A.C.N. 146 530 378

HALF YEAR FINANCIAL REPORT

31 December 2017

Directors & Officers
Mr Paul Kopejtka - Non-executive Chairman
Mr Andrew Caruso – Non-executive Director
Mr Chris Corbett – Non-executive Director
Mr Shahb Richyal – Non-executive Director
Mr Nathan Featherby – Non-executive Director

Mr Nick Longmire – Company Secretary

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Nedlands WA 6009
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Domicile and Country of Incorporation
Australia

Bankers
National Australia Bank
1232 Hay Street
West Perth WA 6005
Website: www.nab.com.au

Auditors
Pitcher Partners Corporate & Audit (WA) Pty Ltd
Level 1, 914 Hay Street
Perth WA 6000
Website: www.pitcher.com.au

Share Registry
Security Transfer Australia
770 Canning Highway
Applecross WA 6153
Website: www.securitytransfer.com.au

The Directors present their report of Ascot Resources Limited ("Ascot" or the "Company") and its controlled entities (the "Group") for the half year ended 31 December 2017 (the "Period").

1. DIRECTORS

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

Paul Kopejtka	*Non-executive Chairman*
Andrew Caruso	*Non-executive Director*
Chris Corbett	*Non-executive Director*
Shahb Richyal	*Non-executive Director*
Nathan Featherby	*Non-executive Director*
Mike Young	*Non-executive Director (resigned 7August 2017)*

2. PRINCIPAL ACTIVITIES

The Group's principal activities during the Period were iron ore and coal exploration and development, in Australia and Colombia.

3. REVIEW OF OPERATIONS

Wonmunna Iron Ore Project

On 6 October 2015, the Company announced that, due to the uncertain state of the iron ore market and volatile market conditions generally, the Board had decided that further development activity on the Wonmunna Project would be limited until the iron ore price and market conditions generally stabilise and improve.

Following shareholder approval at the Company's Annual General Meeting in November 2015, the Company was delisted from the ASX on 24 December 2015.

In July 2016, the Company advised that the Wonmunna Project would remain 'on hold' for at least the balance of 2016 due to a continuation of depressed iron ore prices and volatile market conditions generally, at that time.

When the Company announced that the Project would be placed on hold, it also announced that it would investigate opportunities for corporate or asset transactions that have potential to enhance the value of the Project or the Company generally. While the Project remains on hold, during the period, the Company has had discussions regarding potential transactions. The Board is confident of a transaction before August 2018 following the signing of an exclusive term sheet with a third party and is working towards a formal agreement within the next 60 days, as well as seek to meet any conditions precedent set out in that agreement.

The transaction is not yet at a stage where it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

Titiribi Coal Project

During the Period, Ascot commenced the preparation of an updated submission to be presented to the regulator to seek environmental (PMA) approvals to support any future underground mining.

Ascot maintains a small presence in Colombia to advance its interests and to retain optionality in the event of an improvement in coal markets in future.

Corporate

During the Period:

- Mr Mike Young resigned as a Non-executive Director on 7 August 2017;
- Mr Chris Foley resigned as Company Secretary on 20 September 2017; and
- Mr Nick Longmire was appointed Company Secretary on 20 September 2017.

The Company's Annual General Meeting of Shareholders was held on 8 November 2017 with Messrs Paul Kopejtka and Shahb Richyal re-elected as Non-executive Directors.

Tenements

At the date of signing the Directors report, the Group held the following beneficial interest in tenements:

TENEMENT No.	STATUS	PROJECT	BENEFICIAL HOLDER
FHH-092	Granted	Antioquia, Colombia	Carbones de Titiribi SAS
HJID-06	Granted	Antioquia, Colombia	Carbones de Titiribi SAS
HJLI-01	Granted	Antioquia, Colombia	Carbones el Basal SAS
Refer footnote below	Granted	Antioquia, Colombia	CDI
Refer footnote below	Granted	Antioquia, Colombia	CDI
E47/1137	Granted	Pilbara, WA	Wonmunna Iron Ore Pty Ltd
M47/1423	Granted	Pilbara, WA	Wonmunna Iron Ore Pty Ltd
M47/1424	Granted	Pilbara, WA	Wonmunna Iron Ore Pty Ltd
M47/1425	Granted	Pilbara, WA	Wonmunna Iron Ore Pty Ltd
L47/726	Granted	Pilbara, WA	Wonmunna Iron Ore Pty Ltd
L47/727	Granted	Pilbara, WA	Wonmunna Iron Ore Pty Ltd

Footnote: Each of these areas form part of concession application numbers 5849 and 5837 but have yet to be allocated individual concession numbers.

Wonmunna Iron Ore Pty Ltd is a wholly owned subsidiary of Ascot.

4. FINANCIAL RESULTS

The financial results of the Group for the half year ended 31 December 2017 are:

	31-Dec-17	30-Jun-17
Cash and cash equivalents ($)	**1,022,004**	1,675,166
Net deficit ($)	**(3,144,619)**	(1,748,752)
	31-Dec-17	31-Dec-16
Revenue ($)	**3,801**	1,585
Net loss after tax ($)	**(1,562,260)**	(282,187)
Dividend ($)	**-**	-

5. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group other than noted in the Director's report above.

As discussed above, the Group is pursuing an active sale process for the sale of the Wonmunna asset.

To the extent that the sale process is not achieved by 31 August 2018, there exists a significant uncertainty that the Group can meet its commitments as and when they fall due, realise its assets and extinguish its liabilities at the amounts stated in the financial statements. We refer to note 2(b) of the financial statements for further information.

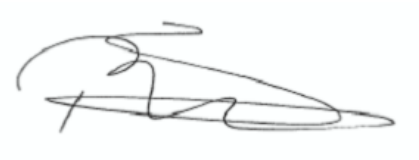
6. SIGNIFICANT EVENTS AFTER BALANCE DATE

As described above, on 8th March 2018, the Group signed an exclusive term sheet with a third party for the sale of the Wonmunna Iron Ore Project.

Other than the above mentioned event, there has not arisen in the interval between the end of the financial period and the date of this report, any item, transaction or event, of a material or unusual nature, likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations, or the state of the affairs of the Group in subsequent financial periods.

7. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year is provided with this report.
Signed in accordance with a resolution of the Directors.



Paul Kopejtka
Non-Executive Chairman
22 March 2018

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Ascot Resources Limited and its controlled entities.

In relation to the independent review for the half year ended 31 December 2017, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of any applicable code of professional conduct.

This declaration is in respect of Ascot Resources Limited and the entities it controlled during the period.

Pitcher Partners Corporate & Audit (WA) Pty Ltd

PITCHER PARTNERS CORPORATE & AUDIT (WA) PTY LTD

PAUL MULLIGAN
Executive Director
Perth, WA
23 March 2018

An Independent Western Australian Company ABN 76 601 361 095
Registered Audit Company Number 467435
Liability limited by a scheme approved under Professional Standards Legislation

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	Notes	31-Dec-17	31-Dec-16
		$	$
Continuing operations			
Revenue		**3,801**	1,585
Directors fees and other benefits		**(30,000)**	(30,000)
Professional & Consulting Fees		**(65,560)**	(70,135)
Employment expense		**(39,073)**	(110,385)
Impairment	**5**	**(310,362)**	-
Finance expenses		**(1,049,916)**	61,764
Other expenses	**4**	**(71,150)**	(135,016)
Loss before income tax		**(1,562,260)**	(282,187)
Income tax expense		**-**	-
Loss after income tax		**(1,562,260)**	(282,187)
Loss for the period attributable to:			
Members of the parent entity		**(1,562,260)**	(282,187)
Total loss from continuing operations		**(1,562,260)**	(282,187)
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translating foreign operations		**8,177**	(22,904)
Total other comprehensive loss for the period		**(1,554,083)**	(305,091)
Total comprehensive loss for the period attributable to:			
Members of the parent entity		**(1,554,083)**	(305,091)
		(1,554,083)	(305,091)

	Cents	Cents
Loss per share attributable to the ordinary equity holders of the Company:		
Basic loss per share – cents per share	**(0.98)**	**(0.18)**
Diluted loss per share – cents per share	**(0.98)**	**(0.18)**

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

ASCOT RESOURCES LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	31-Dec-17	30-Jun-17
		$	$
Current Assets			
Cash & cash equivalents		**1,022,004**	1,675,166
Trade & other receivables		**2,417**	1,009
Other assets		**39,840**	68,155
Total Current Assets		**1,064,261**	1,744,330
Non-Current Assets			
Plant & equipment		**6,678**	14,113
Exploration & evaluation expenditure	5	**14,650,121**	14,700,000
Total Non-Current Assets		**14,656,799**	14,714,113
TOTAL ASSETS		**15,721,060**	16,458,443
Current Liabilities			
Trade & other payables	7	**435,127**	464,013
Provisions		**-**	16,686
Stamp duty payable	8	**1,160,446**	1,384,568
Interest bearing loans & borrowings	6	**2,813,108**	2,758,373
Total Current Liabilities		**4,408,681**	4,623,640
Non-Current Liabilities			
Other payables	7	**14,456,998**	13,583,557
Total Non-Current Liabilities		**14,456,998**	13,583,557
TOTAL LIABILITIES		**18,865,679**	18,207,197
NET (LIABILITIES)/ASSETS		**(3,144,619)**	(1,758,754)
Equity attributable to the equity holders of the Company			
Contributed equity	9	**36,595,299**	36,437,081
Reserves		**851,540**	843,363
Accumulated losses		**(40,616,711)**	(39,054,451)
Non-controlling interest		**25,253**	25,253
TOTAL (DEFICIT)/EQUITY		**(3,144,619)**	(1,748,754)

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

	Issued Capital	Share-based Payment Reserve	FX Translation Reserve	Accumulated Losses	Non-controlling interest	Total Equity
	$	$	$	$	$	$
At 1 July 2017	**36,437,081**	**907,263**	**(63,900)**	**(39,054,451)**	**25,253**	**(1,748,754)**
Comprehensive income:						
Loss for the year	**-**	**-**	**-**	**(1,562,260)**	**-**	**(1,562,260)**
Other comprehensive income/(loss) for the year	**-**	**-**	**8,177**	**-**	**-**	**8,177**
Total comprehensive loss for the year	**-**	**-**	**8,177**	**(1,562,260)**	**-**	**(1,554,083)**
Transactions with owners in their capacity as owners:						
Issue of share capital	**158,218**	**-**	**-**	**-**	**-**	**158,218**
Non-controlling interest	**-**	**-**	**-**	**-**	**-**	**-**
At 31 December 2017	**36,595,299**	**907,263**	**(55,723)**	**(40,616,711)**	**25,253**	**(3,144,619)**

	Issued Capital	Share-based Payment Reserve	FX Translation Reserve	Accumulated Losses	Non-controlling interest	Total Equity
	$	$	$	$		$
At 1 July 2016	**32,759,736**	**3,434,293**	**(39,835)**	**(15,842,741)**	**25,253**	**20,336,706**
Comprehensive income:						
Loss for the year	**-**	**-**	**-**	**(305,091)**	**-**	**(305,091)**
Other comprehensive income/(loss) for the year	**-**	**-**	**19,667**	**-**	**-**	**19,667**
Total comprehensive loss for the year	**-**	**-**	**19,667**	**(305,091)**	**-**	**(285,424)**
Transactions with owners in their capacity as owners:						
Issue of share capital	**3,734,986**	**(2,676,854)**	**-**	**-**	**-**	**1,058,132**
Options cancelled	**-**	**149,824**	**-**	**90,193**	**-**	**240,017**
Non-controlling interest	**-**	**-**	**-**	**-**	**-**	**-**
At 31 December 2016	**36,494,722**	**907,263**	**(20,168)**	**(16,057,639)**	**25,253**	**21,349,431**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	31-Dec-17	31-Dec-16
	$	$
Cash flows used in operating activities		
Payment to suppliers & employees	**(282,127)**	(547,336)
Interest received	**3,801**	1,586
Interest paid	**-**	(22,941)
Net cash flows used in operating activities	**(278,326)**	(568,691)
Cash flows used in investing activities		
Deposits (paid) / returned	**-**	16,042
Payment for exploration & evaluation expenditure	**(374,836)**	(221,999)
Net cash flows used in investing activities	**(374,836)**	(205,957)
Cash flows from financing activities		
Proceeds from convertible notes issue	**-**	2,577,559
Proceeds from bridge loans received	**-**	400,000
Net cash flows from/(used in) financing activities	**-**	2,977,559
Net increase/(decrease) in cash and cash equivalents	**(653,162)**	2,202,911
Cash and cash equivalents at beginning of period	**1,675,166**	219,707
Effect of foreign exchange differences on cash	**-**	-
Cash and cash equivalents at end of period	**1,022,004**	2,422,618

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. CORPORATE INFORMATION

The financial report of Ascot Resources Limited (referred to as "Ascot" or the "Company") and its controlled entities (together referred to as the "Group") is a half year report for the period from 1 July 2017 to 31 December 2017 (the "Period").

For details on the Group's principal activities refer to the Directors Report on pages 4 to 6.

The address of the registered office of the Company is Unit 3, 154 Hampden Road, Nedlands WA 6009.

The financial report of Ascot Resources Limited for the Period was authorised for issue in accordance with a resolution of the Directors on 15 March 2018.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of compliance

This general purpose condensed consolidated financial report of the Company for the Period has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Standard IAS 34 *Interim Financial Reporting*.

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 Company as the full financial report.

It is recommended that the half year financial report be read in conjunction with the annual financial statements for the year ended 30 June 2017 and considered together with any public announcements made by the Company during the Period and up to the date of the Company's removal from the Official List of ASX, 24 December 2015, in accordance with the continuous disclosure obligations of the ASX Listing Rules up to that date.

(a) Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost. All amounts are presented in Australian dollars.

The accounting policies adopted in the preparation of this financial report for the Period under review are consistent with those adopted in the annual financial statements for the year ended 30 June 2017.

The Company 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 reporting Period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior periods.

In accordance with ASIC Corporations Instrument 2016/191, the amounts in the Director's Report and in the financial statements have been round to the nearest dollar.

(b) Going Concern

The Statement of Comprehensive Income shows the Company incurred a net loss of $1,562,260 during the period ended 31 December 2017. The Statement of Financial Position as at 31 December 2017 shows that the Company had total current assets of $1,064,261 and total current liabilities of ($4,408,681) and net assets of ($3,144,619).

The Board is confident of a transaction regarding the sale of the Wonmunna asset before August 2018 following the signing of a term sheet, on 8 March 2018, with a third party. Under the terms of this exclusive arrangement, the parties will move towards a formal agreement within 60 days and seek to meet any conditions precedent set out in that agreement in the intervening period.

To the extent that the conditions precedent set out in the term sheet are not achieved by 31 August 2018, then the company owes stamp duty on the acquisition of the Wonmunna Iron Ore Project, and in December must repay the principal on the $3 million convertible note to Resource Capital Funders (RCF), a major shareholder of the Group, who hold security over the Wonmunna asset. In addition, in order to meet its ongoing commitment to the WA Office of State Revenue (OSR) for the payment of stamp duty on the acquisition of the Wonmunna Iron Ore Project, the Group must extend its existing payment plan, due for review by the OSR in April 2018.

The directors are satisfied the Group can continue as a going concern. This opinion is based on the following matters:

1. The stamp duty payable recognised in the 31 December 2017 financial report as a current liability, as the Group does not have the unconditional right to defer settlement of the liability for at least 12 months after reporting date. However, the Group has a positive relationship with the OSR and a past history of successfully renegotiating amended payment terms as the Group continues to explore its options with the Woonmunna asset;
2. It is clear to the Board, that the Group has a project capable of being developed by a third party with access to existing infrastructure and funding. This is reinforced by the recent signing of an exclusive term sheet with a significant organisation to pursue, in a short time frame, the sale of the Wonmunna Iron Ore Project.

The Board will continue to monitor cash reserves and will take the appropriate actions to curtail any shortfall by means of debt or equity funding should the need arise. Given the firm level of support indicated by the Group's major shareholder, RCF, combined with a proven and economic resource, the Board is confident of the Group continuing as a going concern. Should the Group be unable to materially achieve the matters set out above or complete any other alternative forms of fund raisings there is significant uncertainty as to whether the Group will be able to meet their debts as and when they fall due and thus continue as a going concern.

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern. Accordingly, the financial report has been prepared on a going concern basis.

Should the Group be unsuccessful with the initiatives detailed above then, the Group may in the future not be able to continue as a going concern and may therefore be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statements.

(c) Accounting standards issued but not yet effective

In the half year ended 31 December 2017, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2018.

It has been determined by the Company that, there is no material impact of the new and revised standards and interpretations on its business and therefore no change is necessary to the Company's accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2017. As a result of this review the Directors have determined that there is no

impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

No retrospective change in accounting policy or material reclassification has occurred requiring the inclusion of a third Statement of Financial Position as at the beginning of the comparative financial period, as required under AASB 101.

3. OPERATING SEGMENTS

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The segments are consistent with the internal management reporting information that is regularly reviewed by the chief operating decision maker.

The Group engages in the business of iron ore and coal exploration and evaluation in Australia and Colombia respectively and management identifies its operating segments based on geographical location. The Group's two operating segments are:

1. Colombia – Prospective coal permits; and
2. Australia – Prospective iron ore permits

The revenues and loss generated by each of the Company's operating segments and segment assets are summarised as follows:

Six (6) months to 31 December 2017	**Colombia**	**Australia**	**Total**
	$	$	$
Revenue	-	3,801	3,801
Segment operating loss	(93,081)	(1,469,179)	(1,562,260)
Segment Assets	4,000,000	11,721,060	15,721,060

Six (6) months to 31 December 2016	**Colombia**	**Australia**	**Total**
	$	$	$
Revenue	-	1,585	1,585
Segment operating loss	-	(282,187)	(282,187)
Segment Assets	4,885,838	34,542,856	39,428,694

The Group's segment operating profit reconciles to the Group's profit before tax as presented in its financial statements as follows:

	31-Dec-17	31-Dec-16
	$	$
Revenue	**3,801**	1,585
Directors fees and other benefits	**(30,000)**	(30,000)
Professional & Consulting Fees	**(65,560)**	(70,135)
Employment expense	**(39,073)**	(110,385)
Impairment	**(310,362)**	-
Finance expense [(1)]	**(1,049,916**	61,764
Other expenses	**(71,150)**	(135,016)
Total operating loss	**(1,562,260)**	(282,187)

(1) includes interest recognised on deferred consideration payable and an accrual calculated on the NPV of the Stamp Duty payable.

4. OTHER EXPENSES

Expenses		
Depreciation expenses	**7,436**	7,754
Administration costs	**53,911**	110,804
Travel expenses	**10,586**	10,057
Compliance and regulatory expenses	**2,846**	8,137
Exchange loss/(gain)	**(3,629)**	(1,736)
Total expenses	**71,150**	135,016

5. EXPLORATION & EVALUATION EXPENDITURE

	31-Dec-17	30-Jun-17
	$	$
Carrying amount of exploration & evaluation expenditure	**14,650,121**	37,026,783
Movement during the period		
Balance at the beginning of the period	**14,700,000**	36,558,121
Additions	**260,483**	468,661
Revaluation of deferred consideration payable	**-**	-
Impairment	**(310,362)**	(22,326,782)
Carrying amount at the end of the year	**14,650,121**	14,700,000

As described in note 1(b) of this financial report, the Directors have signed an exclusive term sheet with a third party for the sale of the Wonmunna Iron Ore Project. This transaction is not yet at a stage where it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

6. INTEREST BEARING LOANS & BORROWINGS

Current

RCF Convertible Notes (Dec 2016)	**2,813,108**	2,758,373
	2,813,108	2,758,373

On 8 October 2016, the Company entered into a new A$3m Convertible Loan Facility Agreement with RCF V Annex Fund L.P. (2016 Facility). RCF V Annex Fund L.P. holds a general security deed over the assets of Ascot and its wholly owned subsidiary Wonmunna Iron Ore Pty Ltd, a share mortgage over Ascot's shares in Wonmunna Iron Ore Pty Ltd and mining mortgages over the Wonmunna project tenements as security for the 2016 Facility. The above amount is carried at amortised cost.

7. TRADE & OTHER PAYABLES

Current

Trade and other payables	**415,127**	390,407
Accruals	**20,000**	74,606
Total	**435,127**	464,013

Due to the short-term nature of these payables, their carrying amount is assumed to approximate their fair value.

Non-current

Deferred consideration	**11,040,739**	11,040,739
Accrued interest	**3,416,259**	2,542,818
Total	**14,456,998**	13,583,557

Deferred consideration forms part of the Wonmunna iron ore project acquisition with Ochre Group Holdings. Under a Sale and Purchase Agreement dated 3 July 2014 (SPA) Ascot Resources owes Ochre Group Holdings an amount of $19.95m payable 5 years from the first shipment of ore. In July 2016 the parties to the SPA agreed to amend the deferred consideration payable to Ochre Group Holdings under the SPA by reference to the average price received for sales of product from the Project over a defined period.

Interest on the deferred consideration under the SPA accrued on a semi-annual basis at 5.88% (capitalised for the period 22 September 2014 to 22 July 2016 whereupon interest ceased to accrue until the first shipment of product). Deferred Consideration is recognised at its fair value, discounted to its net present value.

8. STAMP DUTY PAYABLE

	31-Dec-17	30-Jun-17
	$	$
Current		
Stamp Duty Payable	**1,160,446**	1,384,568
Total	**1,160,446**	1,384,568

Duty of $1.69m was assessed by the WA Office of State Revenue (OSR) on the Sale and Purchase Agreement for the acquisition of the Wonmunna Iron Ore Project. Interest of $218,342 has been accrued up to the date of this report. The above amount is carried at amortised cost.

9. CONTRIBUTED EQUITY

	31-Dec-17		30-Jun-17	
	$	**No.**	$	No.
Fully paid ordinary shares	**36,595,299**	**173,384,765**	36,437,081	171,124,492

Movement in ordinary shares on issue	**$**	**No.**	**Issue price per ordinary share**
Balance at 30 June 2017	**36,437,081**	**171,124,492**	
Interest on RCF loan note June 2017 quarter	52,356	747,945	0.07
Interest on RCF loan note Sept 2017 quarter	52,931	756,164	0.07
Interest on RCF loan note Dec 2017 quarter	52,931	756,164	0.07
Balance at 31 December 2017	**36,595,299**	**173,384,765**	

10. DIVIDENDS

No dividend has been paid during the Period and no dividend is recommended for the Period.

11. CONTINGENCIES

There are no new contingencies, other than what existed as at 30 June 2017 that the Company has entered into during the Period under review.

12. COMMITMENTS

Exploration & Evaluation Commitments		
Within one year	**162,000**	-
After one year but not more than five years	**813,900**	813,900
After more than five years	**2,803,343**	2,984,300
Total minimum commitment	**3,779,243**	3,798,200

The commitments above are discretionary and subject to mining expenditure, they relate to the exploration tenements that the Group has interests in as at 31 December 2017.

13. SIGNIFICANT EVENTS AFTER BALANCE DATE

As described above, on the 8 March 2018, the Group signed an exclusive term sheet with a third party for the sale of the Wonmunna Iron Ore Project.

Other than the above mentioned event, there has not arisen in the interval between the end of the financial period and the date of this report, any item, transaction or event, of a material or unusual nature, likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations, or the state of the affairs of the Group in subsequent financial periods.

In the Directors' opinion:

(a) The financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:

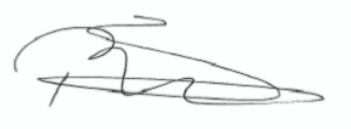
(i) Giving a true and fair view of the financial position as at 31 December 2017 and the performance for the half year ended 31 December 2017; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board of Directors.



Paul Kopejtka
Non-Executive Chairman
22 March 2018

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ASCOT RESOURCES LIMITED

We were engaged to review the accompanying half-year financial report of Ascot Resources Limited (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2017, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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 of the Group comprising the Company and the entities it controlled at the period's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The Directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. However, because of the matters described in the Basis for Disclaimer of Conclusion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for a review conclusion on the half-year financial report.

Independence

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

An Independent Western Australian Company ABN 76 601 361 095
Registered Audit Company Number 467435
Liability limited by a scheme approved under Professional Standards Legislation

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ASCOT RESOURCES LIMITED

Basis for Disclaimer of Conclusion

As discussed in note 2(b), the ability of the Group to continue as a going concern is dependent upon:

- Realising the value of the Wonmunna Iron Ore Project through a third party sale for cash or deferred cash payments in order for the Group to meet its commitments as and when they fall due; including
  - Extending the payment term of the stamp duty payable with an existing payment date of April 2018, such that it is not due and payable until the Wonmunna Iron Ore Project is sold; and
  - Extending the December 2018 payment date of the convertible note issued by Resource Capital Funds (RCF)

We have been unable to obtain sufficient appropriate audit evidence confirming that the Group will be able to successfully extend its stamp duty obligation from the existing April 2018 payment date or to extend the payment date of the convertible notes.

Disclaimer of Conclusion

We do not express a conclusion on the accompanying financial report of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Conclusion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for a review conclusion on this financial report.

Pitcher Partners Corporate & Audit (WA) Pty Ltd

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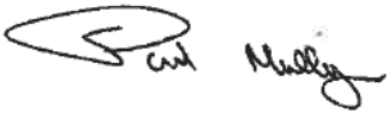

PAUL MULLIGAN
Executive Director
Perth, WA
23 March 2018