

A C C E N T
R E S O U R C E S N . L .



ACN 113 025 808

HALF-YEAR REPORT

**FOR THE SIX MONTHS ENDED
31 DECEMBER 2013**



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Directors

Ian Hastings – Non-Executive Chairman
Dianzhou He - Deputy Chairman
Jun Sheng Liang – Non-Executive Director
Yuzi (Albert) Zhou – Executive Director
Jie You (alternate Director to Jun Sheng Liang)

Company Secretary

Robert Allen

Auditors

Crowe Horwath
Level 6
256 St Georges Terrace
PERTH WA 6000

Bankers

BankWest
1/1215 Hay St
WEST PERTH WA 6005

Solicitors

Hilary Macdonald
Suite 29, 18 Stirling Highway
NEDLANDS WA 6009

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

Share Registry

Advanced Share Registry
150 Stirling Highway
NEDLANDS WA 6009

Stock Exchange Listing

Australian Securities Exchange Limited
(Home Branch - Perth)
ASX Code: ACS

Registered Office

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MELBOURNE VIC 3000

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Your Directors present their report together with the financial report of Accent Resources NL ("the Company") for the half-year ended 31 December 2013.

Directors

The Directors in office at the date of this report and at any time during the half-year are as follows: Directors were in office for the entire period unless otherwise stated.

Ian Hastings – Non-Executive Chairman
Dianzhou He – Deputy Chairman
Jun Sheng Liang – Non-Executive Director
Yuzi (Albert) Zhou – Executive Director
Jie You (alternate Director to Jun Sheng Liang)

Results of Operations

The net loss of the Company after income tax for the six months ended 31 December 2013 amounted to \$2,265,296 (2012: \$378,270).

Review of Operations

Corporate

Due to a reduced level of exploration, no capital raisings were required during the reporting period. The company continues to assess opportunities and projects for acquisition.

On 1 July 2013 Mr Ranko Matic resigned as Company Secretary and Mr Robert Allen was appointed Company Secretary.

Exploration Activities

The Company continued with exploration and evaluation activities at its Western Australian projects during the half year reporting period.

Magnetite Range Iron Ore project (100%)

The Magnetite Range iron ore project is considered a high priority value adding opportunity.

Ravensgate have previously estimated a JORC compliant Mineral Resource of **434.5 Mt at 31.4% Fe** at 15% weight recovery cut off for fresh zone material. PROMET have previously completed a high level scoping study into the feasibility of the Magnetite Range iron ore project. The Scoping study was undertaken to evaluate key resource estimation, metallurgical, process, infrastructure and cost factors and to identify and provide financial evaluation of different development options. These included transportation by road and rail and by slurry pipeline using different concentrate characteristics varying from 38% to 67% Fe. The options evaluated were chosen following consultation with the Company's potential Chinese joint venture partners to maximise options and financial modelling which will assist the company with ongoing joint venture discussions.

During the half year period additional test and analytical work was completed in China. The additional studies in China were necessary to allow the company to investigate the possible option of undertaking some processing functions in China where better economies might be possible and capital investment



reduced. The testing and analysis undertaken in China suggests that technically it is possible to complete low level initial processing of the ore in Australia with final processing being completed in China where the purchasers of any final product are most likely located. A two stage processing function would potentially offer the advantage of a reduced capital investment.

A number of the ore processing, concentrate transport, approvals, mining optimisation and financial valuation scenarios require better definition. During the next half year period a Logistics study will be completed to assess product export options. Feasibility studies by owners will continue in China.

Katanning Vanadium Project (ACS 90%)

Accent has interests in a large area of tenure in the southwest mineral field of Western Australia which contains several areas of interest for vanadium mineralisation and grassroots gold potential.

During the half year period assessment of titanium vanadium potential was completed and subsequent to half year end 11 Katanning tenements were relinquished. The capitalised carrying value of these tenements, which amounted to \$1.9m have been written off in this current interim financial report.

During the next half year period infill soil sampling will be completed over a low order gold anomaly on E70/2729.

Norseman Gold project (ACS 100%)

An independent expert evaluation and review of the Surprise - Iron Duke Resource, its resource potential and economic viability was previously completed by the Ravensgate and Oreology consultancy groups.

Additional resource drilling and core drilling is required for metallurgical testwork and geological and resource validation. In the near term the Company will focus on planning of work programmes to develop resources and exploration targets throughout the project area.

Arcadia Gold Project (ACS 100%)

The Hope River prospect area, located in the Meekatharra area, is characterised by a large number of anomalous intersections up to 8m @ 4.24 and 3.89 g/t Au that require follow up.

Anomalous AC intersections over 1.25km strike length and up to 8m@0.57 g/t Au and 12m@0.32 g/t Au require future RC follow up.

Competent Person Statement

The information in this report that relates to exploration results, mineral resources or ore reserves has been compiled by Mr Philip Ash MAusIMM who is a Full time employee of Accent Resources NL. Mr Ash has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a competent person as defined in the 2004 edition of the Australasian Code for the reporting of exploration results, mineral resources and ore reserves. Mr Ash consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Events After the Balance Sheet Date

During February 2013, 11 Katanning Tenements were relinquished. The capitalised carrying value of these tenements, which amounted to \$1.9m have been written off in this current interim financial report.

Other than the above, no matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Auditor's Independence Declaration

The auditor's independence declaration has been received and is included with this half-year report.

Signed in accordance with a resolution of the Board of Directors.



Ian Hastings
Non-Executive Chairman

Dated this 14th day of March 2014



ACCENT RESOURCES NL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013



	31 December 2013 \$	31 December 2012 \$
Interest income	66,991	156,667
Employee benefits expense	(57,447)	(96,384)
Insurances, listing, compliance and auditors' fees	(118,843)	(154,344)
Depreciation expense	(1,568)	(1,948)
Directors' fees	(145,315)	(161,266)
Occupancy expenses	(40,218)	(35,366)
Travel expenses	(28,492)	(57,882)
Other expenses	(21,057)	(27,747)
Write-off of exploration expenditure	(1,919,977)	-
Loss before income tax expense	(2,265,926)	(378,270)
Income tax expense	-	-
Loss for the period attributable to the members of the company	(2,265,926)	(378,270)
Other Comprehensive income	-	-
Total comprehensive loss for the period attributable to the members of the company	(2,265,926)	(378,270)
Cents Per Share		
Basic and diluted loss per share	(1.25)	(0.21)

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013



	31 December 2013 \$	30 June 2013 \$
ASSETS		
Current Assets		
Cash and cash equivalents	3,208,128	3,997,100
Trade and other receivables	15,632	19,611
Total Current Assets	3,223,760	4,016,711
Non-Current Assets		
Property, plant and equipment	51,394	52,508
Exploration and evaluation	15,931,804	17,445,713
Total Non-Current Assets	15,983,198	17,498,221
Total Assets	19,206,958	21,514,932
LIABILITIES		
Current Liabilities		
Trade and other payables	251,291	293,339
Total Current Liabilities	251,291	293,339
Total Liabilities	251,291	293,339
NET ASSETS	18,955,667	21,221,593
EQUITY		
Issued capital	29,058,955	29,058,955
Reserves	176,100	176,100
Accumulated losses	(10,279,388)	(8,013,462)
TOTAL EQUITY	18,955,667	21,221,593

The accompanying notes form part of these financial statements.



ACCENT RESOURCES NL
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2013



	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Total Equity \$
Balance at 1 July 2012	29,058,955	(7,298,322)	176,100	21,936,733
Total comprehensive income for the period	-	(378,270)	-	(378,270)
Balance at 31 December 2012	29,058,955	(7,676,592)	176,100	21,558,463
Balance at 1 July 2013	29,058,955	(8,013,462)	176,100	21,221,593
Total comprehensive income for the period	-	(2,265,926)	-	(2,265,926)
Balance at 31 December 2013	29,058,955	(10,279,388)	176,100	18,955,667

The accompanying notes form part of these financial statements.

ACCENT RESOURCES NL
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013



	31 December 2013 \$	31 December 2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	66,991	156,667
Proceeds from Research & Development tax concession		-
Payments to suppliers and employees	(478,036)	(630,683)
Net cash used in operating activities	(411,045)	(474,016)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(6,709)	(2,455)
Payments for exploration and evaluation	(371,218)	(779,193)
Net cash used in investing activities	(377,927)	(781,648)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	-	-
Net decrease in cash and cash equivalents held	(788,972)	(1,255,664)
Cash and cash equivalents at the beginning of the financial period	3,997,100	6,070,354
Cash and cash equivalents at the end of the financial period	3,208,128	4,814,690

The accompanying notes form part of these financial statements.



1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: *Interim Financial Reporting*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2013, together with any public announcements made during the half-year.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Company's last annual financial statements for the year ended 30 June 2013.

The accounting policies have been applied consistently throughout the Company for the purposes of preparation of these interim financial statements.

New and revised Standards

Accent has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year include:

- AASB 10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 11 'Joint Arrangements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 12 'Disclosure of Interests in Other Entities' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 127 'Separate Financial Statements' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 128 'Investments in Associates and Joint Ventures' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

- AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'
- AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'
- AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'
- AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle'
- AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'

The above standards have extensive disclosure requirements, however these do not effect this half year financial report.

The adoption of the above standards have not had a material impact on this half year financial report.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

2. DIVIDENDS PAID

There have been no dividends paid nor declared since the last reporting date.

3. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

4. SEGMENT INFORMATION

Identification of Reportable Segment

The Company identifies its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Company operates in mineral exploration in Australia. The financial information in the Statement of Comprehensive Income and the Statement of Financial Position is the same as that presented to the chief operating decision maker.

Basis of Accounting for Purposes of Reporting by Operating Segments

Accounting Policies Adopted

Unless otherwise stated, all amounts reported to the Board of Directors as the chief operating decision maker, is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

5. EVENTS AFTER THE BALANCE SHEET DATE

During February 2013, 11 Katanning Tenements were relinquished. The capitalised carrying value of these tenements, which amounted to \$1.9m have been written off in this interim financial report.

Other than the above, no matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

6. ISSUED CAPITAL

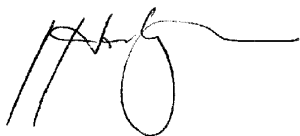
There was no change in Issued Capital during the period.



In accordance with a resolution of the Board of Directors, the Directors of the Company declare that:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position at 31 December 2013 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting.
- (b) in the Directors opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Ian Hastings
Non-Executive Chairman

Dated this 14th day of March 2014

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACCENT RESOURCES NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Accent Resources NL (the Company) which comprises the condensed statement of financial position as at 31 December 2013, the statement of comprehensive income, the statement of changes in equity, the 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 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 control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of an Interim 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 Accent Resources NL's financial position as at 31 December 2013 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of Accent Resources NL, 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 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 Accent Resources NL is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.



CROWE HORWATH PERTH



SEAN MCGURK
Partner

Signed at Perth, 14 March 2014

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Accent Resources NL for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



CROWE HORWATH PERTH



SEAN MCGURK
Partner

Signed at Perth, 14 March 2014