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(ASX Stock Code: BCK)

TD

INTERIM RESULTS ANNOUNCEMENT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2013 The **Board** of Directors (the **Board**) of Brockman **Mining** Limited (the **Company**) announces the unaudited consolidated interim results of the **Company** and its subsidiaries (the **Group**) for the six months ended 31 December 2013, together with the comparative figures for the corresponding period in 2012. The unaudited consolidated interim results have been reviewed by the Companys Audit Committee and the Companys independent auditor. BROCKMAN **MINING** LIMITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended

31 December

2013

Note 2012

HK$000 HK$000

(Unaudited) (Unaudited

and restated)

(Notes 2(a)

and 5) Continuing **operations**

29,077

3 Revenue 32,299

(29,621)

6 Direct costs (45,033)

(544) Gross loss (12,734)

3,420

7 Other income 13,097

(87)

8 Other loss, net (56)

(55,888)

6 Selling and administrative expenses (55,732)

(50,081) Exploration and evaluation expenses (63,505)

(3,900) Share of loss of a joint venture (8,488)

(427) Finance costs (14,101)

(107,507) Loss before income tax (141,519)

9 Income tax expense

(107,507) Loss for the period from continuing operations (141,519) Discontinued operation

578 Profit/(loss) for the period from discontinued operation (2,431)

(106,929) Loss for the period (143,950) * For identification purpose only

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Six months ended

31 December

2013

Note 2012

HK$000 HK$000

(Unaudited) (Unaudited

and restated)

(Notes 2(a)

and 5) Other comprehensive income: Items that may be subsequently reclassified to profit or loss Exchange differences arising from translation

(51,898) of foreign operations 44,103

(51,898) Other comprehensive (loss)/income for the period 44,103 Total comprehensive loss for the period (158,827) (99,847) Loss for the period attributable to:

(105,268) Equity holders of the Company (141,438)

(1,661) Non-controlling interest (2,512)

(106,929) (143,950) Profit/(loss) for the period attributable to owners of the Company arises from:

(105,846) Continuing operations (139,007)

578 Discontinued operation (2,431)

(105,268) (141,438) Total comprehensive loss attributable to:

(157,681) Equity holders of the Company (97,709)

(1,146) Non-controlling interest (2,138)

(158,827) (99,847) Total comprehensive income/(loss) attributable to owners of the Company arises from:

(157,738) Continuing operations (94,943)

57 Discontinued operation (2,766)

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(157,681) (97,709) Earnings/(loss) per share from continuing and discontinued operations attributable to the equity holders of the Company during the period Basic earnings/(loss) per share

(1.34)

10 Continuing operations (1.93)

0.01

10 Discontinued operation (0.03)

(1.33) (1.96) Diluted earnings/(loss) per share

(1.34)

10 Continuing operations (1.93)

0.01

10 Discontinued operation (0.03)

(1.33) (1.96)

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CONDENSED CONSOLIDATED BALANCE SHEET

As at

31 December 30 June

2013 2013

HK$000

Note HK$000

(Unaudited) (Audited

and restated)

(Note 2(a)) Non-current assets

3,407,299

11 Mining properties 3,494,432

35,898 Property, plant and equipment 89,316

1,730 Interest in a joint venture 1,276

13,940 Other non-current assets 15,262

3,458,867 3,600,286 Current assets

5,593 Inventories 7,286

12 Trade receivables 21,370

11,235 Other receivables, deposits and prepayments 13,271

109 Amount due from a related party 1,155

203,783 Cash and cash equivalents 252,994

220,720 296,076

84,955 Assets of disposal group classified as held for sale

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305,675 296,076 Total assets 3,764,542 3,896,362 Equity

789,448 Share capital 789,448

1,780,573 Reserves 1,924,023

2,570,021 Equity attributable to the equity holders of the Company 2,713,471

41,780 Non-controlling interests 43,075 Total equity 2,611,801 2,756,546

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As at

31 December 30 June

2013 2013

HK$000

Note HK$000

(Unaudited) (Audited

and restated)

(Note 2(a)) Non-current liabilities Obligations under finance leases 7,615

26,155 Amount due to a related party 25,846

867,504 Deferred income tax liabilities 896,062

1,380 Provisions 2,122

895,039 931,645 Current liabilities

5,791

13 Trade payables 14,161

176,563 Other payables and accrued charges 172,609

2,023 Amounts due to related parties 3,800 Bank borrowings 10,781 Obligations under finance leases 6,820

31,627

14 Fixed rate bond

216,004 208,171

41,698 Liabilities of disposal group classified as held for sale

257,702 208,171 Total liabilities 1,152,741 1,139,816 Net current assets 47,973 87,905 Total assets less current liabilities 3,506,840 3,688,191

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION 1. BASIS OF PREPARATION

This condensed consolidated financial information has been prepared in accordance with International

Accounting Standard (IAS) 34 Interim Financial Reporting and with the applicable disclosure

requirements of Appendix 16 of the Rules Governing the Listing of Securities on the SEHK.

The condensed consolidated financial information should be read in conjunction with the annual

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financial statements for the year ended 30 June 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

During the six months ended 31 December 2013, the **Group** had cash outflows used in operating activities of HK$62,608,000. Based on the directors review of the Groups cash flow projections, taken into account of the Groups expected cash flows from **operations**, available financial resources, and the recent shares subscription, the **Group** is expected to have sufficient financial resources to satisfy its future working capital requirements, and to meet its financial obligations as and when required for the next twelve months. Accordingly, the directors consider that it is appropriate to prepare the Groups condensed financial statements on a going concern basis. 2. PRINCIPAL ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2013, as described in those annual financial statements. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated financial information, the significant judgments made by management in applying the Groups accounting policies and key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 30 June 2013, with the exception of changes in estimates that are required in determining the provision for income taxes.

5 (a) New and amended standards adopted by the **Group**

The **Group** adopted the following new standards which are mandatory for the financial year beginning on or after 1 July 2013.

IFRS 10 Consolidated financial statements replaces the requirements in IAS 27 Consolidated and separate financial statements, relating to the preparation of consolidated financial statements and SIC-12 Consolidation Special purpose entities. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of adoption of IFRS 10, the **Group** has changed its accounting policy with respect to determining whether it has control over an investee. The adoption des not change any of the control conclusions reached by the **Group** in respect of its involvement with other entities as at 1 July 2013.

IFRS 11 Joint Arrangements replaces IAS 31 Interests in joint venture and SIC-13 Jointly-controlled Entities Non-monetary Contributions by Venturers.

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Under IFRS 11 investments in joint arrangements are classified either as joint **operations** or joint ventures, depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. Unlike IAS 31, the use of proportionate consolidation to account for joint ventures is no longer permitted.

Before 1 July 2013, under the Groups previous accounting policy, the Groups joint arrangements were assessed as jointly controlled entities and accounted for using the proportionate consolidation method. Based on the facts and circumstances of one of these arrangements, it has been assessed that the **Group** has rights to the net assets relating to the jointly controlled entity and therefore one of the joint arrangements has been classified as a joint venture.

As required under IFRS 11, the policy to account for the joint venture has now been changed to the **equity** method of accounting. The change in accounting policy has been applied retrospectively and, as a consequence, adjustments were recognised in the balance sheet as of 1 July 2012. The **Group** recognised its investment in a joint venture at the beginning of the earliest period presented as the total of the carrying amounts of the assets and liabilities previously proportionately consolidated, including any goodwill arising from the **acquisition** of the investment. This is deemed to be the cost of the Groups investment in a joint venture for applying **equity** accounting.

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 The effect of the adoption of this new standard is as follows: Impact on
consolidated balance sheet
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As at

30 June

2013

HK$000 Assets

(166) Decrease in **property**, plant and equipment

(1,378) Decrease in other receivables, deposits and prepayments

(753) Decrease in cash and cash equivalents

1,276 Increase in interest in a joint venture Liabilities

(1,021) Decrease in other payables and accrued charges Impact on consolidated statement of comprehensive income

Six months

ended

31 December

2012

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HK$000 Decrease in exploration and evaluation expenses (8,488) Increase in share of loss of a joint venture 8,488 Impact on consolidated statement of cash flows

Six months

ended

31 December

2012

HK$000 Decrease in cash flows used in operating activities 7,692 Increase in cash flows used in investing activities (5,823) Change in net increase in cash and cash equivalents 1,869 There was no effect on the statement of other comprehensive income and the effect on earnings per share was immaterial.

7 (**b**) Amendments and interpretations to existing standards those are effective for the financial

year beginning 1 July 2013 but not relevant to the **Group**

The following new standards, amendments to standards and interpretations are mandatory for

accounting periods beginning on or after 1 July 2013. The adoption of these amendments to

standards des not have any significant impact to the results and financial position of the **Group**.

IAS 19 (Amendment) Employee Benefits

IAS 27 (Revised 2011) Separate Financial Statements

IAS 28 (Revised 2011) Investment in Associates and Joint Ventures

IFRS 7 (Amendment) Disclosures Offsetting Financial Assets and Financial Liabilities

IFRS 12 Disclosure of Interests in Other Entities

IFRS 13 Fair Value Measurement (c) New standards and amendments to standards that are not yet effective and have not been

early adopted by the **Group**

Effective for

annual periods

beginning

on or after

IAS 19 (Amendment) Employee Benefits 1 July 2014

IAS 32 (Amendment) Financial Instruments: Presentation Offsetting 1 January 2014

Financial Assets and Financial Liabilities

IAS 36 (Amendment) Impairments of Assets 1 January 2014

IAS 39 (Amendment) Financial Instruments: Recognition and Measurement 1 January 2014

IFRS 7 and IFRS 9 Mandatory Effective Date and Transition Disclosures To be determined

(Amendment)

IFRS 9 Financial Instruments To be determined

IFRS 10, IFRS 12 and Investment Entities 1 January 2014

IAS 27 (Revised 2011)

(Amendment)

IFRIC-Int 21 Levies 1 January 2014

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The **Group** is in the process of making an assessment of the impact of the above new/revised standards, amendments to standards and interpretation and is not yet in a position to state the impact on the Groups results of **operations** and financial position.

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3. REVENUE

Revenue represents the amounts received and receivable for sales of mineral **ore** products for the six months ended 31 December 2013. An analysis of the Groups revenue for the period is as follows:

Six months ended

31 December

2013 2012

HK$000 HK$000

(Unaudited) (Unaudited

and restated)

Continuing **operations**

29,077 32,299

Sales of **copper ore** concentrates 4. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with internal reporting provided to executive directors of the **Company** who is responsible for allocating resources and assessing performance of the operating segments.

The Groups reportable operating segments are revised as follows:

Mining operations in the PRC exploitation, processing and sales of **copper ore** concentrates in the PRC

Mineral tenements in Australia mineral exploration, evaluation, development and tenements **acquisition** in Western Australia

Discontinued operation provision of limousine rental services in **Hong Kong** and the

Transportation services PRC and provision of airport shuttle bus services in Hong

(Note 5) Kong

Others primarily relate to the provision of corporate services for investment holding companies. These activities are excluded from the reportable operating segments and are presented to reconcile to the totals included in the Groups statement of comprehensive income and balance sheet.

9 The following is an analysis of the Groups revenue and results by business segment for the periods under review:

Six months ended 31 December 2013 (Unaudited)

Discontinued

Continuing **operations** operation

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Mineral

Mining

tenements Transportation

operation

in Australia Others Sub-total services Total

in the PRC

HK$000 HK$000 HK$000 HK$000 HK$000 HK$000 Segment revenue from external customers 29,077 29,077 58,935 88,012 Segment results (16,611) (53,362) (33,207) (103,180) 1,690 (101,490)

(3,900) (3,900) Share of loss of a joint venture

(427) (456) (883) Finance costs (Loss)/profit before income tax (107,507) 1,234 (106,273) Other information: Depreciation of **property**,

(2,688) (400) (378) (3,466) (7,312) (10,778) plant and equipment Amortisation of **mining**

(8,326) (8,326) (8,326) properties

(427) (427) (456) (883) Finance costs

(656) (656) Income tax expense

Six months ended 31 December 2012 (Unaudited and restated)

Discontinued

Continuing **operations** operation

Mineral

Mining

tenements Transportation

operation

in Australia Others Sub-total services Total

in the PRC

HK$000 HK$000 HK$000 HK$000 HK$000 HK$000 Segment revenue from external customers 32,299 32,299 54,529 86,828 Segment results (25,119) (60,147) (33,664) (118,930) (1,081) (120,011) Share of loss of a joint venture (8,488) (8,488) Finance costs (14,101) (752) (14,853) Loss before income tax (141,519) (1,833) (143,352) Other information: Depreciation of **property**, plant and equipment (2,489) (487) (376) (3,352) (8,631) (11,983) Amortisation of intangible assets (360) (360) Amortisation of **mining** properties (14,851) (14,851) (14,851) Finance costs (14,101) (14,101) (752) (14,853) Income tax expense (598) (598)

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 Revenue from a single customer of
mining operation in the PRC represents HK$29,077,000 for the period (six months
 ended 31 December 2012: HK$32,299,000). The following is an analysis of the
Groups assets by business segment as at the respective balance sheet dates:
```

As at 31 December 2013 (Unaudited)

Discontinued

Continuing **operations** operation

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Mining Mineral

operation tenements Transportation

in the PRC in Australia Others Sub-total services Total

HK$000 HK$000 HK$000 HK$000 HK$000 HK$000 Segment assets 563,886 3,039,713 75,988 3,679,587 84,955 3,764,542 Total assets 3,679,587 3,764,542 Total segment assets include: Additions of property,

1,358 347 5 1,710 2,486 4,196 plant and equipment Additions of mining

141 141 141 properties

As at 30 June 2013 (Audited and restated)

Discontinued

Continuing operations operation

Mining Mineral

operation tenements Transportation

in the PRC in Australia Others Sub-total services Total

HK$000 HK$000 HK$000 HK$000 HK$000 HK$000 Segment assets 567,372 3,171,115 69,227 3,807,714 88,648 3,896,362 Total assets 3,807,714 3,896,362 Total segment assets include: Additions of property, plant and equipment 2,992 676 98 3,766 8,487 12,253 Additions of mining properties 7,305 7,305 7,305

11 5. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATION

(a) Discontinued operation

On 24 October 2013, the Company and Mr. Leung Chi Yan, Danny (Mr. Leung), a director of Perryville Group Limited (Perryville), entered into the sale and purchase agreement pursuant to which the Company agreed to sell the entire equity interest in Perryville Group Limited and its subsidiaries (Perryville Group) and the loan due to the Company to Mr. Leung, at a consideration of HK$45 million (Disposal). Perryville Group is principally engaged in the provision of limousine and airport shuttle transportation services which represents the reportable segment of transportation services.

The Disposal was completed on 19 February 2014 and the Company ceased to have any control and equity interests in Perryville Group.

The results of Perryville Group are presented in the condensed consolidated financial information as discontinued operation in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The condensed consolidated statement of comprehensive income and consolidated statement of cash flow distinguish discontinued operation from continuing operations. Comparative figures have been restated.

Profit/(loss) from discontinued operation

Six months ended 31 December

2013 2012

HK$000 HK$000

(Unaudited) (Unaudited)

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58,935

Revenue 54,529

(57,701)

Expenses (56,362)

1,234

Profit/(loss) before income tax (1,833)

(656)

Income tax (598)

Profit/(loss) for the period and total comprehensive income/

(loss) from discontinued operation 578 (2,431)

Profit/(loss) for the period and total comprehensive income/

(loss) from discontinued operations attributable to:

578

Equity holders of the Company (2,431)

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(b) Assets and liabilities of disposal group

The assets and liabilities related to Perryville Group, transportation services segment, have been

presented as held for sale following the proposed Disposal.

Perryville Groups assets and liabilities were measured at the lower of carrying amount and fair

value less cost to sell at the date of held for sale classification.

The major classes of assets and liabilities of the disposal group are as follows:

As at

31 December

2013

HK$000

(Unaudited)

Assets classified as held for sale

46,252

Property, plant and equipment

26,085

Trade receivables

4,510

Other receivables, deposits and prepayments

8,108

Cash and cash equivalents

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Total assets of the disposal group 84,955

Liabilities directly associated with assets classified as held for sale

(7,055)

Trade payables

(11,105)

Other payable and accrued charges

(98)

Amount due to related parties

(6,460)

Bank borrowings

(13,054)

Obligation under finance leases

(2,808)

Deferred income tax liabilities

(1,118)

Provisions

Total liabilities of the disposal group (41,698)

Net assets of the disposal group 43,257 6. EXPENSES By NATURE

Six months ended

31 December

2013 2012

HK$000 HK$000

(Unaudited) (Unaudited

and restated)

8,326

Amortisation of mining properties (included in direct costs) 14,851

6,776

Cost of inventories 11,678

3,466

Depreciation of property, plant and equipment 3,352

520

Equity-settled share-based compensation for consultants 87

5,694

Operating lease rentals in respect of office premises 6,580

58,146

Staff costs 64,777

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13

Staff costs include:

Six months ended

31 December

2013 2012

HK$000 HK$000

(Unaudited) (Unaudited

and restated)

36,008

Wages, Salaries and welfares 43,665

11,626

Directors emoluments (including share-based compensation) 13,188

1,719

Retirement benefit scheme contributions 2,043

8,793

Share-based compensation for employees 5,881

58,146 64,777 7. OTHER INCOME

Six months ended

31 December

2013 2012

HK$000 HK$000

(Unaudited) (Unaudited

and restated)

3,139

Interest on bank deposits 6,358

Government grant (Note) 6,724

281

Others 15

3,420 13,097

Note:

Government grant represents research and development incentive credits provided by the Australia

Federal government in relation to research and development activities carried out in Australia. 8. OTHER LOSS, NET

Six months ended

31 December

2013 2012

HK$000 HK$000

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(Unaudited) (Unaudited

and restated)

87

Loss on disposal of property, plant and equipment 56 9. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been provided as the Group has no estimated assessable profit for the period (2012: Nil).

No provision for PRC Enterprise Income Tax has been made as the Companys subsidiaries established in the PRC have no assessable profits arising in the PRC during the period (2012: Nil).

No provision for Australian Income Tax has been made as the Companys subsidiaries established in Australia have no assessable profits arising in Australia during the period (2012: Nil).

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10.    EARNINGS/(LOSS) PER SHARE
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Basic earnings/loss per share is calculated by dividing the earnings/loss attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings/loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Six months ended

31 December

2013 2012

(Unaudited) (Unaudited

and restated)

(Notes 2(a)

and 5)

Profit/(loss) for the period attributable

to the equity holders of the Company (HK$000)

(105,846)

Continuing operations (139,007)

578

Discontinued operation (2,431)

(105,268) (141,438)

Interest expense relating to convertible bonds (HK$000) 8,870

Adjusted loss for the period attributable to the equity holders of the

(105,268)

Company from continuing and discontinued operations (HK$000) (132,568)

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(105,846)

Adjusted loss from continuing operations (130,137)

578

Adjusted profit/(loss) from discontinued operations (2,431)

Number of shares

Weighted average number of ordinary shares for the purpose of

7,894,482

calculating the basic earnings/(loss) per share (thousands) 7,215,296

Earnings/(loss) per share attributable to the equity holders

of the Company

Basic earnings/(loss) per share: (HK cents)

(1.34)

Continuing operations (1.93)

0.01

Discontinued operation (0.03)

(1.33) (1.96)

Diluted earnings/(loss) per share: (HK cents)

(1.34)

Continuing operations (1.93)

0.01

Discontinued operation (0.03)

(1.33) (1.96)

Diluted earnings/loss per share is the same as basic earnings/loss per share for the six months ended 31 December 2013 and 2012 because the effect of the assumed conversion of the convertible bonds of the Company during these periods was anti-dilutive.

15 11. MINING PROPERTIES

Mining

Mining right properties

in the PRC in Australia Total

HK$000 HK$000 HK$000

Balance as at 1 July 2012 757,014 3,326,426 4,083,440

Amortisation during the period (13,505) (13,505)

Exchange differences 4,151 52,033 56,184

Balance as at 31 December 2012 (Unaudited) 747,660 3,378,459 4,126,119

510,171 2,984,261 3,494,432

Balance as at 1 July 2013

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141 141

Additions

(7,850) (7,850)

Amortisation during the period

6,066 (85,490) (79,424)

Exchange differences

508,387 2,898,912 3,407,299

Balance as at 31 December 2013 (Unaudited)

Mining right in the PRC

Mining right in the PRC represents the right to conduct mining activities in Damajianshan, Honghe Zhou, Luchun County, Yunnan. The mine is located in the PRC to which the Group has no formal title. Yunnan State Land Resources Bureau issued the mining right certificate to Luchun in January 2005. The mining right certificate was renewed in 2007 for a period of five years to September 2012. Yunnan State Land Resources Bureau has granted Luchun an extension of the existing mining certificate for a period of three months to December 2012 and a temporary mining right certificate for one year which will expire in June 2014.

With reference to an independent legal opinion received by Luchun, there is no legal barrier for Luchun to renew its mining right certificate when it expires, subject to the fulfillment of certain statutory reporting requirements.

Accordingly, the directors of the Company are of the opinion that the Group will be able to continuously renew the mining right and the business licenses of respective mining subsidiaries at minimal charges.

The mining right in the PRC is amortised using the units of production method based on the proven and probable mineral reserves of 7,554,000 tonnes under the assumption that the Group can renew the mining right in the future until all proven and probable reserves have been mined.

As at 31 December 2013, the Group assessed and concluded there was no impairment indicator.

Mining properties in Australia

The mining properties in Australia represent the carrying value of mining and exploration projects in Australia (including the Marillana iron ore project) acquired by the Group.

In the opinion of directors, there was no indication of impairment of the mining properties as at 31 December 2013.

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12. TRADE RECEIVABLES

As at

31 December 30 June

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2013 2013

HK000 HK000

(Unaudited) (Audited)

Trade receivables 21,907

Less: allowance for doubtful debts (537)

Trade receivables, net 21,370

The Groups credit terms granted to customers of transportation services range between 60 days and 90 days. Before accepting any new customers, the Group will review the potential customers credit quality and approve its credit limits. Credit limits attributed to customers are reviewed regularly.

The ageing analysis of the trade receivables, based on the invoice date at the respective balance sheet dates are as follows:

As at

31 December 30 June

2013 2013

HK$000 HK$000

(Unaudited) (Audited)

0 30 days 8,517

31 60 days 6,611

61 90 days 3,195

Over 90 days 3,584

21,907

Note:

Balances related to discontinued operation have been classified as assets of disposal group classified as held for sale as at 31 December 2013 (Note 5). 13. TRADE PAyABLES

The ageing analysis of trade payables, based on the invoice date at the respective balance sheet dates are as follows:

As at

31 December 30 June

2013 2013

HK$000 HK$000

(Unaudited) (Audited)

4,279

0 30 days 7,431

31 60 days 1,977

61 90 days 1,919

1,512

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Over 90 days 2,834

5,791 14,161

17

Note:

Balances related to discontinued operation have been classified as liabilities of disposal group classified as held for sale as at 31 December 2013 (Note 5). 14. FIXED RATE BOND

As at

31 December 30 June

2013 2013

HK$000 HK$000

(Unaudited) (Audited)

31,200

Principal amount (Note)

427

Accrued interest

31,627

Note:

On 12 November 2013, the Company had issued a fixed rate bond of principal amount of HK$31,200,000, maturing on 28 November 2014, to Ocean Line Holdings Limited (Ocean Line), a substantial shareholder of the Company. Interest is payable on the date of redemption at the rate of 10% per annum of the outstanding principal amount, accruing from the date of issue of the bond on daily basis. The abovementioned fixed rate bond was redeemed in full subsequently after the balance sheet date (Note 16). 15. INTERIM DIVIDEND

The Board of Directors des not recommend the payment of an interim dividend for the six months ended 31 December 2013 (2012: Nil). 16. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

On 2 January 2014, the Company has entered into share subscription agreements with two substantial shareholders, China Guoyin Investments (HK) Ltd (China Guoyin) and Ocean Line for share subscriptions at total consideration of HK$78,000,000 and HK$117,000,000 respectively. The subscription price was HK$0.40 per share.

Pursuant to the share subscription agreement with Ocean Line, part of the consideration for the share subscription was offset by the redemption of the fixed rate bond (Note 14) in full on 13 February 2014. On 13 February 2014, a total of 195,000,000 and 292,500,000 ordinary shares were issued to China Guoyin and Ocean Line respectively.

On 19 February 2014, the Disposal was completed and the Company ceased to have any control and equity interests in Perryville Group.

On 24 October 2013, the Group has entered a series of agreements with the minority shareholder of

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Luchun on acquiring the remaining 10% interest in Luchun for consideration of HK$45,000,000. The

transaction was completed on 21 February 2014 and the Group then owns 100% interest of Luchun.

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MANAGEMENT DISCUSSION AND ANALySIS Business Review and Financial Highlights The Groups consolidated revenue from continuing operations for the six months ended 31 December 2013 decreased by 9.9% to approximately HK$29.1 million (2012: HK$32.3 million). The decrease in revenue reflects lower average realised prices. The commodity market remained volatile in the second half of 2013 due to continuing concerns over global economic growth and long-term sustainable demand for commodities. The transportation services business was classified as asset held-for-sale during the period and delivered revenue of approximately HK$58.9 million (2012: HK$54.5 million). The profit for the period from discontinued operation amounted to approximately HK$578,000. As at 31 December 2013, the Groups net asset value amounted to HK$2,611.8 million (30 June 2013: HK$2,756.5 million) and cash and bank balances, totalled HK$203.8 million (30 June 2013: HK$253.0 million). Loss attributable to equity holders of the Company amounted to HK$105.3 million for the six months ended 31 December 2013 (2012: HK$141.4 million). The change was attributable to improved operating result from the Damajianshan mine following the completion of electric power supply upgrade; reduced project mine study expenditure for the Australian operations and the reduction of finance costs due to the conversion of convertible bonds. The Company announced its intention to dispose the transportation business during October 2013. The re-positioning of the Company as a globally renowned mid-tier mining resources company which concentrates on the mining businesses in Australia and the PRC not only would convey a clear corporate image, it will benefit the Groups overall financial performance in the long run. Basic loss per share for the period was HK1.33 cents (2012: HK1.96 cents). During the six months ended 31 December 2013, the Group had cash outflows used in operating activities of HK$62.6 million. The Company issued an unsecured bond to Ocean Line (the Bond) with an outstanding amount of US$4,000,000 (equivalent to approximately HK$31,200,000) at the date of issue. The Bond was issued on 12 November 2013 to raise funds for the Groups general working capital. The Bond was unsecured, bears an interest rate of 10% per annum and is due on 28 November 2014.

19 Corporate Review Discontinued Operation Disposal of Perryville Group With constantly keen competition in the transportation services industry, as well as the increasing focus in the mining sector of the Group, the Group has entered into a sale and purchase agreement with a director of Perryville Group Limited to sell its entire interest in the transportation services business on 24 October 2013. Shareholders resolution for the disposal of Perryville Group was passed on 9 January 2014. The disposal of the transportation services business was completed on 19 February 2014 following the fulfillment of all conditions precedent, and the Group ceased to have any equity interests and control in the Perryville Group and the Group is released from all pledges and guarantees in relation to the Perryville Group. Acquisition of the remaining 10% interest in Luchun Xingtai On 24 October 2013, the Board also announced that, Smart Year Investments Limited, a subsidiary of the Company, entered into the Equity Interest Transfer Deed with Ms. Zhangli, being the owner of the remaining 10% interest in Luchun Xingtai Mining Co., Ltd., which owns the Damajianshan Mine of the Group. A series of agreements were entered for the purpose of ultimately gaining 100% control of the Damajianshan Mine. The Directors expect that the production level of copper from the Damajianshan Mine will continue to increase in the coming years, and may help improve the profitability prospects of the Group in the long run. The aforesaid acquisition of 10% interest in Luchun was completed on 21 February 2014. Re-designation of Executive Director To strengthen the executive functions of the Group, during the interim period, Mr. Warren Talbot Beckwith, who has been a non-executive director since 2012, was re-designated as an executive director of the Company. Mr. Beckwith has also been appointed as a member of the executive committee of the Board on the same date. Mineral Tenements Iron Ore Operations Western Australia This segment of the business is comprised of the 100% owned Marillana Iron Ore Project, the Ophthalmia Iron Ore Project and other regional exploration. The net operating loss before income tax expense for the period for this segment and attributable to the Group was HK$53.4 million (2012: HK$60.1 million, as restated). Total

expenditure associated with mineral exploration for the period to 31 December 2013 amounted to HK$42.2 million (2012: HK$56.3 million, as restated).

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Marillana
Iron Ore Project The 100% owned Marillana Iron Ore Project (Marillana or the Project) is Brockmans flagship project located in the Hamersley Iron Province within the Pilbara region of Western Australia, approximately 100 km north-west of the township of Newman. The Project is located within mining lease M47/1414 and exploration licence E47/1408. The Project area covers 96 km 2 bordering the Hamersley Range, where extensive areas of supergene iron ore mineralisation have developed within the dissected Brockman Iron Formation which caps the Range. The ultimate delivery of the Marillana iron ore projects first commercial production is dependent upon securing, funding, and developing suitable rail and port infrastructure. The Company will provide guidance on the timing for delivery of the project once the infrastructure timing is established. Rail and Port Infrastructure The key to unlocking the value of the Groups highly prospective iron ore mineral tenements relies on securing a rail and port infrastructure solution and funding. The Company continues to actively pursue various infrastructure alternatives. Rail Access In May 2013, Brockman submitted an Access Proposal under section 8 (1) of the Western Australian Railways (Access) Code 2000, (Code) to gain access to part of the below-rail infrastructure owned by The Pilbara Infrastructure Pty Ltd (TPI), a subsidiary of Fortescue Metals Group (FMG). Through this application process, Brockman is seeking to negotiate terms of access with TPI, including prices subject to Floor and ceiling costs to be determined by the Western Australian Economic Regulation Authority (ERA). The access rights sought are to TPIs railway infrastructure from approximately the 219 km point on the TPI mainline, from which point Brockman will construct a rail spur to its Marillana Iron Ore Project, to approximately the 23 km point on the TPI mainline near Port Hedland, from which point Brockman will construct a rail spur to connect with the proposed North West Infrastructure (NWI) facilities in Port Hedland.

21 Brockman is seeking access rights to allow it to haul up to 20 Mtpa of hematite iron ore product from Marillana, for a term of 20 years, to Port Hedland where NWI has a capacity allocation of 50 Mtpa for iron ore export from South West Creek in the Inner Harbour. The proposal des not seek access to TPIs above-rail services, as haulage services would be provided by an experienced haulage operator. Brockman proposes to procure the necessary spur lines and associated infrastructure to connect Marillana with the TPI railway and to connect it to the proposed NWI facilities in Port Hedland, which will include unloading, stockpiling and ship loading facilities in South West Creek, Port Hedland. During the period, two significant milestones were achieved. On 14 August 2013, the ERA rejected TPIs assertion that the provision of access to its railway would preclude other entities from accessing that infrastructure, and gave its approval for negotiations to proceed regarding Brockmans Access Proposal lodged with TPI. On 12 September 2013, the ERA published its final determination of the floor and ceiling costs applicable to the Brockmans Access Proposal, which set the floor cost at A$84,742,039 and the ceiling cost of A$316,901,814. Using the ERAs floor and ceiling costs and dividing by the assumed total capacity of the railway line, i.e. 155 Mtpa, the floor cost would equate to A$0.55/tonne and the ceiling cost would equate to A$2.04/tonne. Future negotiation of the price for access is to be conducted within this range. On 7 October 2013, TPI commenced proceedings in the WA Supreme Court taking issue with the ERAs determination of Floor and ceiling costs for the TPI railway, the ERAs decision to approve negotiations under section 10 in relation to Brockmans Proposal for Access lodged with TPI on 15 May 2013, and the validity of Brockmans proposal for access. Following the initial directions hearing for these matters, the judge made orders that the parties file defences, counterclaims and position papers, and subsequently determined that TPI should be able to put its case to proof and ordered that Brockman give discovery of relevant documents. Brockman is vigorously defending the matters put in the two proceedings, whilst continuing to advance the preparation of submissions to satisfy TPIs request regarding Brockmans managerial and financial capability (section 14) and the availability of capacity (section 15) under the Code. As part of that process, Brockman lodged an application with the WA Supreme Court seeking a mandatory injunction, seeking orders that TPI properly comply with its statutory obligations under the request for information process under the Code, to provide original data relating to train running times. The next direction hearing is set down on 12 March 2014.

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East Pilbara Independent Rail Aurizon During the period, Brockman entered into a binding Relationship Agreement appointing Aurizon to provide a long-term haulage and port solution for the Companys Marillana and Ophthalmia Projects. The Relationship Agreement will support the studies undertaken previously by Aurizon, Brockman and Atlas regarding the development of the proposed East Pilbara Independent Railway and its integration with the proposed NWI port facilities in Port Hedland. In addition it complements the Rail Access Proposal to TPI and the MOU entered into between Brockman and Tianjin Port (**Group**) Co Ltd. Despite the fact that the tripartite Alliance Study Agreement with Aurizon and Atlas expired on 1 July 2013, Aurizon continues to consider the integration of further rail studies with those of the proposed NWI port facilities. Brockman fully supports Aurizons framework for an integrated rail and port solution. Flinders During the period, Brockman announced that it has executed a Memorandum of Understanding (MOU) with Flinders Mines Limited regarding development of their respective **iron ore** projects in the East Pilbara region of Western Australia. The MOU outlines the terms on which the parties will work towards an Aggregation Arrangement that would cover **iron ore** production from the respective companies projects, and may include infrastructure and transportation solutions. The potential aggregation of tonnages provides a critical mass that could further enhance the viability of any proposed shared infrastructure solutions for junior **iron ore** miners in the Pilbara. Port In August 2008, the WA State Government, in conjunction with the Port Hedland Port Authority (PHPA), allocated 50 Mtpa of **iron ore** export capacity to North West Infrastructure (NWI), which is to be utilised at the proposed South West Creek berths SW3 and SW4 at Port Hedland. NWI, which is an incorporated joint venture between Brockman, Atlas and FerrAus Pty Ltd, is progressing the development of these two new berths. NWI has continued to work on the advancement of the Port Hedland lease and agreement of **commercial** terms with the Port Hedland Port Authority, to govern the development of the proposed NWI port facilities in the Port Hedland harbour. In doing so, NWI has worked with a leading adviser to develop a financing plan which has been presented to the PHPA and the State Government, to support the advancement of the both the lease and the agreement of **commercial** terms.

23 **Mining** and Metallurgy During the period, results have been received from the sinter testing of a representative sample of Marillana product, conducted at CISRI in Beijing. The results confirmed improved performance in the areas of sinter productivity and sinter fuel consumption, with no significant attendant deleterious effects. In addition, work has been undertaken on the value in use (VIU) of the Marillana Fines , in comparison to Pilbara Blend fines. The VIU has been independently estimated using the Marx VIU model for **iron**-making and suggests that Marillana Fines would attract parity or a small discount relative to Pilbara Blend unit prices, under the current market conditions, with a focus on inland **Chinese** mills and **alumina** constrained coastal **Chinese** mills. Ophthalmia **Iron Ore** Project The Ophthalmia Project, located north of Newman in the East Pilbara region of Western Australia, is the most significant **iron ore** project for the **company** outside of its flagship Marillana project. Since **iron ore** was discovered in August 2011, Brockman has reported a total of 290 Mt of Indicated and Inferred Mineral Resources from three separate areas/deposits at Ophthalmia, i.e., Sirius, Coondiner and Kalgan Creek (Figure 1 and Table 1). During the period, a program of reverse circulation (RC) drilling at Ophthalmia was completed, predominantly an infill drilling program at the Sirius Deposit to upgrade existing Inferred Mineral Resources to the Indicated category, and some limited exploration drilling testing targets at Kalgan Creek and Coondiner. The RC program comprised 16,844 **m** in 207 holes of which 177 holes for 14,840 **m** were at Sirius, 17 holes for 1,223 **m** were at Coondiner and 13 holes for 781 were at Kalgan Creek. Work is continuing on the planned resource upgrade for Sirius expected during the first quarter of 2014. 1 In addition to the RC drilling, a short programme of HQ and PQ diamond drilling was completed at Sirius in December, comprising 439 **m** in 8 holes. Drilling was designed to provide a bulk metallurgical sample, geotechnical and structural data and twin hole assay data. At Coondiner, infill and extension drilling was carried out mainly around the existing Mineral Resource boundary of the Pallas Deposit. Significant intersections were recorded from most of the areas drilled, with the best results from holes CNRC0216 (121 **m** at 59.5% Fe) and CNRC0222 (86 **m** at 59.4% Fe), located 200 **m** and 400 **m** respectively to the south-east of the existing Mineral Resource boundary.

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At Kalgan Creek, several RC holes were drilled to further define the identified drilling target in the east of the tenement. A significant intersection was recorded in hole KRC0115 (38
m at 60.50% Fe). Figure 1: Location of Ophthalmia deposits and prospects 1
* Exploration results for Sirius and Coondiner were reported in ASX announcement dated 20 December

2013. Brockman is not aware of any new information or data that materially affects the information

included in that report.

25 Table 1: Ophthalmia DSO Mineral Resource Summary

Al 2O 3 S P LOI

Tonnes Fe CaFe* SiO 2 Deposit Class

(%) (%) (%) (%) (%)

(Mt) (%) (%)

Indicated 12.5 59.3 62.6 4.02 4.79 0.007 0.20 5.41 Kalgan Creek Inferred 39.7 59.1 62.5 4.57 4.55 0.005 0.17 5.56

Subtotal 52.1 59.1 62.6 4.41 4.60 0.006 0.18 5.52

Indicated 82.5 58.1 61.7 5.61 4.48 0.008 0.17 5.76 Coondiner

Inferred 46.4 58.7 62.1 5.37 4.40 0.006 0.18 5.44 (Pallas and Castor)

Sub total 128.9 58.3 61.8 5.52 4.45 0.008 0.17 5.64 Sirius Inferred 109.0 60.0 63.3 4.57 3.78 0.009 0.18 5.16 Total (DSO) Ophthalmia 290.0 59.1 62.5 4.97 4.23 0.008 0.17 5.44 * CaFe represents calcined Fe and is calculated by Brockman using the formula CaFe = Fe%/((100-

LOI)/100) ** Total tonnes may not add due to rounding Competent Persons Statement The information in the above Exploration section of this report that relates to Mineral Resources at Marillana and Ophthalmia is based on information compiled by Mr. J Farrell and Mr. A Zhang. Mr. J Farrell, who is a Chartered Professional and Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Golder Associates Pty Ltd, produced the Mineral Resource estimates for Marillana and Ophthalmia based on the data and geological interpretations provided by Brockman. Mr Farrell has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that 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 Resource and Ore Reserves. Mr Farrell consents to the inclusion in this report of the matters based on his information in the form and context that the information appears. Mr. A Zhang, who is a Member of the Australasian Institute of Mining and Metallurgy and a full- time employee of Brockman Mining Australia Pty Ltd, provided the geological interpretations and the drill hole data used for the Mineral Resource estimations at Marillana and Ophthalmia. Mr. Zhang has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that 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 Resource and Ore Reserves. Mr. Zhang consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

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Mining Operation Copper Mine Yunnan, PRC The copper mining business of the Company is conducted through Luchun, a 90% owned subsidiary of the Company, the owner and operator of the Damajianshan Mine. During the interim period, steady production volume on ore processed was recorded following the completion of

electric power supply upgrade. The slight decrease of revenue recorded for this segment was mainly driven by the decreased copper price. Production and operation results for the financial periods were summarised as follows:
Six months ended

31 December

2013 2012

112,585 tonnes Copper ore processed 150,576 tonnes

618 Metal (t) Production of copper ore concentrates 649 Metal (t)

644 Metal (t) Sales of copper ore concentrates 640 Metal (t)

RMB36,000 Average selling price per Metal (t) (without VAT) RMB41,000 During the six months ended 31 December 2013, Luchun has contributed revenue of approximately HK$29.1 million (2012: HK$32.3 million), down 9.9%, and the loss before amortisation was approximately HK$8.3 million (2012: HK$10.3 million), representing an improvement of 19.4%. The cost of sales of the mining segment mainly included mining, processing and refining, ore transportation and waste disposal costs. Total expenditure associated with the mining operation during the six months ended 31 December 2013 amounted to approximately HK$45.7 million (2012: HK$57.4 million). With the copper plant upgrade carried out in the last few years, production capacity has been improved. The Company recorded solid performance and reduction in cost for mining production. Benefiting from improved contribution margin, the significant reduction in loss for the segment recorded could improve long term profitability. Sales volume of copper ore concentrates grew slightly, however average price per metal tonne has decreased steadily over the period reflecting the decrease in global metal prices.

27 LIqUIDITy AND FINANCIAL RESOURCES The Group generally finances its short-term funding requirement with cash generated from operations, credit facilities from suppliers, banking facilities and equity placement. The Groups ability to achieve its Marillana iron ore project development schedule is reliant among other things, on access to appropriate and timely funding. The current ratio as at 31 December 2013 is measured at 1.19 (30 June 2013: 1.42). The gearing ratio as at 31 December 2013 (long-term debts over equity and long-term debts) is measured at 0.01 as compared to 0.01 recorded as at 30 June 2013. As at 31 December 2013, Perryville Group has bank borrowings and finance lease obligations amounted to approximately HK$6.5 million and HK$13.1 million respectively, and the balances related to discontinued operation have been classified as liabilities of disposal group classified as held for sale. As at 31 December 2013, fixed rate bond amounted to HK$31.2 million was denominated in US dollars (30 June 2013: Nil). During the period, the Group did not engage in the use of any financial instruments for hedging purposes, and there was no hedging instrument outstanding as at 31 December 2013. CAPITAL STRUCTURE The Company has the following movement in the share capital: On 12 November 2013, a bond was issued by the Company to Ocean Line with principal amount of US$4,000,000 (equivalent to approximately HK$31,200,000) at the date of issue (the Bond). The Bond is unsecured, bears an interest rate of 10% per annum and is due on 28 November 2014. Subsequent to the period-end date, on 2 January 2014, the Company entered into two subscription agreements with Ocean Line and China Guoyin respectively, pursuant to the agreements, Ocean Line agreed to subscribe for 292,500,000 shares at an aggregate subscription price of HK$117 million and China Guoyin agreed to subscribe for 195,000,000 shares at an aggregate subscription price of HK$78 million. Shareholders approval was sought on 13 February 2014. On the same date, the subscriptions were completed and the Bond was redeemed in full. The remaining proceeds from the issue of the shares will be used for the development of the Groups iron ore mining projects in Western Australia and for the general working capital of the Group. As at 31 December 2013, the total number of issued shares outstanding for the Company amounted to 7,894,482,131 shares. As at the date of the report, the total number of issued shares outstanding for the Company amounted to 8,381,982,131 shares.

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PLEDGE OF ASSETS AND CONTINGENT LIABILITIES As at 31 December 2013, motor vehicles in Perryville
Group with an aggregate carrying value of approximately HK$3,565,000 (30 June 2013: HK$5,166,000) were charged to secure general banking facilities granted to a subsidiary of the Company. Financial guarantees As at 31 December 2013,

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guarantees have been given to a bank by the **Company** in respect of banking facilities extended to a wholly-owned subsidiary of Perryville **Group** and the maximum liability of the **Company** under the guarantees was HK$75,200,000 (30 June 2013: HK$75,200,000). With the disposal of Perryville **Group** completed on 19 February 2014, the bank guarantees were fully released. Contingencies Native title claims Native title claims have been made with respect to areas which include tenements in which controlled entities of Brockman have interests, and these controlled entities are unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect them or their projects. Except for the contingencies disclosed above, there is no material contingent liability of the **Group** as at 31 December 2013. MARKET RISK The **Group** is exposed to various types of market risks, including fluctuations in **iron ore** and **copper ore** concentrate price and exchange rates. (a) Commodities Price risk

Copper ore concentrate price:

The Groups revenue and results of the **mining** business during the period, and the fair value of

the Groups **mining** right was affected by fluctuations in the **copper ore** concentrate price. All

of our **mining** products were **sold** at market price.

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Iron ore price:

The fair value of the Groups intangible assets arising from **acquisition** of mineral tenements

operations in Australia was affected by fluctuations in the **iron ore** price.

We have not used any commodity derivative instruments or futures for speculation or hedging

purpose. The management will review the market condition from time to time and determine

the best strategy to deal with the fluctuations of **iron ore** and **copper** concentrate prices. (**b**) Exchange rate risk

The **Group** is exposed to exchange rate risk primarily because our mineral tenements are

denominated in Australian dollars. Depreciation in Australian dollar may adversely affect our

net asset value and earnings when the value of such assets is converted to **Hong Kong** dollars.

During the period, no financial instrument was used for hedging purpose. STAFF AND REMUNERATION As at 31 December 2013, the continuing **operations** of the **Group** employed 469 full time employees and there were 194 full time employees employed for the discontinued operation (30 June 2013: 386 and 195 respectively), of which approximately 343 employees from continuing **operations** and 80 employees from discontinued operation were in the PRC and 25 employees were in Australia. The remuneration of employees includes salary and discretionary bonus. The **Group** also adopted a share option scheme to provide incentives to the employees. The remuneration policy and packages, including share options of the Groups employees, senior management and directors are maintained at market level and are reviewed periodically by the management and the remuneration committee. **PURCHASE**, REDEMPTION OR **SALE** OF LISTED SECURITIES During the six months ended 31 December 2013, neither the **Company** nor any of its subsidiaries **purchased**, **sold** or redeemed any of the listed securities of the **Company**. COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES The **Company** is listed on both the Australian Securities Exchange (ASX) and on the SEHK. The Companys corporate governance policies have been formulated to ensure that it is a responsible corporate citizen. The **Company** complies with all aspects of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on the SEHK, except that not all the directors have participated in all general meetings held by the **Company** in the reporting period.

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MODEL CODE FOR SECURITIES

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TRANSACTIONS By DIRECTORS The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the Model Code) as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific enquiry to all directors of the Company, all directors confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 31 December 2013. AUDIT COMMITTEE As at 31 December 2013, the audit committee comprises of three independent non-executive directors namely Messrs. Lau Kwok Kuen, Eddie, Uwe Henke Von Parpart and Yip Kwok Cheung, Danny (the Audit Committee). Mr. Lau Kwok Kuen, Eddie was the Chairman of the Audit Committee. On 8 January 2014, following the resignation of Mr. Lau Kwok Kuen, Eddie, Mr. Yap Fat Suan Henry was appointed as the Chairman of the Audit Committee to replace Mr. Laus positions. The Audit Committee has adopted terms of reference which are in line with the CG Code. The Audit Committee has reviewed the Groups interim results for the six months ended 31 December 2013.

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