Pacifico Minerals Ltd

ABN 43 107 159 713

Formerly Jaguar Minerals Ltd

INTERIM FINANCIAL REPORT

For The Half Year Ended
31 December 2013

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2013 and any public announcements made by Pacifico Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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DIRECTORS' REPORT

Your directors submit their report on Pacifico Minerals Limited ("Pacifico", "Group" or "Company") for the half-year ended 31 December 2013.

DIRECTORS

The names of the directors who held office during or since the end of the half-year are:

Richard Monti

Andrew Parker

John Hannaford (resigned 19 August 2013)

Simon Noon (appointed 19 August 2013)

Peter Harold (appointed 19 August 2013)

REVIEW AND RESULTS OF OPERATIONS

A summary of revenues and results for the half-year is set out below:

	2013	
	Revenue	**Results**
	$	**$**
Revenue and (Loss)	**362,941**	**(621,379)**

During the six month period the exploration and evaluation expenditure incurred was $450,829. In accordance with the Company's accounting policy these costs were written off. The acquisition of West Rock Resources was capitalised, resulting in an increase in exploration and evaluation assets of $3,482,553.

REVIEW OF OPERATIONS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

Settlement of the West Rock Resources Limited ("West Rock") acquisition was finalised in August 2013 and Jaguar Minerals Limited was renamed Pacifico Minerals Limited. West Rock is now a wholly owned subsidiary of Pacifico. The West Rock team commenced its activities in Colombia almost three years ago and has since established a regional office in Medellin and put in place an experienced team of local employees and contractors. West Rock has built a comprehensive GIS database across all the prospective areas of Colombia which has enabled it to rapidly assess projects and apply for the most attractive tenement packages. This has allowed it to identify and secure the highly prospective Urrao and Tarso projects. In December 2013, a legally binding Heads of Agreement was executed to acquire an interest in the high grade Berrio gold project in Antioquia, Colombia. Subsequent to the end of the half year, Pacifico confirmed completion of legal due diligence on the Berrio project. The Company is continuing to assess additional opportunities it has identified within Colombia and plans to make additional exploration licence applications in the coming months.

As part of the West Rock acquisition, the Company completed a $1.7 million capital raising which was strongly supported by the Company's leading shareholders and was underpinned by Argonaut Limited, who fully underwrote the issue. Management changes were also made with John Hannaford resigning as a Non-Executive Director while Simon Noon was appointed Managing Director and Peter Harold was appointed Non-Executive Director.

In October 2013, the Company appointed John Kieley, as Country Manager, Colombia. Mr Kieley, is a seasoned explorer with over 39 years of applied experience as a mining and exploration professional. He has worked on mining and exploration projects in Africa, Europe, USA, Canada and all the major mineral belts of South America including Colombia. Fluent in Spanish, John has previously explored for intrusion-related mesothermal gold deposits in Colombia.

Berrio Project, Colombia – Gold

The Berrio Project is situated in the southern part of the prolific Segovia gold belt and is characterised by a number of operational, artisanal-scale adits, tunnels, and inclines. A first-pass technical program including the collection of underground channel samples from existing artisanal mine workings has confirmed that mineralisation on the property consists of structurally controlled, steeply-dipping, auriferous veins comprised of quartz-pyrite as well as the presence of several areas of gold mineralisation over considerable widths. Gold mineralisation has been confirmed in several geological environments on the property, often in multiple vein sets containing high grade gold mineralisation with numerous channel sample intersections returning over 10g/t gold with the maximum of 64 g/t gold over 10m.

Urrao Project, Colombia – Copper/Gold/Silver (Pacifico earning up to 100%)

The Urrao Project is part of the Choco porphyry copper belt and is located 35km north-west of Tarso in the municipality of Urrao and Salgar. The licence consists of three granted tenements covering a total land area of approximately 2,001 hectares. During the half year, planning for an initial exploration program was initiated. In addition, the Company applied for approximately 2,000 hectares of prospective ground adjacent to the Urrao Project. Subsequent to the end of the half year, Pacifico announced more favourable acquisition terms including the removal of all exploration expenditure commitments and the added ability to acquire 100% of the project.

Tarso Project, Colombia – Copper/Gold/Silver (Pacifico earning up to 100%)

The Tarso Project is located in south-western Antioquia in the municipality of Pueblorrico. The licence consists of one granted tenement covering a total land area of 1,998 hectares, of which 1,472 hectares is granted for exploration and 526 hectares is for exploitation. The project lies within the Middle Cauca Porphyry Belt of the Western Cordillera between the Cordillera Occidental and the Cordillera, approximately 50km south of Medellin. The project is part of the Barroso Formation that lies in the highly prospective eastern flank of the Western Cordillera, approximately 90km south and along strike of Continental Gold's Buritica project.

In late 2012, a helicopter borne magnetic and radiometric survey was completed over the Tarso licence. During the half year, results of the survey were interpreted by PGN Geosciences, a Melbourne-based consultancy, with detailed analysis of the relevant data identifying seven target regions. Follow-up geological mapping is planned along with ground-based geophysical (e.g. magnetic, EM, IP and gravity) and geochemical surveys (stream and soil) to better define targets for future drill testing in the prospect area.

Results of a soil geochemical survey over much of the southern part of the Tarso project area were received and are currently being evaluated in detail. Preliminary interpretation of these results suggest areas of elevated copper, gold and silver coincide in a number of areas with major faults and fault intersections. Confirmation of a possible link between areas of structural preparation and metal enrichment will greatly enhance the exploration potential of the area.

Borroloola West Project, Northern Territory – Copper/Manganese (Alliance earning up to 80%)

In July 2013, West Rock, and its strategic alliance partner, Cliffs Natural Resources Exploration Inc. ("Cliffs"), signed a binding agreement with Sandfire Resources NL to acquire up to an 80% interest in the Borroloola West Project ("Borroloola"). The Borroloola project is a large greenfields exploration opportunity of 3,936 km^2 in East Arnhem Land of the Northern Territory, 600 km southeast of Darwin.

Borroloola was accepted by Cliffs as a property of merit and designated as a joint venture ("JV") project under the Strategic Alliance Agreement (the "Alliance") entered into on 6 July 2012. In accordance with the Alliance, Cliffs has elected to pursue a 70% stake in the Borroloola JV by funding $4 million in exploration expenditure by the 4th anniversary of the JV agreement.

In September 2013, thirteen air core drill holes of a planned twenty one hole program were completed at the Towns and Lorella prospects. All of the proposed drill holes were located to provide stratigraphic and geochemical information that will be used to better assess manganese and copper potential across the tenements. More specifically, the drill-hole samples collected were designed to provide information on the depositional age and setting of shallow marine sediments known to dominate the upper, largely unconsolidated, cover sequence in the target areas. This, together with geochemical data, will identify stratigraphic intervals prospective for stratiform manganese deposits similar to those currently being exploited at the BHP Billiton/Anglo American-owned Groote Eylandt mine, approximately 170km to the northeast.

Subsequent to the end of the half year, Pacifico announced results from its 2013 exploration program. Drill holes at EL26939 have extended copper mineralisation approximately 800m north of known mineralisation. Geochemical analysis of samples confirm the widespread distribution of anomalous manganese. Age determinations on manganese-bearing samples indicate an age of deposition similar to the world-class manganese deposit mined at near-by Groote Eylandt.

The Strategic Alliance Agreement

In December 2013, West Rock received notice from Cliffs advising of its intention to end the Strategic Alliance Agreement on 8 February 2014.

Mount Jukes Project, Tasmania – Copper/Gold/Base Metals (Pacifico 20%, Corona Minerals Ltd 80%)

The Mt Jukes JV is adjacent to the Vedanta owned Mt Lyell copper/gold project which has a global resources of 311Mt @ 1% Cu and 0.3 g/t Au.

During the half year, assays from a rock chip sampling and geological mapping program returned anomalous gold results from a series of parallel quartz-hematite veins. The veins range in width from 1cm to 1m, dipping at roughly 40 degrees to the north east and are hosted within a quartz-feldspar porphyry. K-feldspar alteration appears to be associated with some of the veining and anomalous levels of silver are associated with gold anomalism.

The vein system appears to be associated with a magnetic anomaly striking north-east, which is consistent with the measured strike of the vein system and may indicate that this gold anomalism is part of the larger Cambrian mineralising system responsible for the magnetite associated copper-gold mineralisation seen at Prince Darwin. Work conducted indicates that gold is hosted by multiple veins in a zone of at least 30m width and 60m length.

Follow up channel sampling will be undertaken over the area already identified to determine if gold anomalism is present over consistent intervals. Further rock chip sampling within the area to determine the strike extent and width of the anomalous zone will also be undertaken.

Springfield Project, New South Wales – Gold (Pacifico 20%, Stonewall Resources Ltd 80%)

The licence covers 70km^2 centred between Gulgong and Mudgee, 220km northwest of Sydney, NSW. This is thought to be a source area for 0.5 million gold ounces of historic production from the nearby downstream placers.

The Springfield project (EL5991) expired and was replaced by the grant of EL4220 to Stonewall Resources Limited (formerly Meridien Resources Limited) with Pacifico retaining its 20% interest. Pacifico is awaiting notice of future exploration programs proposed by its JV partner.

Wilson River Project, Tasmania – Lead/Zinc/Silver (Pacifico 100%)

The Wilson River project (EL23/2003) was relinquished during the half year and additional remediation work has been requested by Mineral Resources Tasmania who is holding a bond of approximately $57,000.

Mount David Project, New South Wales – Gold (Pacifico 100%)

The Mount David project (EL5242) expired on 27 June 2013. A renewal application wasn’t lodged and Pacifico no longer has an interest in this project.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

This report is made in accordance with a resolution of directors.

Richard Monti
Chairman
20 February 2014

Competent Persons Statements

The information in this report that relates to the Borroloola West Project is based on information compiled by Mr Barrie Bolton, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bolton is a consultant to Pacifico Minerals Limited. Mr Bolton 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bolton consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this report that relates to the Berrio, Urrao and Tarso Projects is based on information compiled by Mr John Kieley, who is a Member of the Association of Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL), Canada. Mr Kieley is an employee of Pacifico Minerals Limited. Mr Kieley 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kieley consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

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20 February 2014

The Directors
Pacifico Minerals Limited
Level 10
553 Hay Street
Perth, WA 6000

Dear Sirs

RE: PACIFICO MINERALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Pacifico Minerals Limited.

As Audit Director for the review of the financial statements of Pacifico Minerals Limited for the half year ended 31 December 2013, 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.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Half-year	
	31 December 2013 $	31 December 2012 $
REVENUE FROM CONTINUING OPERATIONS	362,941	67,659
Depreciation expense	(2,292)	(1,024)
Salaries and employee benefits expense	(137,113)	(141,661)
Exploration expenses	(450,829)	(55,210)
Corporate expenses	(213,004)	(21,946)
Occupancy expenses	(8,560)	(7,982)
Administration expenses	(38,767)	(39,856)
Employee options	(107,135)	(51,532)
Other expenses	(26,620)	(11,154)
(LOSS) BEFORE INCOME TAX	(621,379)	(262,706)
Income tax	-	-
TOTAL (LOSS) FOR THE PERIOD	(621,379)	(262,706)
Other comprehensive income	-	-
Items that will not be reclassified to profit or loss	-	-
Exchange differences arising from foreign exchange translation	(1,850)	-
Items that may be reclassified subsequently to profit or loss	-	-
Net unrealised fair value (loss)/gains on available for sale financial assets	-	-
TOTAL COMPREHENSIVE (LOSS)	(623,229)	(262,706)
Loss attributed to the Members	(623,229)	(262,706)
TOTAL COMPREHENSIVE (LOSS) ATTRIBUTED TO THE MEMBERS	(623,229)	(262,706)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the company (cents per share)	(0.19)	(0.18)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

	31 December 2013 $	30 June 2013 $
CURRENT ASSETS		
Cash and cash equivalents	1,529,797	336,689
Trade and other receivables	169,458	43,113
TOTAL CURRENT ASSETS	1,699,255	379,802
NON-CURRENT ASSETS		
Exploration and evaluation assets	3,482,553	-
Other financial assets	98,575	77,000
Plant and equipment	37,058	804
TOTAL NON-CURRENT ASSSETS	3,618,186	77,804
TOTAL ASSETS	5,317,441	457,606
CURRENT LIABILITIES		
Trade and other payables	247,318	69,585
Provision for annual leave	-	14,840
TOTAL CURRENT LIABILITIES	247,318	84,425
NON-CURRENT LIABILITIES		
Provision for long service leave	-	7,156
Deferred tax liability	803,666	-
TOTAL NON-CURRENT LIABILITIES	803,666	7,156
TOTAL LIABILITIES	1,050,984	91,581
NET ASSETS	4,266,457	366,025
EQUITY		
Contributed equity	12,979,449	9,253,222
Reserves	1,398,467	602,883
Accumulated losses	(10,111,459)	(9,490,080)
TOTAL EQUITY	4,266,457	366,025

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

2013	Issued Capital $	Share/Option Reserve $	Translation Reserve $	Accumulated losses $	Total $
Balance at 1 July 2013	9,253,222	602,883	-	(9,490,080)	366,025
(Loss) for the period	-	-	-	(621,379)	(621,379)
Other comprehensive loss for the year	-	-	(1,850)	-	(1,850)
Total comprehensive loss for the year	-	-	(1,850)	(621,379)	(623,229)
Acquisition of West Rock	2,130,000	687,298	-	-	2,817,298
Issue of share capital	1,596,227	-	-	-	1,596,227
Share based payments	-	110,136	-	-	110,136
Balance at 31 December 2013	**12,979,449**	**1,400,317**	**(1,850)**	**(10,111,459)**	**4,266,457**
2012					
Balance at 1 July 2012	9,282,222	551,351	-	(8,952,731)	880,842
(Loss) for the period	-	-	-	(262,706)	(262,706)
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(262,706)	(262,706)
Share based payments	-	51,532	-	-	51,532
Balance at 31 December 2012	**9,282,222**	**602,883**	**-**	**(9,215,437)**	**669,668**

The above Consolidated 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 DECEMBER 2013

	Half-year ended	
	31 December 2013 $	31 December 2012 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Expenditure on mining interests	(624,176)	(68,010)
Payments to suppliers and employees	(425,588)	(234,623)
Interest received	38,906	12,766
Other revenue received	1,183	60,833
Net cash (outflow) from operating activities	(1,009,675)	(229,034)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of equipment & motor vehicles	-	200
Payments for property, plant and equipment	(34,391)	(1,319)
Cash acquired on acquisition of West Rock Resources	639,797	-
Net cash inflow/(outflow) from investing activities	605,406	(1,119)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares and options	1,599,227	-
Net cash inflow from financing activities	1,599,227	-
Net increase/(decrease) in cash and cash equivalents	1,194,958	(230,153)
Cash and cash equivalents at the beginning of the half-year	336,689	869,483
Exchange rate items	(1,850)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	1,529,797	639,330

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: REPORTING ENTITY

Pacifico Minerals Limited (“Pacifico” or the “Company”) is a Company domiciled in Australia. The consolidated interim financial statements of the Company as at and for the half year ended 31 December 2013 comprise the Company and its controlled entities (together referred to as the “Group”).

The consolidated financial statements of the Group as at and for the year ended 30 June 2013 are available upon request from the Company’s registered office at Level 10, 553 Hay Street, Perth WA 6000 or at www.pacificominerals.com.au.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 ‘Interim Financial Reporting’. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 ‘Interim Financial Reporting’. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

These consolidated interim financial statements were approved by the Board of Directors on 19 February 2014.

(b) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors’ report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company’s 2013 annual financial report for the financial year ended 30 June 2013, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

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

- AASB 128 'Investments in Associates and Joint Ventures' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'
- AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'
- AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'
- AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'
- AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle'
- AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'

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

(c) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

(d) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than onehalf of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 1(f)).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(ii) Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement. Pacifico has assessed the nature of its joint arrangements and determined that it does not have joint operations or joint ventures.

(e) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Pacifico's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(f) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(g) Exploration and evaluation costs

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current, and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned, or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

NOTE 2: SEGMENT INFORMATION

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

Information reported to the Group's chief operating decision makers for the purposes of resource allocation and assessment of performance is based on exploration in the two principal locations of its projects – Australia and Colombia. Information regarding these segments is presented below. The revenues and profit generated by each of the Group's operating segments and segment assets and liabilities are summarised as follows:

	$	$	$
6 months to December 2013	**Australia**	**Colombia**	**Total**
Segment Revenues	362,941	-	362,941
Segment Operating (Losses)	(510,534)	(110,845)	(621,379)
Segment Assets	5,040,819	276,622	5,317,441
Segment Liabilities	1,014,372	36,612	1,050,984

NOTE 3: BUSINESS COMBINATION

On 19 August 2013, Pacifico acquired 100% of the issued share capital of West Rock Resources Limited (now West Rock Resources Pty Ltd), a company based in Australia that, through its wholly owned subsidiaries, explores for minerals in Colombia. The details of the business combination are set out below:

	$
Fair value of consideration transferred	
Cash	-
Equity instruments – 100,000,000 fully paid ordinary shares	1,500,000
Equity instruments – 30,000,000 fully paid ordinary shares (Class A deferred shares)	630,000
Equity instruments - options	561,298
Fair value of consideration issued	**2,691,298**
Contingent consideration	
30,000,000 fully paid ordinary shares to be issued upon satisfaction of Milestone 2 (Class B deferred Shares) – 20% probability applied	126,000
Total fair value of consideration	**2,817,298**

Recognised amounts of identifiable net assets	Book Value	Fair Value Adjustment	Fair Value
	$	$	$
Cash	639,797	-	639,797
Trade and other receivables	133,711	-	133,711
Total Current Assets	**773,508**	**-**	**773,508**
Plant and equipment	4,155	-	4,155
Exploration and evaluation properties	-	3,482,553	3,482,553
Total Non-Current Assets	**4,155**	**3,482,553**	**3,486,708**
Total Assets	**777,663**	**3,482,553**	**4,260,216**
Trade and other payables	(173,659)	-	(173,659)
Other financial liabilities	(465,593)	-	(465,593)
Total Current Liabilities	**(639,252)**	**-**	**(639,252)**
Deferred tax liability	**-**	(803,666)	(803,666)
Total Non-Current Liabilities	**-**	**(803,666)**	**(803,666)**
Total Liabilities	**(639,252)**	**(803,666)**	**(1,442,918)**
Identifiable Net Assets	**138,411**	**2,678,887**	**2,817,298**
Consideration transferred in cash			-
Cash and cash equivalents acquired			639,797
Net cash inflow on acquisition			**639,797**

(a) Equity instruments issued

The value of equity instruments issued was determined based on both a deemed issue price of $0.015 per share, being the equivalent price of the capital raising that was a condition precedent to the transaction proceeding, and the share price on the date of the acquisition, 19 August 2013, being $0.021.

The closing share price of the company on the ASX on the day prior to the acquisition announcement dated 7 May 2013 was $0.01 per share.

The milestone in relation to the issue of Class A Deferred Shares was the designation of one of West Rock Resource's projects as a 'project of merit' under the terms of the Strategic Alliance Agreement with Cliffs Natural Resources Inc. This milestone was satisfied prior to the date of acquisition. Consequently, the Class A Deferred Shares were issued on the date of acquisition and form part of the fair value of equity consideration issued.

The milestone for the Class B Performance shares to be issued is the delineation, within 4 years of the date of the agreement of:

- a JORC code compliant inferred resource of 1m oz Au equivalent at > 2 grams per tonne gold equivalent; or
- a JORC code compliant inferred resource of 1Mt Cu equivalent at > 0.5% Cu equivalent; or
- a JORC code compliant inferred resource of 4.5m oz Au equivalent at > 0.75 g/t Au equivalent.

At acquisition date, management estimated the probability of the milestone for the Class B Performance shares being achieved as 20%.

(b) Identifiable net assets

The fair values of the identifiable net assets of West Rock Resources at 19 August 2013 have been adjusted via an increase in the value of exploration and evaluation assets. In accordance with the Group's accounting policy, the value of exploration and evaluation assets acquired are capitalised, and as further exploration and evaluation expenses are incurred, costs are written off during the period.

(c) Impact of acquisition on the results of the Group

In the period from 19 August 2013 to 31 December 2013, West Rock Resources contributed a loss of $110,845 to the group's result. If the acquisition had occurred on 1 July 2013, management estimates that the consolidated loss of the Group would have increased by $85,880, as a result of additional exploration expenditure incurred by West Rock Resources in the period from 1 July 2013 to 19 August 2013.

NOTE 4: CONTRIBUTED EQUITY

	31-Dec-13 No.	31-Dec-13 $	30-Jun-13 No.	30-Jun-13 $
(a) Share capital				
Ordinary shares fully paid	389,934,605	13,105,499	146,404,000	9,253,222
(b) Movements in ordinary share capital				
Beginning balance	146,404,000	9,253,222	146,404,000	9,282,222
Issued during the year:				
Acquisition of West Rock Resources	130,000,000	2,256,000	-	-
Capital raising	113,530,605	1,702,959	-	-
Less: Transaction costs	-	(106,732)	-	(29,000)
Ending balance	389,934,605	13,105,449	146,404,000	9,253,222

(c) Options

At the date of this report there are 91,402,597 unissued ordinary shares in respect of which options are outstanding.

The balance is comprised of the following:

Expiry date	Exercise price	No. of options
31 December 2015	3.5 cents	5,200,000
19 July 2016	3 cents	21,311,455
19 July 2016	6 cents	20,791,142
19 August 2016	3 cents	30,000,000
4 October 2016	3 cents	6,000,000
4 October 2016	6 cents	6,000,000
19 December 2016	3 cents	1,150,000
19 December 2016	6 cents	950,000

NOTE 5: CONTINGENCIES

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

NOTE 6: COMMITMENTS

The Company has expenditure obligations with respect to tenement lease rentals and the minimum expenditure requirements with respect to mineral tenements. If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

NOTE 7: SUBSEQUENT EVENTS

No matter or circumstance has arisen since 31 December 2013, which has significantly affected, or may significantly affect the operations of the company, the result of those operations, or the state of affairs of the company in subsequent financial years.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the Financial Statements and Notes set out on pages 9 to 18 are in accordance with the *Corporations Act 2001*, including:

    (a) complying with Accounting Standards including AASB 134: "Interim Financial Reporting", the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

    (b) giving a true and fair view of the entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.

2. there are reasonable grounds to believe that Pacifico Minerals Limited will be able to pay its debts as and when they become due and payable.

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

Richard Monti
Chairman

Perth, 20 February 2014

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Pacifico Minerals Limited, which comprises the statement of financial position as at 31 December 2013, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration declaration for Pacifico Minerals Limited (the consolidated entity). The consolidated entity comprises both Pacifico Minerals Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Pacifico Minerals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Pacifico 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

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*, has been provided to the directors of Pacifico Minerals Limited on 20 February 2014.

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 Pacifico 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 2013 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)
Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
20 February 2014