



Aurora Minerals Limited

**AURORA MINERALS LIMITED
AND CONTROLLED ENTITIES**

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2012**

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
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AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2012.

DIRECTORS

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

Mr Phillip Jackson (Chairman)

Mr Martin Pyle (Managing Director)

Dr Robert Taylor (Executive Director)

RESULTS

The operating loss for the Group for the half-year ended 31 December 2012 was \$1,754,724 (2011: \$3,264,728) of which \$1,528,803 (2011:\$2,694,067) related to exploration and evaluation expenditure expensed.

REVIEW OF OPERATIONS

Glenburgh Copper/Gold Project

Aurora's Glenburgh Project consists of thirteen granted exploration licences and one licence application and is situated in the southern part of the Gascoyne Province, central Western Australia. Systematic prospecting and rock-chip sampling commenced in 2010 and discovered copper-gold-uranium mineralisation at the GBO Prospect during early follow-up of LANDSAT and airphoto colour anomalies. Visible copper minerals at Pink Elephant were discovered late in 2010, and the M&B Prospect in early 2011. The first drilling program took place in May 2011, and the second one in September and October. An airborne VTEM geophysical survey was completed mid-2011. Prospecting continues to discover surface mineralisation and define additional drill targets.

During the half year a third drilling program comprising 26 holes for 2,391m of reverse circulation ("RC") drilling was completed. Several copper-gold and lead-zinc targets were tested:

Rubbah Duckie. Rubbah Duckie consists of a series of quartz vein sets, ironstones and porphyries within a gneissic complex variably mineralised with Cu, Au, Pb, Ag, Zn and Ba, associated with an interpreted fold structure defined by coincident Cu-Pb-Zn soil anomalies.

Six of the eleven RC holes drilled at Rubbah Duckie intersected wide zones, 20m to 74m, of biotite-rich gneiss hosting anomalous, low-grade Pb-Zn mineralisation with variable silver values interspersed with non-mineralised calc-silicate gneiss units. The best intercept was GRC101 with 16m at 0.13% Pb, 0.26% Zn and 1.6g/t Ag from 60m downhole.

REVIEW OF OPERATIONS (continued)

Glenburgh Copper/Gold Project (continued)

The entire mineralised and calc-silicate zone may be 100m to 200m wide and corresponds to the surface soil anomaly, which extends for 1,300m passing under transported colluvial cover to the West and South. Laterite weathering and regolith cover obscure the mineralised zone at surface. The anomalous mineralisation can be traced to a unique stratigraphic horizon which has been followed for over 30km of strike and features several prominent VTEM anomalies which are yet untested with drilling.

The program was supported by a State Government grant pursuant to its Exploration Incentive Scheme's Co-funded Exploration Drilling Program.

NuFind. Eleven holes were drilled for a total of 904m under an E-W trending zone 600m-long by up to 100m wide containing copper bearing-quartz veins cutting basement granites and gneisses. Previous drilling to the East at GBO prospect had intersected up to 23m at 0.51% Cu in hole GRC16. Mineralisation at NuFind was found to be narrower with best intercepts of 4m at 0.61% Cu from 42m in hole GRC113 and 6m at 0.46% Cu from 34m in hole GRC114. The high-grade gold in laminated quartz-shear zone 400m to the south (NuFind Gold) will be drill tested in a future program, with all clearances and consents successfully obtained.

Green Dragon. Two holes for 222m were drilled into VTEM conductors defining an 800m by 150m zone corresponding to an area of unusually deep weathering and laterite cover. This area is thought to be the easterly limit of the Knotmi Fault where it is intersected by major NE and NS structures. Both holes passed through up to 70 metres of highly weathered rocks probably of gneissic origin and both reported anomalous copper mineralisation over several metres width.

At **Pink Elephant** two holes were drilled for 240m into the northern contact of the Eastern dolomite lens where surface sampling of a jaspilite unit produced up to 0.6% Cu, 0.2% Pb and 0.2% Zn. Both intersected ferruginous alteration at the contact with widespread though low-grade mineralisation: 16m at 0.13% Cu from 40m in GRC109, and 30m of 0.1% Cu and 0.08g/t Au from 108m in GRC110.

Capricorn Southeast Manganese Project

There was no field activity for the half year and the tenement position has been further rationalised while retaining the extensive zones of high-grade surface manganese mineralisation.

DESERT MINES AND METALS

During the six months to 31 December 2012, Desert Mines and Metals Limited ("Desert") progressed exploration over the Camel Hills Joint Venture Project.

The Camel Hills Project covers part of the northwest margin of the Archaean Yilgarn Block and adjacent Proterozoic aged metamorphic rocks of the Gascoyne Complex. Several large fault systems are recognised including the Errabiddy Shear Zone, Deadman Fault and Cardilya Fault which are interpreted to have had significant influence on the emplacement of base and precious metals mineralisation in the tenement package.

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Desert Mines and Metals Ltd (continued)

During the half year Desert completed the minimum \$3.4 million of expenditure to earn a 51% contributing interest in the Camel Hills Project from Aurora Minerals Limited. The Joint Venture will now proceed on a Desert 51% /Aurora Minerals 49% contributing basis with Desert maintaining its role as manager of the Joint Venture.

Copper Nickel Targets

Desert's exploration model is targeting massive nickel-copper sulphide deposits in discrete mafic to ultramafic intrusive bodies in the high-grade gneissic terrane of the northwestern Yilgarn Craton. The Camel Hills JV tenements include two previously known but undrilled intrusives, and recent exploration has discovered three additional bodies.

To overcome poor outcrop and extensive laterite cover, aeromagnetic images were utilised to identify potential intrusives, with ground prospecting and sampling follow-up to discover gossanous or mineralised outcrop (Far West, 3D prospects) and Electromagnetic ("EM") geophysical surveys (Far West, 3D, CN2 and Innouendy prospects) for subsequent drill-testing. A soil sampling program in 2010 confirmed the presence of ultramafic intrusive and highlighted Nickel-Copper-Chrome anomalies as indicators of potential sulphide mineralisation.

A ground-based Electromagnetic survey was conducted during the half year and the results of which indicated the previous drilling had not effectively targeted the conductor(s) identified from an earlier heliborne VTEM survey.

The first diamond core drill hole into the Innouendy Prospect was successfully completed to a down-hole depth of 276m; a subsequent down-hole EM survey has yielded a strong "off-hole" conductor. The principal lithologies intersected in diamond-core hole (IND001) were (from collar) surficial alluvials, saprolite passing into a sequence of differentiated gneissic units. Between 171m-200m down-hole an amphibole/magnetite/quartz unit was intersected. While sulphide occurrences are rare, handheld XRF readings indicate anomalous nickel and copper in minor blebs and stringers of sulphide.

The hole was targeting possible sulphide mineralisation associated with an interpreted ultramafic intrusive with supporting data including;

- Strong electromagnetic conductors ("EM")
- Favourable magnetic features
- Nickel/Chrome soil anomaly
- Favourable lithology & structural setting

Gold Targets

A data review has enabled tenement rationalisation of the various targets, with retention of the Challenger and Main Grid gold-in-soil anomalies in the north and the magnetite-quartzite sequences in the southern part of the project area. Drill-site rehabilitation was also undertaken.

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Desert Mines and Metals Ltd (continued)

Main Grid Prospect

An Aboriginal heritage survey over several prospects including Main Grid Gold Prospect was successfully completed. A first pass reconnaissance RC drilling program to test this extensive gold-in-soil anomaly will commence when field conditions permit.

From mapping, rock chip and soil sampling Desert has found that the gold mineralisation tends to occur in a wider "corridor" of low grade, say <1g/t, within which are narrower, discrete, high-grade and structurally controlled shoots occasional containing high gold assays in rock chip samples.

An application for drill funding support from the State Government has been successful and a grant pursuant to its Exploration Incentive Scheme's Co-funded Exploration Drilling Program awarded, which is expected to contribute up to \$100,000 towards the direct drilling costs.

Magnetite Iron Ore

No field work was conducted on the iron targets during the half year.

Business Development

Desert assessed several new projects for potential acquisition. For at least one project the due diligence review is ongoing.

Corporate

During the quarter, Desert Mines and Metals Ltd, a subsidiary of the Company, completed a 1:4 non-renounceable rights issue of ordinary shares which raised approximately \$588,000 before costs of the issue.

The information in this review that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Robert S Taylor, a Member of The Institute of Materials, Minerals and Mining. Executive Director of Aurora Minerals Limited and Desert Mines and Metals Limited, Robert Taylor consults through his consulting company Able Kids Pty Ltd.

Robert Taylor has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Robert Taylor consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

EVENTS OCCURRING AFTER BALANCE DATE

No events of a significant nature occurred after the reporting date.

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* is included within this financial report.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'M Pyle', written in a cursive style.

Martin Pyle
Managing Director
8 March 2013

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

		Consolidated	
	Note	31 December 2012 \$	31 December 2011 \$
CONTINUING OPERATIONS			
Revenue	2(i)	345,146	495,420
Exploration expenditure		(1,528,803)	(2,694,067)
Administration expenditure	2(ii)	(571,067)	(1,066,081)
Loss before tax		(1,754,724)	(3,264,728)
Income tax expense		-	-
Loss for the period from continuing operations		(1,754,724)	(3,264,728)
Other comprehensive income		-	-
Total comprehensive loss for the period		(1,754,724)	(3,264,728)
Loss attributable to:			
Non-controlling interest		(291,476)	(663,271)
Owners of the parent entity		(1,463,248)	(2,601,457)
		(1,754,724)	(3,264,728)
Total comprehensive loss for the period is attributable to:			
Non-controlling interest		(291,476)	(663,271)
Owners of the parent entity		(1,463,248)	(2,601,457)
		(1,754,724)	(3,264,728)
Basic loss per share (cents per share)		(1.40)	(2.50)
Diluted loss per share (cents per share)		(1.40)	(2.50)

The accompanying notes form part of these financial statements.

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Consolidated	
	31 December 2012	30 June 2012
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	12,775,506	14,010,718
Trade and other receivables	437,643	665,462
Other current assets	40,316	44,960
Total current assets	<u>13,253,465</u>	<u>14,721,140</u>
Non Current Assets		
Plant and equipment	294,461	366,715
Total non-current assets	<u>294,461</u>	<u>366,715</u>
Total Assets	<u>13,547,926</u>	<u>15,087,855</u>
LIABILITIES		
Current Liabilities		
Trade and other payables	302,215	309,971
Total current liabilities	<u>302,215</u>	<u>309,971</u>
Total Liabilities	<u>302,215</u>	<u>309,971</u>
Net Assets	<u>13,245,711</u>	<u>14,777,884</u>
EQUITY		
Issued capital	36,577,518	36,577,518
Reserves	11,862,716	11,890,975
Accumulated losses	<u>(36,264,688)</u>	<u>(34,801,440)</u>
Parent entity interest	12,175,546	13,667,053
Non-controlling interests	<u>1,070,165</u>	<u>1,110,831</u>
Total Equity	<u>13,245,711</u>	<u>14,777,884</u>

The accompanying notes form part of these financial statements.

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

Consolidated	Issued Capital	Change in Ownership Interest	Accumulated Losses	Share- based payments	Non- controlling Interests	Total
	\$	\$	\$	\$	\$	\$
At 1 July 2011	36,577,518	5,557,333	(31,104,912)	6,014,803	1,960,150	19,004,892
Loss for the period	-	-	(2,601,457)	-	(663,271)	(3,264,728)
Total comprehensive loss for the period	-	-	(2,601,457)	-	(663,271)	(3,264,728)
Transactions with owners in their capacity as owners:						
Expense of share option	-	-	-	202,695	75,735	278,430
At 31 December 2011	<u>36,577,518</u>	<u>5,557,333</u>	<u>(33,706,369)</u>	<u>6,217,498</u>	<u>1,372,614</u>	<u>16,018,594</u>
At 1 July 2012	36,577,518	5,557,333	(34,801,440)	6,333,642	1,110,831	14,777,884
Loss for the period	-	-	(1,463,248)	-	(291,476)	(1,754,724)
Total comprehensive loss for the period	-	-	(1,463,248)	-	(291,476)	(1,754,724)
Transactions with owners in their capacity as owners:						
Expense of share option	-	-	-	33,247	(19,335)	13,912
Issue of share capital	-	250,549	-	-	283,645	534,194
Expense of share issue	-	(10,019)	-	-	(13,500)	(23,519)
Change due to issue of shares by	-	(302,036)	-	-	-	(302,036)
At 31 December 2012	<u>36,577,518</u>	<u>5,495,827</u>	<u>(36,264,688)</u>	<u>6,366,889</u>	<u>1,070,165</u>	<u>13,245,711</u>

The accompanying notes form part of these financial statements.

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Consolidated	
	31 December 2012 \$	31 December 2011 \$
Cash flows from operating activities		
Payments to suppliers and employees	(574,386)	(816,127)
Payments for exploration expenditure	(1,500,208)	(2,900,684)
Receipts from security deposits and bonds	73,860	-
Other income	147,054	7,963
Interest received	400,367	502,515
Net cash (outflow) from operating activities	<u>(1,453,313)</u>	<u>(3,206,333)</u>
Cash flows from investing activities		
Receipts on sale of tenements	-	1
Payments for purchases of plant & equipment	(4,728)	(50,112)
Net cash (outflow) from investing activities	<u>(4,728)</u>	<u>(50,111)</u>
Cash flows from financing activities		
Proceeds from issue of shares	232,160	-
Payments of share issue costs	(9,331)	-
Net cash inflow from financing activities	<u>222,829</u>	<u>-</u>
Net (decrease) in cash and cash equivalents	(1,235,212)	(3,256,444)
Cash and cash equivalents at the beginning of the period	<u>14,010,718</u>	<u>18,412,387</u>
Cash and cash equivalents at the end of the period	<u>12,775,506</u>	<u>15,155,943</u>

The accompanying notes form part of these financial statements.

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

NOTE 1 - BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2012 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Aurora Minerals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

New and Revised Accounting Standards

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 \$	31 December 2011 \$
NOTE 2 – REVENUE AND EXPENSES		
Loss before income tax expense includes the following revenue and expenditure, the disclosure of which is relevant to explaining the performance of the Group.		
(i) Revenue		
Interest received	318,824	487,456
Other revenue	26,322	7,964
	<u>345,146</u>	<u>495,420</u>
(ii) Administration expenditure		
Depreciation	78,277	103,924
Less: capitalised to exploration and evaluation	(70,817)	(91,053)
	<u>7,460</u>	<u>12,871</u>
Salaries and wages	63,335	93,265
Consulting fees	252,501	368,751
Occupancy expenses	64,331	61,110
Insurance and legal	35,886	54,227
Securities exchange and registry fees	40,513	41,798
Share based compensation	13,912	278,432
Other expenses	93,129	155,627
Total administration expenditure	<u>571,067</u>	<u>1,066,081</u>

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

NOTE 3 – EQUITY SECURITIES ISSUED

(a) (i) Details of Equity – the Company

	Shares	Listed Options	Unlisted Options
At 1 July 2011	104,167,499	-	33,877,500
Options expired/cancelled	-	-	(7,850,000)
At 31 December 2011	104,167,499	-	26,027,500
At 1 July 2012	104,167,499	-	26,027,500
Options expired/cancelled	-	-	(3,182,500)
At 31 December 2011	104,167,499	-	22,845,000

(a) (ii) Details of Movements in Equity – The Company

Date	Action	Type	Quantity	Issued To	Exercise Price	Expiry Date
02 July 12	Cancel	Options - unlisted	150,000	Consultants	\$0.300	30 June 2013
02 July 12	Cancel	Options – unlisted	500,000	Consultants	\$0.825	16 Dec 2012
02 July 12	Cancel	Options – unlisted	300,000	Consultants	\$1.620	26 Feb 2013
30 July 12	Cancel	Options – unlisted	95,000	Consultants	\$0.300	30 June 2013
22 Nov 12	Cancel	Options- unlisted	1,000,000	Consultants	\$1.200	17 June 2014
30 Nov 12	Expiry	Options – unlisted	1,137,500	Employees	\$0.470	30 Nov 2012

(b) (i) Details of Equity – Desert Mines and Metals Limited

	Shares	Listed Options	Unlisted Options
At 1 July 2011	119,660,641	-	55,272,500
Options expired/cancelled	-	-	(3,450,000)
At 31 December 2011	119,660,641	-	51,822,500
As at 1 July 2012	119,660,641	-	48,072,500
Issue of share capital	19,604,777	-	-
Options expired/cancelled	-	-	(4,667,500)
At 31 December 2012	139,265,418	-	43,405,000

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

NOTE 3 – EQUITY SECURITIES ISSUED (continued)

(b) (ii) Details of Movements in Equity – Desert Mines and Metals Limited

Date	Action	Type	Quantity	Issued To	Exercise Price	Expiry Date
02 July 12	Cancel	Options – unlisted	50,000	Consultants	\$0.30	30 June 2013
30 July 12	Cancel	Options – unlisted	175,000	Consultants	\$0.30	30 June 2013
30 Aug 12	Cancel	Options – unlisted	1,500,000	Consultants	\$0.40	17 Sept 2014
14 Nov 12	Cancel	Options – unlisted	1,000,000	Consultants	\$0.40	17 Sept 2014
22 Nov 12	Cancel	Options - unlisted	750,000	Consultants	\$0.40	17 Sept 2014
30 Nov 12	Expiry	Options – unlisted	562,500	Employees	\$0.31	30 Nov 2012
30 Nov 12	Expiry	Options – unlisted	630,000	Employees	\$0.35	30 Nov 2012

NOTE 4 - SEGMENT INFORMATION

The directors have considered the requirements of AASB 8 *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker (the board of directors) in allocating resources and have concluded that at this time there are no separately identifiable segments.

The Group’s principal activity is that of mineral exploration within Australia.

NOTE 5 - COMMITMENTS FOR EXPENDITURE

In order to maintain the mineral covenants in which the Group and other parties are involved, the Group is committed to fulfil the minimum annual expenditure conditions under which the covenants are granted. Since the last reporting date, there has been the following change to these commitments:

	Consolidated Entity	
	31 December	30 June
	2012	2012
	\$	\$
Minimum estimated expenditure requirements	1,867,500	1,997,168

During the period, Desert Mines and Metals Ltd completed the required expenditure commitment in the Camel Hills Joint Venture (CHJV) to earn a 51% interest in the tenements comprising the CHJV, the transfer of these titles being in process at reporting date.

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

NOTE 5 - COMMITMENTS FOR EXPENDITURE (continued)

Consultancy Agreements

During the half-year, the consolidated entity has revised the consultancy agreements with all the Directors and Executives. In the event of termination, there is a requirement to continue payment of their fees for a period of six to twelve months in the case of Directors and two months in the case of Executives. Should the services of the Directors and Executives not be required during the respective periods the cost to the consolidated entity would be \$366,848 (30 June 2012: \$403,397).

NOTE 6 – CONTINGENT LIABILITIES

Since the last annual reporting date there has been no material change of any contingent liabilities or contingent assets.

NOTE 7 - EVENTS OCCURRING AFTER BALANCE DATE

There have been no material items, transactions or events subsequent to 31 December 2012 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

NOTE 8 – DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period (2011: Nil).

**AURORA MINERALS LIMITED (ABN 46 106 304 787) AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

In the opinion of the directors of Aurora Minerals Limited ('the company'):

1. The financial statements and notes thereto of the consolidated entity, as set out within this financial report, are in accordance with the *Corporations Act 2001* including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year then ended.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Martin Pyle
Managing Director

Perth, 8 March 2013

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
AURORA MINERALS LIMITED**

We have reviewed the accompanying half-year financial report of Aurora Minerals Limited which comprises the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and 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 consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aurora Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Aurora Minerals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

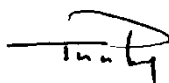
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aurora Minerals Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 8 March 2013

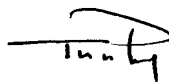
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Aurora Minerals Limited for the half-year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 8 March 2013