |
| Other comprehensive income                       | -                                | -                                                            | -                                | -                                    | -                    |
| Total comprehensive profit (loss) for the period | -                                | -                                                            | -                                | (11,058)                             | (11,058)             |
| Issue of share capital                           | 29,839                           | -                                                            | 540                              | -                                    | 30,379               |
| Exercise of options                              | 10                               | -                                                            | -                                | -                                    | 10                   |
| Share issue costs                                | (1,961)                          | -                                                            | -                                | -                                    | (1,961)              |
| <b>Balance as at 31 December 2010</b>            | <b>69,842</b>                    | <b>310</b>                                                   | <b>540</b>                       | <b>(15,947)</b>                      | <b>54,745</b>        |



## Consolidated statement of cash flows

For the half - year ended 31 December 2011

|                                                                            | Note | Consolidated                |                             |
|----------------------------------------------------------------------------|------|-----------------------------|-----------------------------|
|                                                                            |      | 31 Dec 2011<br>US \$ ('000) | 31 Dec 2010<br>US \$ ('000) |
| <b>Cash flows from operating activities</b>                                |      |                             |                             |
| Interest income received                                                   |      | 245                         | 324                         |
| Other revenue received                                                     |      | 239                         | -                           |
| Interest expense paid                                                      |      | (13)                        | (3)                         |
| Payments to suppliers and employees                                        |      | (12,599)                    | (9,946)                     |
| Payments for exploration and evaluation expenditure                        |      | (386)                       | (666)                       |
| <b>Net cash flows used in operating activities</b>                         |      | <b>(12,514)</b>             | <b>(10,291)</b>             |
| <b>Cash flows from investing activities</b>                                |      |                             |                             |
| Proceeds from sale of property, plant and equipment                        |      | -                           | 10                          |
| Purchase of property, plant and equipment                                  |      | (38,634)                    | (5,593)                     |
| Prepayments on property, plant and equipment                               |      | -                           | (2,080)                     |
| Payments for exploration and evaluation assets                             |      | (5,807)                     | (225)                       |
| Advancement of loans to subsidiary prior to acquisition                    |      | -                           | (6,556)                     |
| Cash acquired on acquisition of subsidiary                                 |      | -                           | 3,122                       |
| <b>Net cash flows used in investing activities</b>                         |      | <b>(44,441)</b>             | <b>(11,322)</b>             |
| <b>Cash flows from financing activities</b>                                |      |                             |                             |
| Proceeds from issue of share capital                                       |      | 54,323                      | 27,634                      |
| Share issue costs                                                          |      | (1,766)                     | (1,421)                     |
| Proceeds from borrowings                                                   |      | -                           | 1,100                       |
| Repayment of borrowings                                                    |      | (242)                       | (374)                       |
| Other                                                                      |      | -                           | 763                         |
| <b>Net cash flows from financing activities</b>                            |      | <b>52,315</b>               | <b>27,702</b>               |
| <b>Net increase (decrease) in cash and cash equivalents</b>                |      | <b>(4,640)</b>              | <b>6,089</b>                |
| Net foreign exchange differences                                           |      | 1,500                       | (430)                       |
| <b>Cash and cash equivalents at the beginning of the period</b>            |      | <b>9,378</b>                | <b>30,889</b>               |
| <b>Cash and cash equivalents at the end of the period</b>                  |      | <b>6,238</b>                | <b>36,548</b>               |
| <b>Analysis of balances of cash and cash equivalents:</b>                  |      |                             |                             |
| Cash at bank and in hand                                                   |      | 3,244                       | 4,780                       |
| Short-term deposits                                                        |      | 399                         | 32,145                      |
| Debt service reserve                                                       |      | 3,881                       | -                           |
| Cash and cash equivalents as stated in the statement of financial position | 6    | 7,524                       | 36,925                      |
| Overdraft                                                                  | 13   | (1,286)                     | (377)                       |
| <b>Cash and cash equivalents as stated in the statement of cash flows</b>  |      | <b>6,238</b>                | <b>36,548</b>               |



## Notes to the consolidated financial statements

### For the half - year ended 31 December 2011

#### 1. Corporate information

The interim condensed consolidated financial statements of the Group for the half-year ended 31 December 2011 were authorised for issue in accordance with a resolution of the directors on 15 March 2012.

Noble Mineral Resources Limited is a limited company incorporated and domiciled in Australia whose shares are publicly traded. The principal activities of the Company and its subsidiaries (the Group) are described in note 3.

#### 2. Basis of preparation and changes to the Group's accounting policies

##### Basis of preparation

This general purpose condensed financial report for the half-year ended 31 December 2011 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.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2011 and considered together with any public announcements made by Noble Mineral Resources Limited during the half-year ended 31 December 2011 in accordance with the continuous disclosure obligations of the ASX listing rules.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

##### New and Amended Standards and Interpretations

All new and amended accounting standards and interpretations effective 1 July 2011 have been adopted by the Group. Adoption of these Standards and Interpretations did not have any effects on the financial position or performance of the Group.

The Group has not elected to early adopt any other new standards or amendments that are issued but not yet effective.

##### Going Concern

During the half-year ended 31 December 2011, the consolidated entity incurred net losses of \$13,052,000 (31 Dec 2010: \$11,058,000) and had a net cash outflow of \$4,640,000 (31 Dec 2010: \$6,089,000 inflow). As disclosed in note 20, the Group also has commitments for expenditure of \$3,056,000 (31 Dec 2010: \$12,191,000) payable within the next period. At 31 December 2011, the delay in the commencement of production at the Bibiani Gold Mine resulted in an event of breach on the Investec loan facility. This in turn necessitated the Investec loan facility being classified as a current liability as the Group did not have the unconditional right to defer settlement of the loan for a period greater than 12 months. At balance date the Group had a net working capital deficiency of \$32.15m.



## Notes to the consolidated financial statements (continued)

### For the half - year ended 31 December 2011

#### Going Concern (continued)

The condensed half-year report has been prepared on the basis that the consolidated entity will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

In arriving at this position, the directors have given consideration to the following aspects and developments in the Company's activities:

- i) Subsequent to balance date, the Company completed an equity raising of A\$10,080,000 by the issue of 21,000,000 shares at A\$0.48 per share;
- ii) Subsequent to balance date, the Company announced an offer to shareholders to purchase up to A\$15,000 each of shares in the Company at an issue price of A\$0.48 per share pursuant to a Share Purchase Plan. The maximum amount of funds to be raised under the Share Purchase Plan is \$25,500,000;
- iii) As noted in the Directors' Report, the Company has commenced mining operations and commissioning its processing plant. The significant capital investments in the past 18 months have resulted in positioning the Company for imminent production of gold and thereby generating cashflow from its operations to fund its ongoing working capital requirements;
- iv) The directors are currently reviewing and negotiating alternative funding proposals for its loans to better reflect the Company's current operational status. It is anticipated that such alternative funding structures will involve a mix of equity and debt financing;
- v) The directors believe that Investec will continue to be supportive of the Company through the ramp up of Bibiani.

Accordingly, the directors believe that the consolidated entity will obtain sufficient funding to enable them to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

Should the consolidated entity not achieve matters ii – v as set out above, there is significant uncertainty whether the consolidated entity 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 the amounts stated in the financial report.

The half-year financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the consolidated entity not be able to continue as going concern.

### 3. Operating segments

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

The operating segments are identified by management based on a geographical basis as the risks are affected predominantly by differences in the geographical areas in which the Group operates. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

The Group has the following segments:

|                   |                                                |
|-------------------|------------------------------------------------|
| Bibiani           | Mineral exploration and development activities |
| Cape Three Points | Mineral exploration activities                 |



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 3. Operating segments (continued)

|                                                                                  | Bibiani     |             | Cape Three Points |             | Total           |                 |
|----------------------------------------------------------------------------------|-------------|-------------|-------------------|-------------|-----------------|-----------------|
|                                                                                  | 31 Dec 2011 | 31 Dec 2010 | 31 Dec 2011       | 31 Dec 2010 | 31 Dec 2011     | 31 Dec 2010     |
|                                                                                  | US \$ (000) | US \$ (000) | US \$ (000)       | US \$ (000) | US \$ (000)     | US \$ (000)     |
| Interest income                                                                  | 12          | 2           | -                 | -           | 12              | 2               |
| Equipment rental                                                                 | 239         | -           | -                 | -           | 239             | -               |
| <b>Total segment revenue</b>                                                     | <b>251</b>  | <b>2</b>    | <b>-</b>          | <b>-</b>    | <b>251</b>      | <b>2</b>        |
| Corporate and other unallocated interest income                                  |             |             |                   |             | 233             | 322             |
| <b>Total revenue per the statement of comprehensive income</b>                   |             |             |                   |             | <b>484</b>      | <b>324</b>      |
| <b>Result</b>                                                                    |             |             |                   |             |                 |                 |
| Segment result                                                                   | (12,730)    | (7,743)     | 411               | (541)       | (12,319)        | (8,284)         |
| Corporate and other unallocated                                                  |             |             |                   |             | (733)           | (2,774)         |
| <b>Net profit (loss) before tax as per the statement of comprehensive income</b> |             |             |                   |             | <b>(13,052)</b> | <b>(11,058)</b> |



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 3. Operating segments (continued)

|                                                             | Bibiani     |             | Cape Three Points |             | Total          |                |
|-------------------------------------------------------------|-------------|-------------|-------------------|-------------|----------------|----------------|
|                                                             | 31 Dec 2011 | 30 Jun 2011 | 31 Dec 2011       | 30 Jun 2011 | 31 Dec 2011    | 30 Jun 2011    |
|                                                             | US \$ (000) | US \$ (000) | US \$ (000)       | US \$ (000) | US \$ (000)    | US \$ (000)    |
| <b>Segment assets</b>                                       |             |             |                   |             |                |                |
| Segment assets                                              | 210,265     | 126,531     | 7,383             | 6,830       | 217,648        | 133,361        |
| Inter-entity loans                                          |             |             |                   |             | (88,080)       | (51,390)       |
| Corporate and unallocated assets                            |             |             |                   |             | 33,664         | 42,271         |
| <b>Total assets per the statement of financial position</b> |             |             |                   |             | <b>163,232</b> | <b>124,242</b> |

#### Segment assets reconciliation to the statement of financial position

The analysis of the location of non-current assets other than financial instruments and deferred tax assets is as follows:

|           |                |               |
|-----------|----------------|---------------|
| Australia | 913            | 733           |
| Ghana     | 143,722        | 98,602        |
|           | <b>144,635</b> | <b>99,335</b> |

#### Segment liabilities

|                                                                  |         |         |       |       |               |               |
|------------------------------------------------------------------|---------|---------|-------|-------|---------------|---------------|
| Segment liabilities                                              | 317,043 | 220,578 | 8,375 | 8,234 | 325,418       | 228,812       |
| Inter-entity loans                                               |         |         |       |       | (268,211)     | (170,301)     |
| Corporate and unallocated liabilities                            |         |         |       |       | 11,335        | 12,114        |
| <b>Total liabilities per the statement of financial position</b> |         |         |       |       | <b>68,542</b> | <b>70,625</b> |



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 4. Revenue and other income

|                                       | Consolidated               |                            |
|---------------------------------------|----------------------------|----------------------------|
|                                       | 31 Dec 2011<br>US \$ (000) | 31 Dec 2010<br>US \$ (000) |
| <b>(a) Revenue</b>                    |                            |                            |
| Interest income                       | 245                        | 324                        |
| Equipment rental                      | 239                        | -                          |
|                                       | <u>484</u>                 | <u>324</u>                 |
| <b>(b) Other income</b>               |                            |                            |
| Foreign currency gains                | 1,660                      | 1,775                      |
| Profit on sale of plant and equipment | -                          | 10                         |
| Other                                 | 3                          | 5                          |
|                                       | <u>1,663</u>               | <u>1,790</u>               |

### 5. General and administrative expenses

*General and administrative expenses include the following:*

|                                                | Consolidated               |                            |
|------------------------------------------------|----------------------------|----------------------------|
|                                                | 31 Dec 2011<br>US \$ (000) | 31 Dec 2010<br>US \$ (000) |
| Staff costs and employee benefits <sup>1</sup> | 7,040                      | 3,368                      |
| Non-executive directors' fees <sup>1</sup>     | 934                        | 46                         |
| Maintenance of plant, equipment and other      | 1,577                      | 1,021                      |
| Depreciation                                   | 653                        | 1,533                      |
| Travel and accommodation                       | 621                        | 408                        |
| Electricity                                    | 618                        | 487                        |
| Insurance                                      | 414                        | 388                        |
| Fuel                                           | 349                        | 125                        |
| Bank charges                                   | 144                        | 107                        |
| Stock exchange and registry fees               | 59                         | 147                        |

*Notes in relation to general and administrative expenses:*

1. Includes options granted to employees and directors with a valuation of \$1,435,000.



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 6. Cash and cash equivalents

|                          | Consolidated |              |
|--------------------------|--------------|--------------|
|                          | 31 Dec 2011  | 30 Jun 2011  |
|                          | US \$ (000)  | US \$ (000)  |
| Cash at bank and in hand | 3,244        | 9,392        |
| Debt service reserve (i) | 3,881        | -            |
| Short-term deposits      | 399          | 38           |
|                          | <u>7,524</u> | <u>9,430</u> |

- (i) The Debt Service Reserve account is required to be funded 3 months in advance of each quarterly repayment to Investec Bank Limited (refer note 14).

### 7. Consumables

|                        | Consolidated |              |
|------------------------|--------------|--------------|
|                        | 31 Dec 2011  | 30 Jun 2011  |
|                        | US \$ (000)  | US \$ (000)  |
| At cost:               |              |              |
| Materials and supplies | 7,040        | 5,022        |
| Ore stockpiles         | 106          | -            |
|                        | <u>7,146</u> | <u>5,022</u> |

### 8. Trade and other receivables

|                       | Consolidated |              |
|-----------------------|--------------|--------------|
|                       | 31 Dec 2011  | 30 Jun 2011  |
|                       | US \$ (000)  | US \$ (000)  |
| <b>Current</b>        |              |              |
| Taxes recoverable (i) | 2,280        | 824          |
| Other receivables     | 274          | 201          |
|                       | <u>2,554</u> | <u>1,025</u> |

- (i) Taxes recoverable relate to Australian GST, Ghanaian VAT and Ghanaian Withholding Tax.

The carrying value of trade and other receivables approximate their fair value.



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 9. Other assets

|                 | Consolidated               |                            |
|-----------------|----------------------------|----------------------------|
|                 | 31 Dec 2011<br>US \$ (000) | 30 Jun 2011<br>US \$ (000) |
| <b>Current</b>  |                            |                            |
| Borrowing costs | (i) -                      | 15                         |
| Prepayments     | (ii) 1,373                 | 9,415                      |
|                 | 1,373                      | 9,430                      |

- (i) Borrowing costs include charges imposed by financial institutions on letter of credit guarantees.
- (ii) Prepayments represent advanced payments to suppliers, prepaid insurance costs and plant and equipment and capital expenditure related to the mine refurbishment.

|                                 | Consolidated               |                            |
|---------------------------------|----------------------------|----------------------------|
|                                 | 31 Dec 2011<br>US \$ (000) | 30 Jun 2011<br>US \$ (000) |
| <b>Non-current</b>              |                            |                            |
| EPA reclamation bond            | (i) 2,730                  | 2,730                      |
| Rental bond                     | 54                         | 8                          |
| Foreign withholding tax credits | 210                        | 150                        |
|                                 | 2,994                      | 2,888                      |

- (i) The EPA Reclamation Bond is an amount held in the joint name of Noble Gold Bibiani Ltd and Environmental Protection Agency (Ghana) with Barclays Bank (GH) Limited in relation to the rehabilitation provision.

### 10. Property, plant and equipment

|                                                             | Consolidated               |                            |
|-------------------------------------------------------------|----------------------------|----------------------------|
|                                                             | 31 Dec 2011<br>US \$ (000) | 31 Dec 2010<br>US \$ (000) |
| <b>Reconciliation of movement for the period:</b>           |                            |                            |
| As at 1 July net of accumulated depreciation and impairment | 81,764                     | 134                        |
| Additions                                                   | (i) 37,549                 | 5,593                      |
| Disposals                                                   | -                          | (13)                       |
| Acquisition of subsidiary                                   | -                          | 65,947                     |
| Depreciation charge for the period                          | (653)                      | (1,533)                    |
| Capitalised to mine properties                              | (3,678)                    | -                          |
| As at 31 December                                           | 114,982                    | 70,128                     |

- (i) Additions include mining equipment and costs capitalised on assets under construction, including plant refurbishment.



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 10. Property, plant and equipment (continued)

|                                         | Consolidated   |               |
|-----------------------------------------|----------------|---------------|
|                                         | 31 Dec 2011    | 30 June 2011  |
|                                         | US \$ (000)    | US \$ (000)   |
| Property, plant and equipment – at Cost | 124,252        | 86,703        |
| Accumulated depreciation                | (9,270)        | (4,939)       |
|                                         | <u>114,982</u> | <u>81,764</u> |

### 11. Exploration and evaluation assets

|                                                   | Consolidated  |             |
|---------------------------------------------------|---------------|-------------|
|                                                   | 31 Dec 2011   | 31 Dec 2010 |
|                                                   | US \$ (000)   | US \$ (000) |
| <b>Reconciliation of movement for the period:</b> |               |             |
| At cost:                                          |               |             |
| As at 1 July 2011 carrying amount                 | 4,765         | 514         |
| Additions                                         | 5,864         | 666         |
| Expenditure written off                           | (57)          | (666)       |
|                                                   | <u>10,572</u> | <u>514</u>  |

Exploration and evaluation expenditure expensed in profit or loss amount to US\$57,000 (31 Dec 2010: US\$666,000). The value of the Group's interest in exploration and evaluations assets is dependent upon the continuance of the Group's rights to tenure of the areas of interest, the results of future exploration and the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

### 12. Mine properties

|                                                   | Consolidated  |              |
|---------------------------------------------------|---------------|--------------|
|                                                   | 31 Dec 2011   | 31 Dec 2010  |
|                                                   | US \$ (000)   | US \$ (000)  |
| <b>Reconciliation of movement for the period:</b> |               |              |
| At cost:                                          |               |              |
| As at 1 July carrying amount                      | 9,918         | -            |
| Acquisition of subsidiary                         | -             | 4,349        |
| Additions                                         | 6,169         | -            |
|                                                   | <u>16,087</u> | <u>4,349</u> |



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 13. Accounts payable and other payables

|                     | Consolidated               |                            |
|---------------------|----------------------------|----------------------------|
|                     | 31 Dec 2011<br>US \$ (000) | 30 Jun 2011<br>US \$ (000) |
| <b>Current</b>      |                            |                            |
| Overdraft           | 1,286                      | 52                         |
| Trade payables      | 9,525                      | 12,939                     |
| Accrued liabilities | 834                        | 181                        |
| Taxes payable       | 360                        | 475                        |
|                     | <u>12,005</u>              | <u>13,647</u>              |

The carrying value of trade and other payables approximate their fair value.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on terms ranging from C.O.D to 30-day terms.
- Taxes (Australian GST, Ghanaian VAT and Ghanaian Withholding Tax) are paid when due in each jurisdiction.

### 14. Interest-bearing loans and borrowings

|                                               | Consolidated               |                            |
|-----------------------------------------------|----------------------------|----------------------------|
|                                               | 31 Dec 2011<br>US \$ (000) | 30 Jun 2011<br>US \$ (000) |
| Secured loan – Investec Bank Limited          | (i) 34,912                 | 34,162                     |
| Secured loan – Intercontinental Bank of Ghana | 242                        | 484                        |
|                                               | <u>35,154</u>              | <u>34,646</u>              |

- (i) The Secured loan is a term loan obtained from Investec Bank Limited for partial financing and capital development for the Bibiani Gold Mine in 2007. The first capital repayment of \$3,128,823 is due by 1 March 2012. Subsequent payments of \$3,128,823 are due quarterly on 1 June, 1 September, 1 December and 1 March each year, until the date of the final capital repayment, which is due by 1 September 2014. The facility is secured by:
- Pledge of 100% of the shares in Noble Gold Bibiani Ltd, who control the mine. Noble Mineral Resources Ltd controls 100% of shares in Noble Mining Ghana Ltd, who subsequently hold 100% of the issued capital Noble Gold Bibiani Ltd.
  - Debenture over all the assets of Noble Gold Bibiani Ltd.
  - Guarantee on loan exposure from Noble Mineral Resources Ltd.

Due to being unable to recommence mining operations by the Operational Date (30 October 2011) as agreed with Investec Bank Limited on the acquisition of the Bibiani Mine, Noble Gold Bibiani Limited was in breach of the facility at 31 December 2011 and in accordance with Australian Accounting Standards, the facility has been classified as current.



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 15. Provisions

|                                    | <b>Consolidated</b> |                     |
|------------------------------------|---------------------|---------------------|
|                                    | <b>31 Dec 2011</b>  | <b>30 June 2011</b> |
|                                    | <b>US \$ ('000)</b> | <b>US \$ ('000)</b> |
| <b>Current</b>                     |                     |                     |
| Liability for employee benefits    | 522                 | 587                 |
| Rehabilitation                     | 1,003               | 1,003               |
|                                    | <u>1,525</u>        | <u>1,590</u>        |
| <b>Non-current</b>                 |                     |                     |
| Rehabilitation and decommissioning | 9,481               | 9,481               |

### 16. Derivative financial instruments

The Group has entered into the following derivative contracts that have not been designated as hedges:

|                                  | <b>Consolidated</b> |                     |
|----------------------------------|---------------------|---------------------|
|                                  | <b>31 Dec 2011</b>  | <b>30 Jun 2011</b>  |
|                                  | <b>US \$ ('000)</b> | <b>US \$ ('000)</b> |
| Option derivatives at fair value | (i) 2,063           | 2,947               |
|                                  | <u>2,063</u>        | <u>2,947</u>        |

- (i) 6,000,000 unlisted options expiring on 8 July 2014 were issued on 8 July 2010 to Investec Bank Limited as part of the acquisition of a 100% interest in Noble Gold Bibiani Ltd. The options are exercisable at A \$0.20 each and entitle the holder one Ordinary Share in the Company once exercised.

The resulting US\$2,063,000 (31 Dec 2010: US\$: 2,947,000) fair market value of these options has been recognised on the statement of financial position as derivative financial instruments.

The change in the fair value of these derivatives of US\$883,000 gain (31 Dec 2010: US\$2,830,000 loss) has been recognised in profit or loss during the period as gain on derivative financial instruments.

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 prices 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 asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on market data.

The level 2 method was used in calculating the fair value of the derivative financial instruments using a Binomial option pricing model, which includes Noble's share prices at reporting date, time to expiry and the risk free rate as key inputs. All of the Group's other financial liabilities are carried at amortised cost, where the carrying value approximates the fair value.



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 17. Issued capital

|                                                            | Consolidated               |                            |
|------------------------------------------------------------|----------------------------|----------------------------|
|                                                            | 31 Dec 2011<br>US \$ (000) | 30 Jun 2011<br>US \$ (000) |
| 523,312,570 fully paid ordinary shares (2010: 375,333,438) | 129,499                    | 78,373                     |
| <b>(a) Ordinary shares issued and fully paid</b>           |                            |                            |
|                                                            | Number                     | US \$ (000)                |
| As at 1 July 2011                                          | 395,770,881                | 78,373                     |
| Share placement (i)                                        | 62,000,000                 | 33,278                     |
| Exercise of options (ii)                                   | 65,541,689                 | 21,131                     |
| Transaction costs (iii)                                    | -                          | (3,283)                    |
| As at 31 December 2011                                     | <b>523,312,570</b>         | <b>129,499</b>             |

- (i) 62,000,000 shares were issued at A \$0.55 each during October 2011
- (ii) 64,518,051 options expiring 21 July 2011, 23,638 options expiring 21 July 2013 and 1,000,000 options expiring 19 August 2014 were exercised during the period at A \$0.30, A \$0.35 and A \$ 0.40 respectively.
- (iii) The transaction costs represent the costs of issuing options and shares and the costs associated with the share placements.

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

### (b) Options

#### (i) Listed share options expiring 21 July 2011 Exercise price – A \$0.30

|                     | Number       |
|---------------------|--------------|
| As at 1 July 2011   | 65,264,840   |
| Exercise of options | (64,518,051) |
| Expired options     | (746,789)    |
|                     | -            |

#### (ii) Listed share options expiring 21 July 2013 Exercise price – A \$0.35

|                     | Number            |
|---------------------|-------------------|
| As at 1 July 2011   | 74,350,242        |
| Exercise of options | (23,638)          |
|                     | <b>74,326,604</b> |



## Notes to the consolidated financial statements (continued)

### For the half - year ended 31 December 2011

#### 17. Issued capital (continued)

**(iii) Unlisted share options expiring 8 July 2014**  
**Exercise price – A \$0.20**

|                   | <b>Number</b>    |
|-------------------|------------------|
| As at 1 July 2011 | 6,000,000        |
|                   | <b>6,000,000</b> |

**(iv) Unlisted share options expiring 19 August 2014**  
**Exercise price – A \$0.40**

|                     | <b>Number</b>    |
|---------------------|------------------|
| As at 1 July 2010   | 6,250,000        |
| Exercise of options | (1,000,000)      |
|                     | <b>5,250,000</b> |

**(v) Unlisted share options expiring 31 October 2015**  
**Exercise price – A \$0.55**

|                   | <b>Number</b>    |
|-------------------|------------------|
| As at 1 July 2011 | -                |
| Options issue     | (i) 5,000,000    |
|                   | <b>5,000,000</b> |

**(vi) Unlisted share options expiring 30 November 2014**  
**Exercise price – A \$0.83**

|                   | <b>Number</b>        |
|-------------------|----------------------|
| As at 1 July 2011 | -                    |
| Options issue     | (ii)(iii) 20,629,230 |
|                   | <b>20,629,230</b>    |

- (i) 5,000,000 unlisted options expiring on 31 October 2015 were issued on 30 November 2011 to consultants to the Company in recognition of the efforts with the Company's capital raising objectives. The options are exercisable at A \$0.55 each and entitle the holder one Ordinary Share in the Company once exercised.
- (ii) 11,000,000 unlisted options expiring 30 November 2014 were issued to the directors and company secretary following shareholder approval granted at the Annual General Meeting held on 30 November 2011. The options are exercisable at A \$0.83 each and entitle the holder one Ordinary Share in the Company once exercised.
- (iii) 9,629,230 unlisted options expiring 30 November 2014 were issued to employees pursuant to the Company's Employee Share Option Plan ("Plan"). The Plan was approved by shareholders at the Annual General Meeting held on 30 November 2011. The options are exercisable at A \$0.83 each and entitle the holder one Ordinary Share in the Company once exercised.



## Notes to the consolidated financial statements (continued)

For the half - year ended 31 December 2011

### 18. Reserves

|                               | Foreign<br>Currency<br>Translation<br>Reserve<br>US \$ (000) | Consolidated<br>Option<br>Reserve<br>US \$ (000) | Total<br>US \$ (000) |
|-------------------------------|--------------------------------------------------------------|--------------------------------------------------|----------------------|
| <b>As at 1 July 2011</b>      | <b>310</b>                                                   | <b>540</b>                                       | <b>850</b>           |
| Unlisted option issue         | -                                                            | 3,085                                            | 3,085                |
| Unlisted option exercise      | -                                                            | (86)                                             | (86)                 |
| <b>As at 31 December 2011</b> | <b>310</b>                                                   | <b>3,539</b>                                     | <b>3,849</b>         |

#### Nature and purpose of reserves:

##### *Foreign currency translation reserve*

This reserve was used to record exchange differences arising on translation of the group entities that had a functional currency that was different to the presentation purposes.

##### *Option reserve*

The reserve is used to record the value of equity benefits provided to consultants, employees and directors as part of their remuneration.

### 19. Losses per share

#### (a) Losses used in calculating losses per share

|                         | Consolidated<br>31 Dec 2011<br>US \$ (000) | 31 Dec 2010<br>US \$ (000) |
|-------------------------|--------------------------------------------|----------------------------|
| Net loss for the period | (13,052)                                   | (11,058)                   |

#### (b) Weighted average number of shares

|                                                                                                            | Consolidated<br>31 Dec 2011<br>US \$ (000) | 31 Dec 2010<br>US \$ (000) |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------|
| Weighted average number of ordinary shares (excluding reserved shares) for basic earnings per share        | 483,794,822                                | 303,496,417                |
| Weighted average number of ordinary shares (excluding reserved shares) adjusted for the effect of dilution | 483,794,822                                | 303,496,417                |

The total number of share options and conversion options outstanding at reporting date, but not considered to be dilutive is 111,205,834.

21,000,000 ordinary shares were issued on 23 February 2012 to complete the Company's capital raising announced in February 2012.



## Notes to the consolidated financial statements (continued)

### For the half - year ended 31 December 2011

#### 20. Capital commitments and other contingencies

##### Operating lease commitments – Group as lessee

The Company leases its offices in South Perth. The lease is for a 5 year period from 1 October 2011. The operating lease rentals are payable as follows:

|                                             | Consolidated |             |
|---------------------------------------------|--------------|-------------|
|                                             | 31 Dec 2011  | 30 Jun 2011 |
|                                             | US \$ (000)  | US \$ (000) |
| Within one year                             | 165          | 50          |
| After one year but not more than five years | 785          | 12          |
| More than five years                        | -            | -           |
|                                             | <b>950</b>   | <b>62</b>   |

##### Capital commitments

###### *Bibiani*

As at 31 December 2011, the Company had placed orders totalling US\$3,056,000 for goods and services required for the final stages of the Bibiani project refurbishment and commissioning period. The balance of these orders are due to be filled by the end of the financial year.

###### *Cape Three Points*

The Company holds an agreement with Consolidated Minerals Limited (“ConsMin”) for the Company to earn a 100% interest in the Cape Three Points Concession. Under the terms of the agreement, the Company will:

- (i) pay US \$10,000 to ConsMin on every anniversary of the agreement for so long as the Company is in the process of exploration on the property, and
- (ii) pay one percent (1.0%) net refinery returns from the sale of all gold produced from the property by the Company.

The Company holds an exclusive option to buy out this net refinery returns at the rate of US \$3.00 per ounce of the proven mineable gold reserves, subject to the election or approval of ConsMin.

##### Exploration commitments

The Company has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Company’s exploration program and priorities. These obligations are also subject to variations by negotiation, joint venturing or relinquishing some of the relevant tenements.

##### Contingencies of the parent entity

The Company does not have any contingent liabilities at the balance date.



## Notes to the consolidated financial statements (continued)

### For the half - year ended 31 December 2011

#### 21. Events after the reporting date

In February 2012, the Company commenced wet commissioning of its newly refurbished Process Plant in Bibiani.

In February 2012, the Company completed an equity raising to sophisticated and institutional investors for the issue of 21 million shares at A\$0.48 per share, to raise A\$10,080,000. In February 2012, the Company announced an equity raising to eligible shareholders who were recorded on the Company's register at 5pm (WST), 17 February 2012, at A\$0.48 per share. Eligible shareholders are entitled to purchase up to A\$15,000 worth of NMG ordinary shares.

#### 22. Comparatives

Certain comparatives have been adjusted as a result of the finalisation of the accounting for the acquisition of Noble Gold Bibiani Limited in the second half of the 2011 financial year that was disclosed in the 30 June 2011 Annual Report. At 31 December 2010 the acquisition had been accounted for on a provisional basis.

|                                                  | <b>Final<br/>Fair Value</b> | <b>31 December<br/>2010 –<br/>Provisional<br/>Value</b> |
|--------------------------------------------------|-----------------------------|---------------------------------------------------------|
|                                                  | <b>US \$ (000)</b>          | <b>US \$ (000)</b>                                      |
| <b>Asset</b>                                     |                             |                                                         |
| Property, plant and equipment                    | 65,947                      | 39,291                                                  |
| Mine Properties                                  | 4,349                       | 35,812                                                  |
| Cash and cash equivalents                        | 3,124                       | 3,124                                                   |
| Consumables                                      | 4,687                       | -                                                       |
| EPA reclamation bond                             | 2,729                       | -                                                       |
| Trade and Other Receivables                      | 1,685                       | 4,590                                                   |
| <b>Liabilities</b>                               |                             |                                                         |
| Trade and other payables                         | 15,904                      | 17,040                                                  |
| Deferred Tax liability                           | 8,313                       | 10,786                                                  |
| Provision for rehabilitation and decommissioning | 10,484                      | 7,136                                                   |
| Loans and Borrowings                             | 43,933                      | 43,933                                                  |



## Directors' declaration

In accordance with a resolution of the directors of Noble Mineral Resources Limited, I state that:

1. In the opinion of the directors:

- a) The financial statements and notes of the consolidated entity for the half-year ended 31 December 2011 are in accordance with the *Corporations Act 2001*, including:
  - i. Giving a true and fair view of the financial position as at 31 December 2011 and performance
  - ii. Complying with Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*
- b) Subject to the disclosure in Note 2 "Going Concern," there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board



W. Norris  
Managing Director  
15 March 2012

To the members of Noble Mineral Resources Ltd

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Noble Mineral Resources Ltd, which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal 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 2011 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 Noble Mineral Resources Ltd and the entities it controlled during the period, 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.

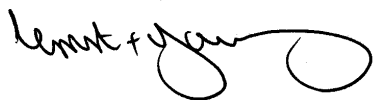
## Conclusion

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 Noble Mineral Resources Ltd 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 2011 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*.

## Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our conclusion, we draw attention to Note 2 in the financial report. As a result of the matters described in Note, there is a material uncertainty whether the consolidated entity 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 the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

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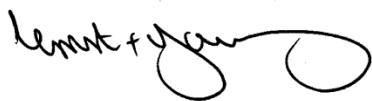
Ernst & Young

A handwritten signature in black ink, appearing to read 'G H Meyerowitz', written over a faint, larger 'G H Meyerowitz' watermark.

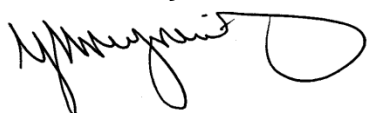
G H Meyerowitz  
Partner  
Perth  
15 March 2012

## Auditor's Independence Declaration to the Directors of Noble Mineral Resources Ltd

In relation to our review of the financial report of Noble Mineral Resources Ltd for the half-year ended 31 December 2011 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.

A handwritten signature in black ink, appearing to read 'Ernst & Young', with a large, stylized circular flourish at the end.

Ernst & Young

A handwritten signature in black ink, appearing to read 'G H Meyerowitz', with a large, stylized circular flourish at the end.

G H Meyerowitz  
Partner  
15 March 2012