ASX Appendix 4D

Half-Year Financial Report

23 May 2013

HEEMSKIRK CONSOLIDATED LIMITED

ABN: 18 106 720 138

ASX APPENDIX 4D AND FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 March 2013

ASX CODE: HSK

Directors' Declaration

In accordance with a resolution of the directors of Heemskirk Consolidated Limited, we state that:

1 In the opinion of the directors:

(a) the half year financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position as at 31 March 2013 and the performance for the half-year ended on that date of the consolidated entity

(ii) complying with Accounting Standard AASB 134 ' Interim Financial Reporting' and the Corporations Regulations 2001

(b) the half year financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a)

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Graham Lenzner
Non-Executive Chairman
Melbourne, 23 May 2013

Peter Bird
Managing Director
Melbourne, 23 May 2013

Directors' Report

Our Strategy

Heemskirk is an Australian listed mining company with industrial minerals operations in Canada producing products for the oil and gas exploration and production industry. The Company also holds a 15% equity investment in Tungsten operator Almonty Industries.

The Company's strategy is to maximise shareholder returns by:

- Financing the build of the Moberly Frac Sand Project at an estimated cost of CAD26m utilising a combination of existing business assets and new finance;
- Building the Moberly Frac Sand Project to deliver an estimated Project $NPV_{7.5}$ of CAD66m;
- Developing expansion options, following successful commissioning of the strategically located Moberly Frac Sand Project, above the initial design production rate of 300,000 tpa;
- Monitor acquisitions opportunities for gold and copper developments;
- Acquiring bolt-on operations and developments that are synergistic to existing assets and harnessing management's operating experience; plus
- Optimising the Company's business portfolio and human resources to deliver the strategy in a safe, environmentally and socially responsible way.

Development Progress

Moberly Frac Sand Project

In the six months to 31 March 2013, the Company has been focused on appropriately financing the construction of the Moberly Frac Sand Project. The process to source new finance has taken longer than we would have liked due to capital markets being very conservative in their lending practices following the Global Financial Crisis and equity markets being risk averse to the resource sector. The value of the project is significant to the Company and we are aiming to ensure that the shareholders of the Company share in this value by ensuring the risks attached to the new finance are acceptable.

During the 1H 2013 the Company invested \$1.120 million in the project compared to \$0.541 million in 1H 2012. Expenditure on the project in 1H 2013 related to completion of detailed engineering drawings and specifications to 90% of requirements, site preparation, project management and quotation preparation. From an engineering viewpoint the project is ready to proceed to the next stage.

Peter Bird
Managing Director

Existing Assets

Based on growth in North America's gas and oil markets, early in 2012 the Company anticipated growing demand for its products for oil and gas drilling from its Lethbridge operation and sourced additional raw materials for its plant from alternative sources. The expected demand for our products occurred and higher revenue was achieved in the 1H 2013, however, the cost of the additional raw materials was significantly higher than our usual sources and this has reduced the gross profit for the 1H 2013 by \$0.977 million. The same raw material sources were not available compared to 1H 2012 and this, combined with adverse weather for freight from alternative sources, resulted in higher raw material costs.

The Company continues to improve efficiencies at its operating plant at Lethbridge which assisted in partially offsetting the raw material cost increases. Last year the Company conducted major maintenance on its dryer, resulting in a throughput increase of 18% year on year (yoy) and reduction in unit costs of 44% yoy. Adjustments to the air flow in the mills in 1H 2013 resulted in an increase in throughput of 16% yoy and record production and sales in the March quarter with lower unit cost of milling.

The Company will continue to identify productivity improvements to sustain and enhance operating margins in 2H 2013. The Company is conducting maintenance at a cost of \$0.200 million on the Lethbridge facility's mill bases in the June quarter. This is a precautionary measure to ensure the ongoing life and productivity of the mills and to assist with reducing the risk of unplanned mill shutdowns during peak production periods. In addition, \$0.200 million of capital works is scheduled for dust control to improve further the quality of air in the workplace.

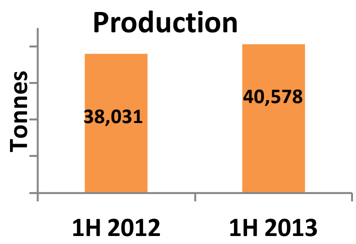
Directors' Report

Financial Overview

PRODUCTION UP 7%

Improved plant productivity, ongoing strong demand for oil and gas drilling products and a longer winter extending the drilling season resulted in 2013 1H production volumes being 7% higher compared to 1H 2012.

Oil and gas prices are a key indicator of market conditions for our products. The West Texas Intermendiate oil price prices eased but remained strong reducing from USD103/bbl as at 31 March 2012 to USD97/bbl as at 31 March 2013. Henry Hub gas prices have improved from USD2.17mBTU as at 31 March 2012 to USD3.81mBTU as at 31 March 2013.

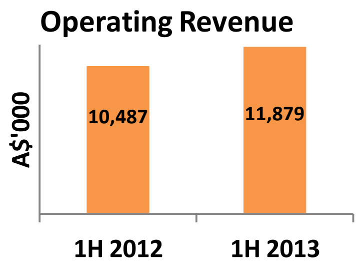


Stephen Gray
Company Secretary & Financial Controller

OPERATING REVENUE 13%

Operating revenue increased by 13% compared to 1H 2012 largely due to the increase in the sale volumes of barite and gypsum products of 10% and 36% respectively.

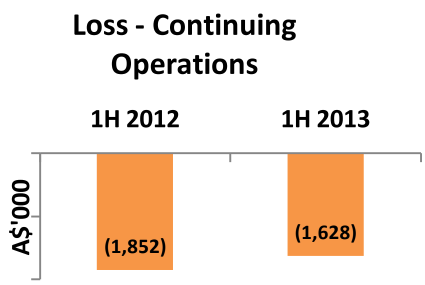
Revenue increases were also supported by market based price increases of products.



LOSS FROM CONTINUING OPERATIONS 12%

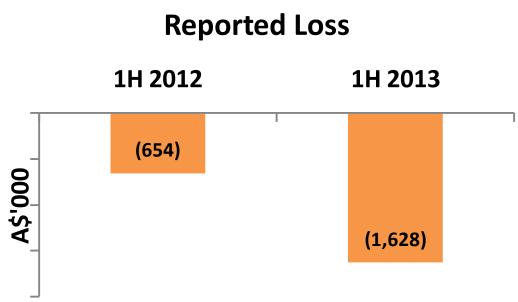
The loss from continuing operations reduced from $1.852 million in 1H 2012 to $1.628 million in 1H 2013, a $0.224 million or 12% improvement. The key changes are:

- Gross profit reduced to $1.003 million in 1H 2013 from $1.980 million in 1H 2012. This was a result of the increasing cost of raw materials from alternative sources;
- Employee benefits expense lowered to $0.823 million in 1H 2013 from $1.824 million in 1H 2012. The reduction of $1.001 million is from less termination benefits and staff numbers; and
- Consultants and advisory expense declined from $0.428 million in 1H 2012 to $0.237 million in 1H 2013, a $0.191m saving as a result of lower corporate restructuring activity.



Reported Loss $0.974 million

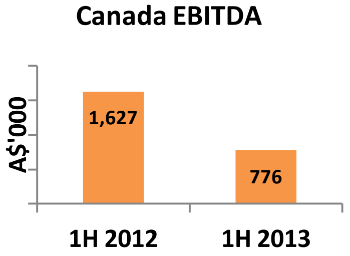
The reported loss increased from $0.654 million in 1H 2012 to $1.628 million in 1H 2013. In 1H 2012 the Company received $1.198 million from Tungsten inventory sold prior to the sale of Mining Spain in November 2011. This is the principal difference in the 1H 2013 loss figure.



Directors' Report

CANADA EBITDA[1]
$0.851m

The higher cost of raw materials from alternative sources to meet the expected demand from customers led to a decline in EBITDA from $1.627 million in 1H 2012 to $0.776 million in 1H 2013. The cost of these raw materials was significantly higher than our usual sources. The same raw material sources were not available compared to 1H 2012 and, combined with adverse weather for freight from alternative sources, resulted in higher raw material costs.

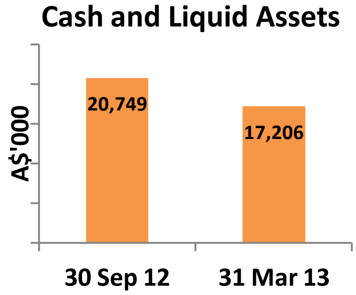


[1] EBITDA is earnings before interest expense, income tax, depreciation, amortisation charges and other indirect expenses and have been extracted from Note 3 "Segment Information". EBITDA is non-IFRS financial information and have not been subject to audit by the Company's external auditor.

CASH AND LIQUID ASSETS[2]
$3.543m

Significant elements of the reduction in cash and liquid assets are:

- $1.120 million invested in the Moberly Frac Sand Project;
- Receipts from customers down $1.103 million but will be received early in 2H 2013;
- Corporate EBITDA loss of $1.145 million; and
- $0.295 million in unrealised losses on equity investments.



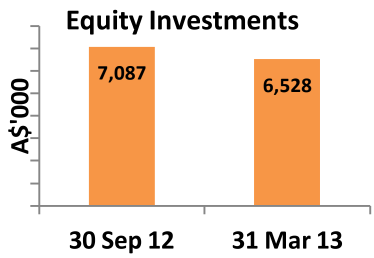
[2] Cash and Liquid Assets is cash and cash equivalents plus other financial assets and have been extracted directly from the Balance Sheet. Cash and Liquid Assets is non-IFRS financial information and have not been subject to audit by the Company's external auditor.

EQUITY INVESTMENTS
$0.559m

As at 31 March 2013, the Company continued to hold 15% of Almonty Industries Inc., valued at $5.508 million, compared to a value of $5.101 million as at 30 September 2012. This is a result of the Australian equivalent share price of Almonty increasing to $0.991 up from $0.918 per share on these respective dates.

The Company also holds Almonty warrants at CAD1.25 per share to buy an additional 7.5% equity in Almonty. The warrants are fair valued at $0.614 million as at 31 March 2013 compared to $1.196 million as at 30 September 2012. The Company uses the Black-Scholes model to value warrants and as a result the value of the warrants decreases over time.

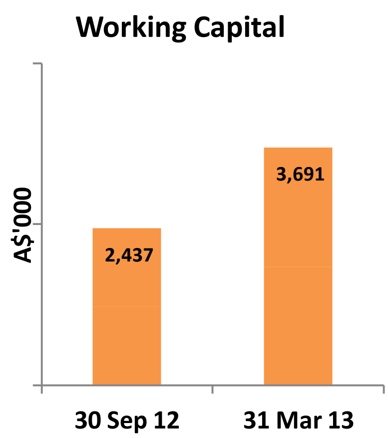
The sale of other equity investments reduced the portfolio holdings by $0.258 million. Unrealised movements on other equity investments reduced the value by $0.126 million.



WORKING CAPITAL[3]
$1.254 million

Significant elements of the increase are:

- Trade and other receivables increased from $1.804 million to $2.701 million as a result of record sales in the March 13 quarter increasing trade receivables that will be collected early in the June 13 quarter.
- Additional raw material purchased in 2H 2012 was sold during 1H 2013 resulting in inventories declining from $4.507 million to $2.959 million.
- Trade and other payables reduced from $3.874 million to $1.969 million as a result of payment for additional raw materials purchased in 2H 2012 being paid for in 1H 2013.



[3] Working capital is Trade and other receivables plus Inventories minus Trade and other payables and has been extracted directly from the Balance Sheet. Working capital is non-IFRS financial information and has not been subject to audit by the Company's external auditor.

Directors' Report

Board of directors

The names of the directors in office during the period and until the date of this report are as follows:

Mr Graham Lenzner, Non Executive Chairman

Mr Peter Bird, Managing Director

Mr Garry Cameron, Non Executive Director

Mr William A (Lex) Hansen, Non Executive Director

Mr John Taylor, Non Executive Director

No additional Directors held office during or subsequent to the reporting period.

Rounding of Amounts

The amounts contained in this report have been rounded to the nearest thousand dollars, unless otherwise stated, under the option available to the Company under Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998.

Management Assurance

Consistent with recommendation 7.3 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the Board has received assurance from the Chief Executive Officer (who also acts in the capacity of Chief Financial Officer) that the company's half-year financial report for the period ended 31 March 2013 is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Auditors' Independence Declaration

The Auditors' Independence Declaration for the half-year ended 31 March, 2013 has been received and is located on page 6.

Signed in accordance with a resolution of directors.

Graham Lenzner
Chairman

23 May 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 MARCH 2013

	Note	31 March 2013 $'000	31 March 2012 $'000
Revenue from continuing operations	*3(b)*	11,879	10,487
Cost of sales		(10,876)	(8,507)
Gross profit		**1,003**	**1,980**
Proceeds on sale of equity investments		565	263
Cost of equity investments sold		(523)	(112)
Unrealised losses on equity investments	*6*	(295)	(118)
Net gains/(losses) on equity investments		(253)	33
Other income		71	122
Total other income		**(182)**	**155**
Depreciation and amortisation expense		(486)	(402)
Employee benefits expense		(823)	(1,824)
Corporate costs		(507)	(508)
Consultants and advisory expense		(237)	(428)
Finance costs		(246)	(273)
Other expenses		(17)	-
Loss before income tax from continuing operations		**(1,495)**	**(1,300)**
Income tax expense from continuing operations	*5*	(133)	(552)
Loss after income tax from continuing operations		**(1,628)**	**(1,852)**
Profit from discontinued operations (net of income tax)	*4,5*	-	1,198
Profit/(loss) after income tax		**(1,628)**	**(654)**
Other comprehensive income:			
Items that may be reclassified subsequently to the income statement			
Foreign currency translation		(376)	(119)
Items that will not be subsequently reclassified to the income statement			
Asset revaluation		(70)	(42)
Other comprehensive loss for the period, net of tax		**(446)**	**(161)**
Total comprehensive income/(loss) for the period		**(2,074)**	**(815)**
Earnings per share (EPS) from continuing operations			
Basic earnings per share (cents)		(1.06)	(1.19)
Diluted earnings per share (cents)		(1.06)	(1.19)
Earnings per share on profit/(loss)			
Basic earnings per share (cents)		(1.06)	(0.42)
Diluted earnings per share (cents)		(1.06)	(0.42)

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

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2013

	Note	31 March 2013 $'000	30 September 2012 $'000
ASSETS			
Current assets			
Cash and cash equivalents		10,616	9,426
Trade and other receivables		2,701	1,804
Inventories		2,959	4,507
Other financial assets	*7*	6,589	11,323
Other current assets		179	248
Total current assets		**23,044**	**27,308**
Non-current assets			
Property, plant and equipment		5,949	6,398
Exploration, evaluation and mine development		4,703	3,795
Other non-current assets		22	13
Total non-current assets		**10,674**	**10,206**
TOTAL ASSETS		**33,718**	**37,514**
LIABILITIES			
Current liabilities			
Trade and other payables		1,969	3,874
Interest bearing loans and borrowings	*8*	5,577	4,981
Provisions		454	534
Income tax payable		-	148
Financial derivative liability		-	17
Total current liabilities		**8,000**	**9,554**
Non-current liabilities			
Deferred tax liabilities		222	264
Interest bearing loans and borrowings		16	177
Provisions		143	134
Total non-current liabilities		**381**	**575**
TOTAL LIABILITIES		**8,381**	**10,129**
NET ASSETS		**25,337**	**27,385**
EQUITY			
Contributed equity		81,184	81,184
Reserves		1,738	2,157
Retained earnings/(losses)		(57,585)	(55,956)
TOTAL EQUITY		**25,337**	**27,385**

The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 MARCH 2013

	Issued capital										
	Ordinary shares fully paid	Class A Ordinary shares partly paid	Class B Ordinary shares partly paid	Converting notes	Reserved shares	Retained earnings	Asset revaluation reserve	Hedge reserve	Foreign currency translation reserve	Employee share based payment reserve	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 October 2011	**79,842**	**1**	**15**	**2,003**	**(677)**	**(53,738)**	**1,956**	**-**	**77**	**179**	**29,658**
Profit for the period	-	-	-	-	-	(654)	-	-	-	-	(654)
Other comprehensive income net of tax	-	-	-	-	-	-	(42)	-	(119)	-	(161)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(654)**	**(42)**	**-**	**(119)**	**-**	**(815)**
Transactions with owners in their capacity as owners											
Employee share based payments	-	-	-	-	-	-	-	-	-	14	14
Balance at 31 March 2012	**79,842**	**1**	**15**	**2,003**	**(677)**	**(54,392)**	**1,914**	**-**	**(42)**	**193**	**28,857**

	Issued capital										
	Ordinary shares fully paid	Class A Ordinary shares partly paid	Class B Ordinary shares partly paid	Converting notes	Reserved shares	Retained earnings	Asset revaluation reserve	Hedge reserve	Foreign currency translation reserve	Employee share based payment reserve	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 October 2012	**79,842**	**1**	**15**	**2,003**	**(677)**	**(55,957)**	**1,940**	**-**	**25**	**193**	**27,385**
Loss for the period	-	-	-	-	-	(1,628)	-	-	-	-	(1,628)
Other comprehensive income net of tax	-	-	-	-	-	-	(70)	-	(376)	-	(446)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(1,628)**	**(70)**	**-**	**(376)**	**-**	**(2,074)**
Transactions with owners in their capacity as owners											
Employee share based payments	-	-	-	-	-	-	-	-	-	26	26
Balance at 31 March 2013	**79,842**	**1**	**15**	**2,003**	**(677)**	**(57,585)**	**1,870**	**-**	**(351)**	**219**	**25,337**

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 MARCH 2013

	31 March 2013 $'000	31 March 2012 $'000
Cash flows from operating activities		
Receipts from customers	10,842	11,945
Payments to suppliers and employees	(12,956)	(11,412)
Interest received	279	394
Income tax paid	(324)	(318)
Finance costs paid	(272)	(305)
Net cash flows from/(used in) operating activities	(2,431)	304
Cash flows from investing activities		
Cash receipts/(deposits) for bank investments/guarantees	4,175	1,997
Proceeds from the sale of equity investments	565	263
Purchases of equity investments	(259)	(467)
Proceeds from the sale of property, plant and equipment	-	60
Purchases of property, plant and equipment	(202)	(186)
Exploration, evaluation and mine development	(1,120)	(541)
Dividends received	-	23
Net cash flows from investing activities	3,159	1,149
Cash flows from financing activities		
Proceeds/(repayment) of borrowings	461	(1,338)
Net cash flows from/(used in) financing activities	461	(1,338)
Net increase in cash and cash equivalents	1,189	115
Cash and cash equivalents at beginning of period	9,426	16,693
Net foreign exchange differences	1	13
Cash and cash equivalents at end of period	**10,616**	**16,821**

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MARCH 2013

NOTE 1: CORPORATE INFORMATION

The financial report of Heemskirk Consolidated Limited and its controlled entities (the Company) for the half-year ended 31 March 2013 was authorised for issue in accordance with a resolution of the directors on 23 May 2013.

Heemskirk Consolidated Limited (the parent entity) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The half-year financial report is prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include all notes of the type normally included in an annual financial report and should be read in conjunction with the recent annual financial report for the year ended 30 September 2012 and the half-year report for the half year ended 31 March 2012.

It is recommended that the half-year financial report be considered together with any public announcements made by Heemskirk Consolidated Limited and its controlled entities during the half-year ended 31 March 2013 in accordance with the continuous disclosure obligations arising under the ASX Listing Rules.

(b) Basis of preparation

The half year financial report has been prepared on the basis of historical cost, except for equity investments and derivatives that have been measured at fair value.

The Company is a for-profit entity.

Apart from the changes in the accounting policy noted below, the accounting policies and methods of computation adopted are the same as those adopted in the most recent annual financial statements for the year ended 30 September 2012.

The Company has adopted the following new and/or revised Standards, Amendments and Interpretations from 1 October 2012:

- AASB 2011-9 - Amendments to Australian Accounting Standards (AAS)

Adoption of the above Standards, Amendments and Interpretations did not have any material effect on the financial position or performance of the Company.

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

NOTE 3: SEGMENT INFORMATION

Management has determined the operating segments based on reports reviewed by executive management (Chief Operating Decision Maker) for making strategic decisions. The executive management team comprises the Board of directors and executive general managers. The executive management team monitors the business based on product and geographic factors and have identified four reportable segments.

Corporate charges are allocated to the Mining segments on a proportional basis linked to management time spent on each Mining segment.

Mining Canada

This segment covers operations 100% owned by the Company concerned with the mining and processing of Industrial Mineral Products. Lethbridge and Moberly sites have been aggregated on the segment report.

Portfolio

This segment covers the investment in listed and unlisted Resource Equities.

Corporate

This segment covers all other corporate activities.

Mining Spain

This segment covered operations 100% owned by the Company concerned with the exploration and mining of Tungsten.

Further information relating to discontinued operations can be found in Note 4.

(a) Segment Results and Segment Assets

The measurement of segment results is in line with the basis of information presented to management for internal management reporting purposes. The performance of each segment is measured on the net profit or loss after tax.

Segment information provided to the executive management team for the half year ended 31 March 2013 is as follows:

NOTE 3: SEGMENT INFORMATION (CONTINUED)

31 March 2013		Mining Canada $'000	Portfolio $'000	Corporate $'000	Total Continuing Operations $'000	Mining Spain $'000	Total Discontinued Operations $'000	Consolidated $'000
Total segment revenue	(a)	11,646	(253)	233	**11,626**	-	**-**	**11,626**
Segment Operating EBITDA*		776	(430)	(1,145)	**(799)**	-	**-**	**(799)**
Depreciation & amortisation		(456)	-	(30)	**(486)**	-	**-**	**(486)**
Impairment		-	-	(12)	**(12)**	-	**-**	**(12)**
Net finance costs		(57)	-	(201)	**(258)**			**(258)**
Corporate charges		(381)	-	381	**-**	-	**-**	**-**
Other indirects		61	-	(1)	**60**	-	**-**	**60**
Income tax expense		(133)	-	-	**(133)**	-	**-**	**(133)**
Segment Profit/(loss) after tax	(b)	**(190)**	**(430)**	**(1,008)**	**(1,628)**	**-**	**-**	**(1,628)**
Total Assets		14,202	6,589	12,928	**33,719**	-	**-**	**33,719**
Total Liabilities		(9,774)	-	1,391	**(8,383)**	-	**-**	**(8,383)**

31 March 2012		Mining Canada $'000	Portfolio $'000	Corporate $'000	Total Continuing Operations $'000	Mining Spain $'000	Total Discontinued Operations $'000	Consolidated $'000
Total segment revenue	(a)	10,111	56	399	**10,566**	2,201	**2,201**	**12,767**
Segment Operating EBITDA*		1,627	(124)	(2,180)	**(677)**	1,040	**1,040**	**363**
Depreciation & amortisation		(375)	-	(27)	**(402)**	-	**-**	**(402)**
Impairment		(23)	-	-	**(23)**	-	**-**	**(23)**
Net finance costs		(99)	-	(188)	**(287)**	-	**-**	**(287)**
Corporate charges		(214)	-	136	**(78)**	78	**78**	**-**
Other indirects		61	-	8	**69**	-	**-**	**69**
Income tax expense		(374)	-	-	**(374)**	-	**-**	**(374)**
Segment Profit/(loss) after tax	(b)	**603**	**(124)**	**(2,251)**	**(1,772)**	**1,118**	**1,118**	**(654)**
Total Assets		11,972	8,018	18,229	**38,219**	-	**-**	**38,219**
Total Liabilities		(2,841)	-	(6,521)	**(9,362)**	-	**-**	**(9,362)**

* Operating EBITDA is earnings before interest, income tax, depreciation, amortisation charges and other indirect expenses.

NOTE 3: SEGMENT INFORMATION (CONTINUED)

			31 March 2013 $'000	31 March 2012 $'000
(b)	**Segment revenue reconciliation to statement of comprehensive income**			
	Mining Canada	(i)	11,646	10,070
	Corporate	(ii)	233	394
	Portfolio	(iii)	-	23
	Total Revenue from continuing operations per statement of comprehensive income		**11,879**	**10,487**
(i)	*Mining Canada*			
	Sale of goods		11,646	10,070
	Interest received/(paid)		-	-
	Mining Canada Revenue included in revenue from continuing operations		11,646	10,070
	Other income/(expense)		-	41
	Total Segment Revenue - Mining Canada		11,646	10,111
(ii)	*Corporate*			
	Interest received		233	394
	Corporate Revenue included in revenue from continuing operations		233	394
	Corporate activities recognised in Mining Spain		-	(6)
	Other income/(expense)		-	11
	Total Segment Revenue - Corporate		233	399
(iii)	*Portfolio*			
	Dividends received		-	23
	Portfolio Revenue included in revenue from continuing operations		-	23
	Net gains/(losses) on equity investments		(253)	33
	Total Segment Revenue - Portfolio		(253)	56
(iv)	*Discontinued operations*			
	Mining Spain revenue		-	2,195
	Corporate activities recognised in Mining Spain		-	6
	Total Segment Revenue - Mining Spain		-	2,201
	Total Segment Revenue - Discontinued operations		-	2,201
	Total Segment Revenue		**11,626**	**12,767**
(c)	**Segment net operating profit after tax reconciliation to the statement of comprehensive income**			
	Segment profit/(loss) after tax from continuing operations		(1,628)	(1,772)
	Corporate income/(charges) - eliminated on consolidation		-	78
	Corporate activities recognised in Mining Spain		-	(158)
	Profit/(loss) after tax per statement of comprehensive income from continuing operations		**(1,628)**	**(1,852)**
	Segment profit/(loss) after tax from discontinued operations		-	1,118
	Corporate income/(charges) - eliminated on consolidation		-	(78)
	Corporate activities recognised in Mining Spain		-	158
	Profit/(loss) after tax from discontinued operations per statement of comprehensive income		**-**	**1,198**

NOTE 4: DISCONTINUED OPERATIONS

		31 March 2013 $'000	31 March 2012 $'000
Profit/(loss) after income tax from Spain		-	1,198
Total profit/(loss) after income tax from sale of Spain	(a)	-	1,198
Net gain after income tax from discontinued operations		**-**	**1,198**

The results of Spain are as follows:	31 March 2013 $'000	31 March 2012 $'000
Revenue	-	2,195
Cost of sales	-	(1,161)
Gross Profit	**-**	**1,034**
Depreciation and amortisation expense	-	-
Corporate costs	-	-
Finance costs	-	(14)
Other expenses	-	-
Profit/(loss) before tax	**-**	**1,020**
Income tax (expense)/benefit	-	178
Profit/(loss) after tax	**-**	**1,198**

The transactions for the period 1 October 2011 to 31 March 2012 relate to tungsten inventory owned by the Company that was in transit to the customer at 23 September 2011 and sold during the half year ended 31 March 2012.

(i) The net cash flows of Spain are as follows:

Net cash flows from operating activities	-	755
Net cash flows from investing activities	-	-
Net cash flows from financing activities	-	-
Net cash provided by discontinued operations	**-**	**755**

NOTE 5: INCOME TAX

	31 March 2013 $'000	31 March 2012 $'000
(a) Income tax expense		
Income tax expense/(benefit) attributable to:		
Continuing operations		
Continuing operations - Canada	133	374
Continuing operations - Corporate	-	178
	133	552
Discontinued operations		
Discontinued operations - Corporate	-	(178)
	-	(178)
Income tax expense reported in the statement of comprehensive income	**133**	**374**

(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting profit/(loss) before income tax multiplied by the Company's applicable income tax rate is as follows:

	31 March 2013 $'000	31 March 2012 $'000
Accounting loss before tax from continuing operations	(1,495)	(1,300)
Accounting profit before tax from discontinued operations	-	1,020
Accounting profit/(loss) before tax	(1,495)	(280)
At the Company's statutory income tax rate of 30% (2012: 30%)	(449)	(84)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impact of different foreign tax rates	2	(39)
Other (income)/expenses	105	(9)
(Over)/under provided for in prior years	(75)	-
Non recognition of current and prior year tax losses	550	506
Income tax expense reported in the statement of comprehensive income	**133**	**374**

(c) Recognised deferred tax assets and liabilities

No deferred tax asset has been recognised on the statement of financial position (2012: $nil).

(d) Tax Losses

The Company has Capital losses of $nil (30 September 2012: nil) and Income tax losses of $11.587 million (30 September 2012: $10.952 million) for which no deferred tax asset has been recognised. The Company recognises the benefit of tax losses only to the extent of anticipated future taxable income or gains in relevant jurisdictions.

NOTE 6: UNREALISED GAINS/(LOSSES) ON EQUITY INVESTMENTS

	31 March 2013 $'000	31 March 2012 $'000
The net change in fair value recognised in the statement of comprehensive income is from:		
Almonty Industries Inc.	(127)	(212)
Other equity investments	(168)	94
Net change in fair value reported in the statement of comprehensive income	(295)	(118)

NOTE 7 - OTHER FINANCIAL ASSETS

		31 March 2013 $'000	30 September 2012 $'000
Current			
Equity investments		6,528	7,087
Term deposit *		61	4,236
		6,589	11,323

* Deposit matured and transferred to cash and cash equivalents.

Fair Value of Equity Investments	Valuation Technique		
Listed investments - current	Level 1	5,913	4,662
Listed investments - current *	Level 3	-	1,229
Unlisted investments	Level 3	615	1,196
		6,528	7,087

* investment transferred to Level 1

NOTE 8 - INTEREST BEARING LOANS AND BORROWINGS

Interest bearing loans and borrowings includes secured liabilities and unsecured liabilities. Secured liabilities includes a bank overdraft of $2.658 million (2012: $2.112 million). Unsecured liabilities includes unsecured convertible notes of $2.874 million (2012: $2.739 million). Finance leases comprise the balance of $0.045 million (2012: $0.015 million).

On 31 March 2011, the Company issued 1,889,000 unsecured converting notes with an issue price of $2.00. Each unsecured converting note will be converted into 3 fully paid ordinary shares in the Company and $1.45 cash. Unsecured converting notes will be converted at maturity on 30 March 2015 and may be converted at the election of noteholders every six months commencing 31 December 2012. The unsecured converting notes attract interest at 10.25% per annum paid semi annually. As at 31 March 2013 the value of unsecured converting notes converted is nil.

Converting notes are disclosed based on the potential impact on liquidity and as such cash payments due within one year are disclosed as current liabilities.

In accordance with accounting standards, as the Company does not have the unconditional right to defer settlement, the cash component on the converting notes of $2.739 million has been classified as current liability.

NOTE 9: DIVIDENDS PAID AND PROPOSED

No final franked dividend for 2012 was paid during the year.

No dividend has been declared in respect of the 2013 year.

NOTE 10: INVENTORIES

Inventories have been written down by $nil (2012: $0.024 million).

NOTE 11: FOUNDERS' PLAN

In conjunction with the Founders' Plan settlement announced 28 July 2010, a loan facility was made available to the Founders to assist with discharging any Australian taxation liability as a result of the settlement. The draw down of the facility as at 30 September 2012 was nil. The draw down of the facility by the Managing Director as at 31 March 2013 was $0.264 million.

The loan facility is interest-bearing at market rates (currently 11.47%) and repayable by cash or a predetermined number of pledged Company shares at a value of 50 cents per share plus termination payments. Any shortfall in repayments after the value of the loan facility has been reduced by cash, the pledged Company shares and termination payments will be forgiven and treated as an expense. In the unlikely event of a termination for cause, the Company has recognised in the accounts a potential shortfall (contingent settlement) in relation to the Managing Director of $0.125 million ($0.104 million 30 September 2012) as at 31 March 2013.

Directors' Declaration

In accordance with a resolution of the directors of Heemskirk Consolidated Limited, we state that:

1 In the opinion of the directors:

(a) the half year financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position as at 31 March 2013 and the performance for the half-year ended on that date of the consolidated entity

(ii) complying with Accounting Standard AASB 134 ‘ Interim Financial Reporting’ and the Corporations Regulations 2001

(b) the half year financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a)

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Graham Lenzner
Non-Executive Chairman
Melbourne, 23 May 2013

Peter Bird
Managing Director
Melbourne, 23 May 2013