BUXTON RESOURCES LIMITED

ABN 86 125 049 550

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. 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 Buxton Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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CORPORATE INFORMATION

Buxton Resources Limited
ABN: 86 125 049 550

Directors
Seamus Cornelius
Anthony Maslin
Julian Stephens
Liu Xing Zhou
Stuart Fogarty

Auditors
Rothsay Consulting Services Pty Ltd
Level 1, Lincoln Building
4 Ventnor Avenue
West Perth WA 6005

Company Secretary
Sam Wright

Registered office and principal place of business
Suite 1, 1st Floor
14-16 Rowland Street
Subiaco WA 6008

PO Box 9028
Subiaco WA 6008

Ph: 08 9380 6063
Fax: 08 9381 4056
Web: www.buxtonresources.com.au

Share Register
Computershare Ltd
Level 2, 45 St Georges Terrace
Perth WA 6000

Home Exchange
ASX Limited
ASX Code: BUX, BUXO

BUXTON RESOURCES LIMITED

DIRECTORS' REPORT

Your directors are pleased to present their report on Buxton Resources Limited 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:

Seamus Cornelius

Anthony Maslin

Julian Stephens

Liu Xing Zhou

Stuart Fogarty (appointed 11 July 2013)

Directors were in office for the entire period unless otherwise stated.

REVIEW AND RESULTS OF OPERATIONS

Operating results

The Company recorded a loss for the period ended 31 December 2013 of $1,008,332 (2012; $2,368,661).

At 31 December 2012 the Company held cash and term deposit balances of $2,321,418 (2012; $2,639,405).

Zanthus – Fraser Range

During the period, Buxton Resources announced it had been successful in obtaining funding under the WA Government's co-funded Exploration Incentive Drilling Scheme, offered by the Department of Mines and Petroleum. The grant is capped at $150,000 and will be used by the Company to partially fund a first pass RC drilling program to test bedrock EM anomalies for nickel and copper sulphide mineralisation.

The ground moving loop (MLTEM) and fixed loop (FLTEM) survey at Zanthus defined a total of 20 potential bedrock conductors (Figure 1, Table 1). Four of these have been deemed high-priority nickel sulphide drill targets, with six others defined as medium priority drill targets.

Additionally, the Company has received results for the recently completed calcrete surface geochemistry program which highlights a number of areas of nickel, copper and separately, gold anomalism.

The limited strike length, relative conductance, proximity to gravity highs and surface nickel anomalism makes the four high priority areas compelling drill targets. Buxton plans to test the majority of the identified MLTEM and FLTEM conductors for Ni-Cu sulphide mineralisation with an initial ~3,000m RC drilling program in Q1 2014 as soon as ground conditions permit safe access to site.

Table 1. List and brief description of all Zanthus MLTEM and FLTEM conductors.

NAME	PRIORITY	COMMENTS
ZV01	med	Weak to moderate conductor plunge north and dipping moderately east. Conductor is coincident with the margin of a gravity high.
ZV02	**high**	**Strong though small, sub-horizontal bedrock conductor.**
ZV03	med	Weak, small, sub-horizontal conductor within or above interpreted intrusive body.

ZV04	low	Moderate strength, unresolved orientation, within or above an interpreted intrusive body.
ZV05	low	Weak response from a small or deep conductor. Associated high gravity and magnetic remanence.
ZV06west	low	Weak, probable stratigraphic conductor, dipping to the east.
ZV06east	med	Strong, probable stratigraphic conductor, dipping to the east.
ZV07north	**high**	**Moderate strength conductor, irregular shape, wedged between two broad gravity highs.**
ZV07	**high**	**High strength conductor, irregular shape, wedged between two broad gravity highs.**
ZV08	med	Weak, near surface, subvertical conductor occurring toward the centre of a broad gravity high.
ZV10	med	Strong response, moderately east-dipping conductor, possibly stratigraphic. Weak nickel geochemical anomalism.
ZV11	med	Strong response, steeply east-dipping conductor, possibly stratigraphic.
ZV12	low	Weak, sub horizontal conductor. May be part of, or close to, an extensive surficial or stratigraphic conductor.
ZV13	low	Moderate strength, moderately east dipping probable stratigraphic conductor.
ZV14	low	Weak, sub-horizontal conductor coincident with the margin of a gravity high.
ZV15	low	Weak, small, sub-horizontal conductor within or above interpreted intrusive body.
ZV16	**high**	**Strong, discrete steeply east dipping conductor over discrete gravity high and located at the margins of two interpreted intrusive bodies. Associated surface nickel geochemical anomalism.**
ZV17	low	Strong, moderately east dipping conductor. Probably stratigraphic.
ZV19	low	Weak, steeply east dipping conductor. Probably stratigraphic.
ZV20	low	Moderate, steeply east dipping conductor. Probably stratigraphic.

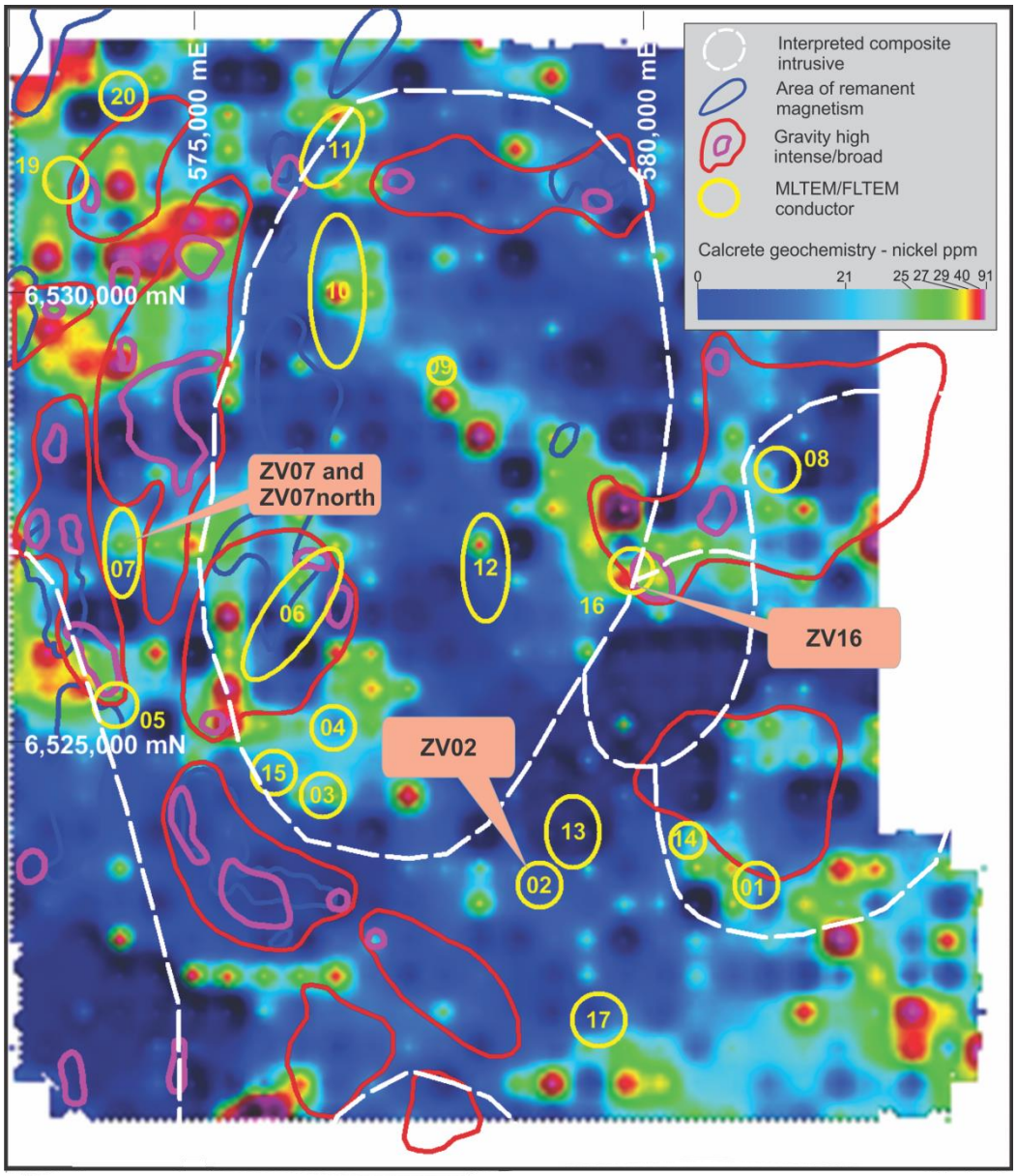

Figure 1. MLTEM and FLTEM conductors over gridded nickel calcrete geochemistry, interpreted intrusive bodies, remanently magnetised zones and gravity anomalies.

Calcrete Geochemistry

The Company recently received the laboratory analytical results for a total of 736 surface calcrete geochemical samples. These show broad areas of nickel and copper anomalism that show correlation with gravity high anomalies and the margins of gravity high anomalies (Figure 1). The peak result of 91ppm Ni was achieved over an area in the southern part of the tenement along strike from a sub-cropping mafic rock.

Additionally, the calcrete sampling results show significant, coherent gold anomalies in two areas of the tenement, with a peak value of 19.2ppb achieved. The Company intends to follow up these anomalies in due course.

Conclusions

The Company is excited by the identification of numerous conductors in favourable geological/geophysical settings at Zanthus. These conductors represent good targets for potential massive and disseminated nickel sulphide mineralisation.

Buxton plans to drill an initial ~3,000m RC program to test the majority of the targets identified in the MLTEM-FLTEM survey. The drilling program was expected to begin in early Q1 of calendar 2014, however, a heavy rainfall event in the area has delayed the commencement of the program. This drilling program represents the next step in what is expected to be an ongoing exploration program at Zanthus.

Yalbra Graphite Project – Gascoyne Region

The Company completed 15 RC drill holes for a total of 1,674 metres at Yalbra in November 2013. Drilling within the Main Zone intersected substantial widths of very high grade graphite mineralisation across multiple parallel zones (Table 2, Figures 2 & 3). Higher grade drilling results include:

- YBRC001 32m @ 23.4% TGC (from 55m) inc. 7m @ 32.6% TGC;
- YBRC002 14m @ 22.3% TGC (from 75m) inc. 6m @ 26.8% TGC;
- YBRC011 14m @ 21.5% TGC (from 45m) inc. 5m @ 33.0% TGC;
- YBRC012 31m @ 22.9% TGC (from 19m) inc. 5m @ 30.2% TGC; and
- YBRC015 31m @ 22.5% TGC (from 158m) inc. 6m @ 33.0% TGC

Additionally, initial petrographic studies showed that significant portions of medium and coarse flake graphite occur in the samples. Graphite flakes generally range from 100 to 500 microns long and in some cases reach over 1mm in length (Figure 4).

Drilling Results

In total, 11 holes were drilled on the Main Zone, with a further 4 holes drilled on a VTEM anomaly termed the Northern Zone. Many of the RC drill-holes in the Main Zone intersected multiple horizons of very high grade graphite (Table 2, Figures 2 & 3). The Main Zone at Yalbra shows two major, parallel, east-west striking graphite horizons over a strike length exceeding 500m (Figures 2 & 3). The graphite mineralisation is open in both directions along strike and at depth.

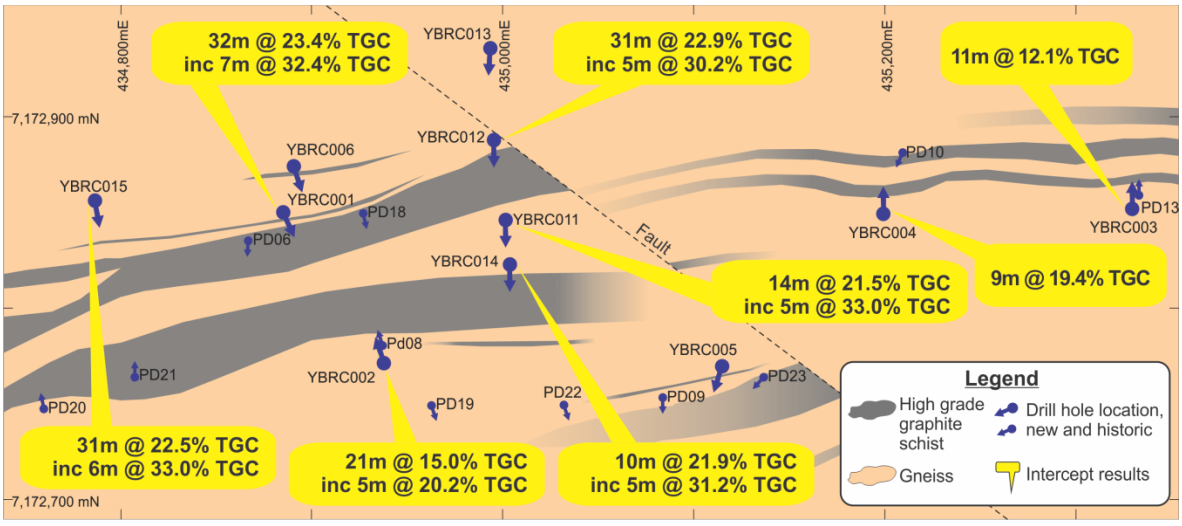

Figure 2. Map across Main Zone at Yalbra showing substantial intercepts of very high grade graphite and simplified geology.

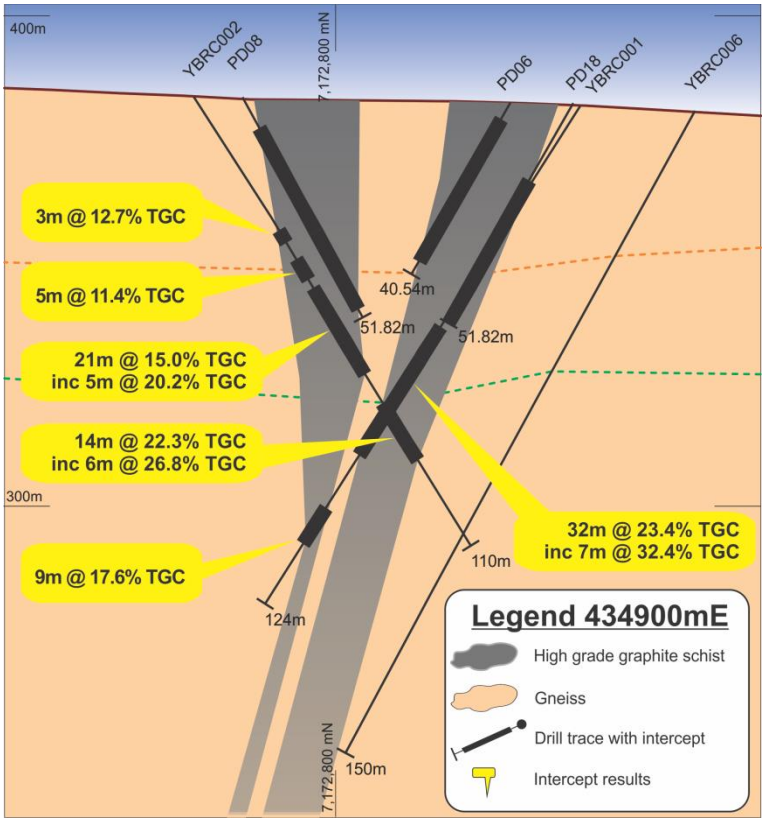

Figure 3. Yalbra Main Zone cross-section 434900mE.

Of particular note is a consistent core of extremely high grade graphite averaging over 30% TGC (total graphitic carbon) within the northernmost mineralised horizon (Table 2, Figure 2). Additionally, the major very high grade graphite horizons have been intersected at very shallow depths within the soft saprolite zone (e.g. YBRC012 & 014) and in fresh rock at much deeper depths (e.g. YBRC015). The grades and thicknesses of the very high grade graphite across these zones is remarkably consistent along strike and across a large depth range. Field observations and historical trenching and drilling results also show that the high-grade graphite zones begin from surface.

In the Northern Zone, four drill-holes tested a VTEM anomaly. Whilst high-grade graphite was intersected, the widths were generally small (Table 2). This zone does however remain a valid future target for further drill testing.

Petrographic Results

An initial petrographic study focused on four polished blocks of RC drill-chip samples from various depths across the very high-grade Main Zone. Encouragingly, results show a significant portion of the graphite exists as medium to coarse flakes within high-grade micro-bands. Observations show that graphite flakes generally range from 100 to 500 microns long and in some cases reach over 1mm in length. Fine-grained graphite also occurs, but is mainly confined to lower grade micro-bands.

The typical crystal size therefore in the high-grade micro-bands is well above the commercial definition for coarse flake graphite, which is >150 microns in length.

Table 2. All significant 2013 Yalbra RC drilling intersections

HoleID	From (m)	To	Width (m)	TGC (%)	Est. true width (%)	Comments
			Main Zone			
YBRC001	**55**	**87**	**32**	**23.4**	40	
including	**56**	**63**	**7**	**32.4**		
	100	**109**	**9**	**17.6**	55	
YBRC002	33	36	3	12.7	50	
	40	45	5	11.4	50	
	47	**68**	**21**	**15.0**	50	
including	**60**	**65**	**5**	**20.2**		
	75	**89**	**14**	**22.3**	85	
including	**79**	**85**	**6**	**26.8**		
YBRC003	28	39	11	12.1	75	
YBRC004	9	11	2	14.3	65	
	18	**27**	**9**	**19.4**	65	
	55	60	5	12.5	65	
YBRC005	No significant intercepts					failed hole due to water ingress
YBRC006	No significant intercepts					hole did not reach target depth
YBRC011	**45**	**59**	**14**	**21.5**	80	
including	**51**	**56**	**5**	**33.0**		
	73	79	6	19.5	80	
YBRC012	**19**	**50**	**31**	**22.9**	90	
including	**36**	**41**	**5**	**30.2**		
	103	**114**	**11**	**18.8**	80	
	140	**167**	**27**	**15.6**	70	
including	**160**	**165**	**5**	**27.6**		
YBRC013	No significant intercepts					
YBRC014	**20**	**30**	**10**	**21.9**	80	
including	**20**	**25**	**5**	**31.2**		
YBRC015	**158**	**189**	**31**	**22.5**	60	
including	**179**	**185**	**6**	**33.0**		
			Northern Zone			
YBRC007	67	70	3	17.1	85	
	82	86	4	10.4	85	
YBRC008	25	30	5	11.3	85	includes a 4m spear composite
YBRC009	123	127	4	7.0	85	
YBRC010	21	24	3	14.9	85	

Conclusion

Drilling and petrographic results from the Yalbra graphite project have far exceeded the Company's expectations. Very high-grade graphite occurs within multiple zones over 500m strike length and is open at depth and along strike. A significant portion of graphite in petrographic samples was shown to have medium to coarse flake sizes.

The Company is currently planning its 2014 work program for Yalbra. It will involve both RC drilling for resource definition, and diamond drilling in order to obtain samples for an initial metallurgical test work program.

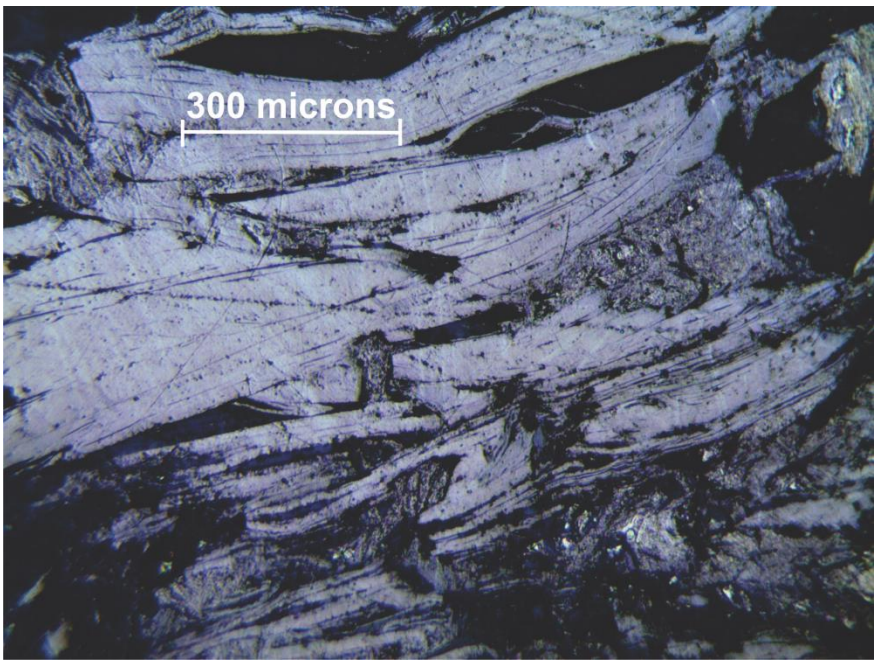

Figure 4. Photomicrograph of coarsely crystalline graphite with minor mica from graphite-rich layer YBRC001 80-81m. Reflected light. Field of view is 1200 microns.

Table 3. Collar details for Yalbra 2013 RC drilling program.

Hole ID	Zone	East	North	Depth	Azimuth	Dip
YBRC001	Main	434885	7172850	124	155	-55
YBRC002	Main	434938	7172771	110	340	-55
YBRC003	Main	435330	7172852	70	360	-55
YBRC004	Main	435199	7172849	70	360	-65
YBRC005	Main	435116	7172769	45	200	-55
YBRC006	Main	434891	7172873	150	165	-55
YBRC011	Main	435002	7172846	100	180	-55
YBRC012	Main	434995	7172888	180	175	-55
YBRC013	Main	434993	7172936	150	360	-55
YBRC014	Main	435004	7172824	55	360	-55
YBRC015	Main	434787	7172856	200	175	-60
YBRC007	Northern	432599	7174480	110	360	-55
YBRC008	Northern	432624	7174546	84	360	-55
YBRC009	Northern	432600	7174431	148	360	-55
YBRC010	Northern	432593	7174510	78	360	-55

Dempster Ni, Cu & Au – Albany Fraser Orogen

Buxton has acquired a significant ground position totaling 1,365km^2 prospective for nickel-copper and gold deposits at Dempster within the Albany Fraser Orogen. This project straddles the interpreted boundary of the Archaean Yilgarn Craton and the Proterozoic Albany Fraser Orogen and has a similar tectonic position to the Tropicana Gold Deposit.

In addition, historical work at the Dempster Project has identified significant nickel surface calcrete anomalies. One of these, the Prickle prospect, was drilled and shown to be underlain by a mafic-ultramafic rock package including gabbros and dunites. Peak results were 0.25% Ni and 348ppm Cu, indicating potential fertile source rocks for nickel-copper sulphide mineralisation.

Historical BHP drilling also intersected 1m @ 0.7 ppm Au at the base of a RAB drill hole.

Recent work by other exploration companies in the area has defined a number of high quality Ni-Cu sulphide targets immediately along strike from Buxton's tenements. The Company is excited about the potential at Dempster and intends to ramp up its exploration efforts in this area in 2014.

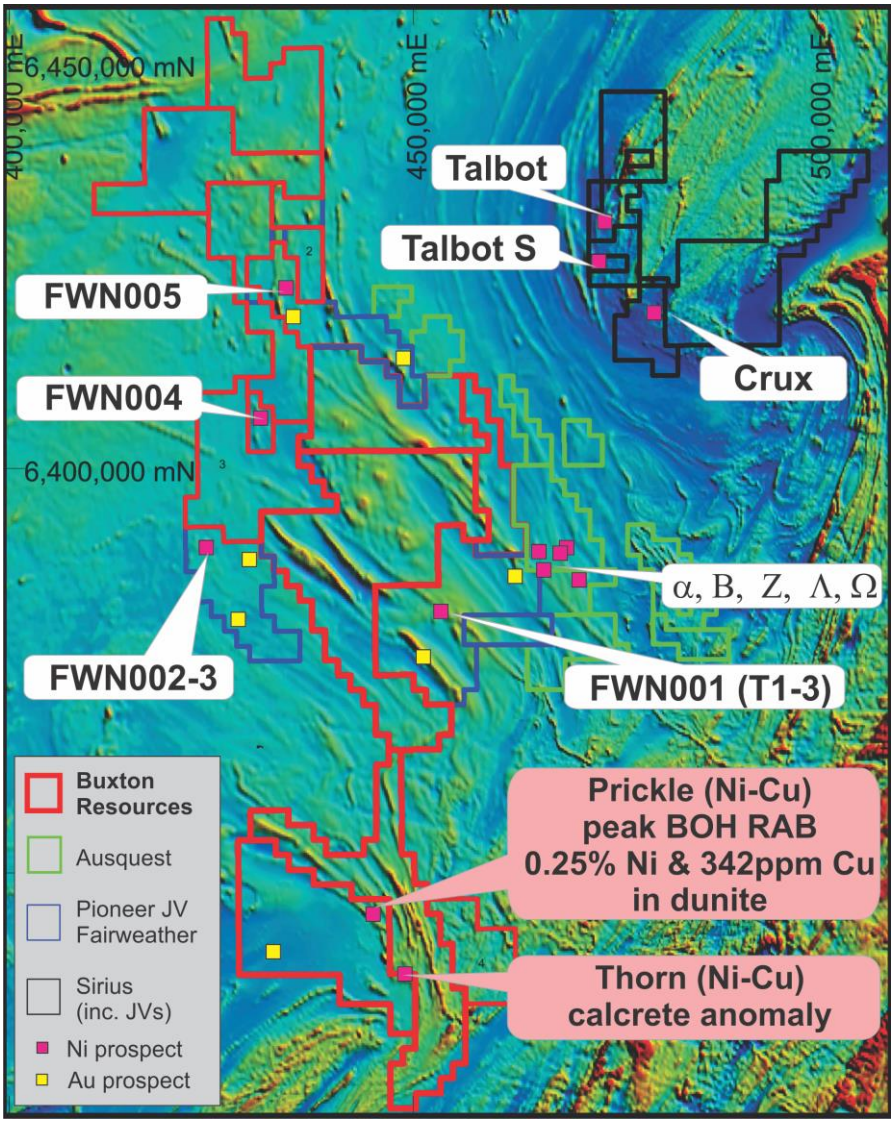

Figure 5. Location of the Company's Dempster tenements in relation to other companies' projects and major prospects.

Widowmaker – Fraser Range

A calcrete sampling program was completed at Widowmaker to follow up a significant area of very strong multi-metal anomalism along a regional shear zone. The metal association over this anomaly variable includes Ni-Cu-Co-Cr-As. The broad anomaly is in the order of 3km long, whilst a central core zone has a strike length of approximately 700m (Figure 6).

The sampling program conducted nominally at 40m x 200m spacing also identified a number of other weaker multi-metal anomalies which will require infill sampling in the future. Peak results at the main calcrete anomaly were: 143ppm Ni, 115ppm Cu, 25ppm Co, 1,130 ppm Cr & 137ppm As. Statistics of the Widowmaker calcrete sampling program are listed in Table 4 below.

Table 4. Statistics for main elements of interest, Widowmaker calcrete sampling.

Element ppm	Tot	Min	Max	Mean	Median	25th percentile	50th percentile	75th percentile	90th percentile
As	289	0	227	6.2	0	0	0	6	17.0
Co	289	0	26	7.0	7	4	7	10	13.0
Cr	289	0	1130	53.9	39	25	39	73	103.2
Cu	289	0	79	20.0	19	14	19	26	35.0
Ni	289	0	143	19.9	19	11	19	30	36.0

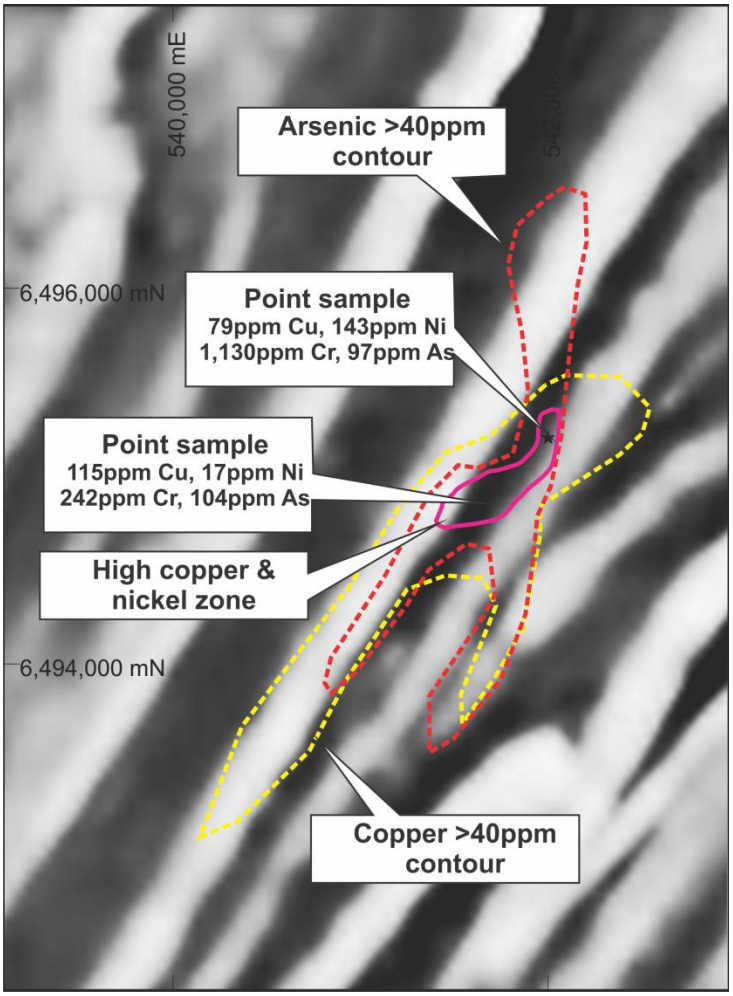

Figure 6. Main calcrete multi-metal anomaly over RTP_1VD magnetic image.

Northampton Base Metals Project (100% Interest)

The Northampton project area is located 477km North of Perth, along the Northwest Coastal Highway between Geraldton (in the South) and Ajana (in the North). The main target commodities in this project are Cu, Pb, Zn, and Au. The principal target style is structurally controlled polymetallic sulphide veins and pods.

No work was carried out on the Northampton project during the period.

COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results and geology for the Zanthus, Widowmaker and Dempster projects has all previously been reported under the 2004 edition of Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. No material changes have occurred to this information. Dr Stephens has sufficient experience which is relevant to the activity being undertaken 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 and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

The information in this report that relates to exploration results and geology for the Yalbra Graphite Project is based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. Dr Stephens has sufficient experience which is relevant to the activity being undertaken 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 and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

CORPORATE

The Company issued 3,955,000 unlisted options to Directors and consultants during the period with an exercise price of 28 cents and an expiry date of 15 November 2017.

ANNUAL GENERAL MEETING

Buxton held its Annual General Meeting of Shareholders on 28 November 2013 at Steve's Wine Cellar, 30 The Avenue, Nedlands, Western Australia and all resolutions that were put were unanimously passed on a show of hands.

SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the balance date, Buxton was pleased to report the maiden JORC Code Reported Mineral Resource for the Main Zone at the Yalbra Graphite Project (Yalbra), located east of Gascoyne Junction in Western Australia (Figures 1, 2 & 3; Table 1) on 25th February 2014.

The Company completed a total of 15 RC drill holes for a total of 1,674 metres at Yalbra in November 2013. Drilling within the Main Zone intersected substantial widths of very high grade graphite mineralisation across multiple parallel zones (Figure 7).

The graphite mineralisation in the Main Zone proved particularly consistent in grade and geological continuity which allowed for a maiden JORC Code reported Mineral Resource to be estimated (Table 1; Figures 1 & 2).

Table 1. Yalbra Inferred Mineral Resource, February 2014

Classification	Tonnes (KT)	TGC %	Contained Graphite (Tonnes)
Inferred	2,270	20.1	454,600
Total	2,270	20.1	454,600

**Blocks reported using a 0% TGC lower cut-off grade.*

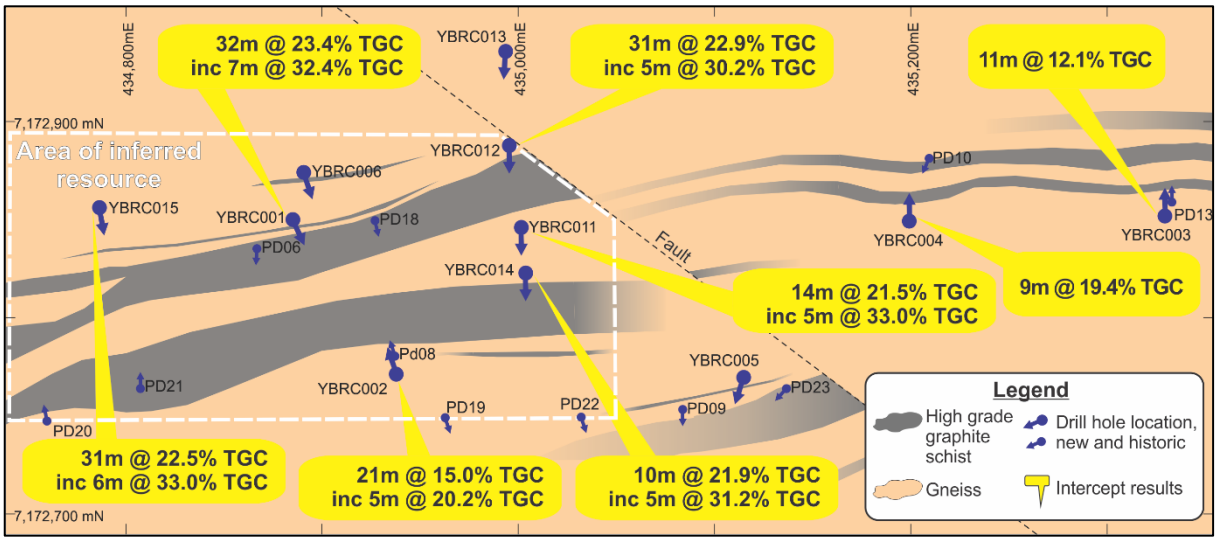

Figure 7. Map of Main Zone at Yalbra showing substantial intercepts of very high grade graphite, simplified geology and the area of the Inferred Mineral Resource.

Conclusion

The initial JORC Code Reported Mineral Resource estimate for the Yalbra graphite project has far exceeded the Company's expectations. Very high-grade graphite occurs within multiple zones over 500m strike length and is open at depth and along strike. A significant portion of graphite in petrographic samples was shown to have medium to coarse flakes.

The Company expects to be able to expand the JORC Code Mineral Resource with further drilling through 2014. In addition, Buxton is planning to conduct metallurgical test-work to determine potential product specifications once diamond drill-core samples have been obtained from the planned 2014 drilling program.

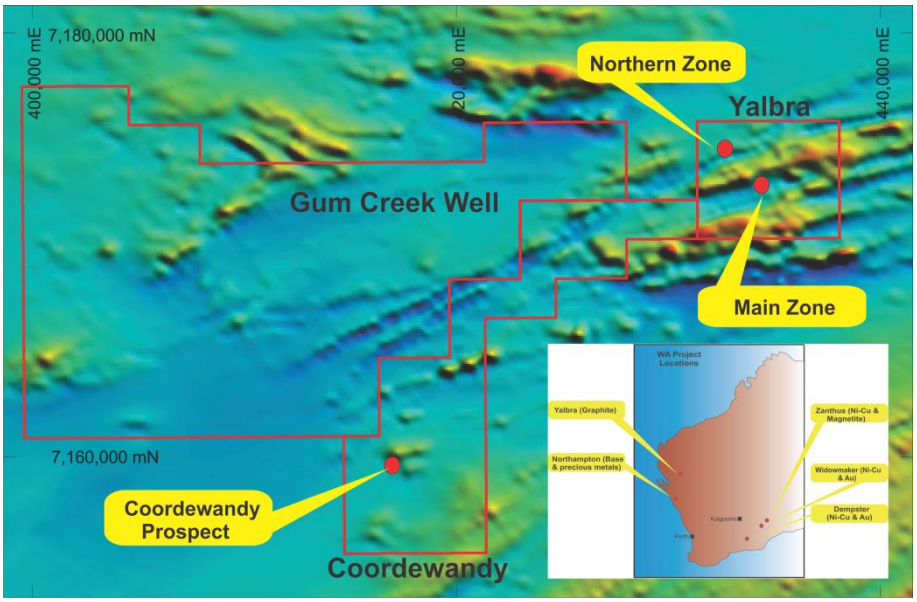

Figure 8. Location and tenure position – Yalbra Graphite Project

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 the following page.

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

Anthony Maslin
Managing Director
Perth, 14th March 2014

ROTHSAY
Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Buxton Resources Limited
PO Box 9028
Subiaco WA 6904

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2013 interim financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Graham R Swan (Lead auditor)

Rothsay Chartered Accountants

Dated 14/03/2014.

Chartered Accountants

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).

BUXTON RESOURCES LIMITED

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Half-year ended	
	31 Dec 2013 $	31 Dec 2012 $
Revenue from continuing operations	263,941	189,411
Depreciation expense	(10,045)	(5,027)
Salaries and employee benefits expense	(334,765)	(173,712)
Share based payment expense	-	(1,731,482)
Exploration and evaluation expense	(810,002)	(522,271)
Corporate expense	(97,247)	(107,725)
Administration expense	(70,039)	(60,151)
Loss from operating activities	(1,058,158)	(2,410,957)
Finance income	49,892	42,296
Finance cost	(66)	-
Net finance income	49,826	42,296
Loss before income tax	(1,008,332)	(2,368,661)
Income tax expense	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(1,008,332)	(2,368,661)
Basic and diluted loss per share (cents)	(1.44)	(5.05)

The above condensed statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

BUXTON RESOURCES LIMITED

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	31 December 2013 $	30 June 2013 $
CURRENT ASSETS			
Cash and cash equivalents		2,321,418	3,707,577
Trade and other receivables		214,551	67,855
Other current assets		48,794	107,763
TOTAL CURRENT ASSETS		2,584,763	3,883,195
NON-CURRENT ASSETS			
Deferred exploration expenditure		79,003	220,500
Plant and equipment		227,209	41,746
TOTAL NON-CURRENT ASSSETS		306,212	262,246
TOTAL ASSETS		2,890,975	4,145,441
CURRENT LIABILITIES			
Trade and other payables		184,172	222,359
Unearned income	3	-	205,263
Provisions		-	2,684
TOTAL CURRENT LIABILITIES		184,172	430,306
TOTAL LIABILITIES		184,172	430,306
NET ASSETS		2,706,803	3,715,135
EQUITY			
Issued capital	4	9,836,381	9,836,381
Reserve	5	613,809	613,809
Accumulated losses		(7,743,387)	(6,735,055)
TOTAL EQUITY		2,706,803	3,715,135

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

BUXTON RESOURCES LIMITED

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

	Issued capital	Accumulated losses	Option reserve	Total
	$	$	$	$
Balance at 1 July 2012	5,418,800	(4,643,168)	613,809	1,389,441
Total comprehensive income for the period	-	(2,368,661)	-	(2,368,661)
Shares issued for cash	1,541,932	-	-	1,541,932
Shares issued on conversion of options	105,060	-	-	105,060
Share issue costs	(112,689)	-	-	(112,689)
Share based payments	-	-	1,731,482	1,731,482
Balance at 31 December 2012	6,953,103	(7,011,829)	2,345,291	2,286,565
Balance at 1 July 2013	9,836,381	(6,735,055)	613,809	3,715,135
Total comprehensive income for the period	-	(1,008,332)	-	(1,008,332)
Balance at 31 December 2013	9,836,381	(7,743,387)	613,809	(2,706,803)

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

BUXTON RESOURCES LIMITED

CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Half-year ended	
	31 Dec 2013	31 Dec 2012
	$	$
Cashflows from operating activities		
Cash receipts from customers	58,677	645,968
Payments for exploration and evaluation	(863,011)	(468,682)
Payments to suppliers and employees	(589,626)	(335,674)
Interest received	61,877	44,025
Interest paid	(66)	-
Net cash inflow/(outflow) from operating activities	(1,332,149)	(114,363)
Cashflows from investing activities		
Payment for acquisition of exploration assets	(6,709)	-
Proceeds from sale of plant and equipment	-	1,554
Payment for plant and equipment	(47,301)	(13,855)
Net cash outflow from investing activities	(54,010)	(12,301)
Cashflows from financing activities		
Proceeds from the issue of shares	-	1,541,932
Proceeds from the conversion of options	-	105,060
Payments for share issue costs	-	(112,689)
Net cash inflow from financing activities	-	1,534,303
Net increase/(decrease) in cash and cash equivalents	(1,386,159)	1,407,639
Cash and cash equivalents at the beginning of the period	3,707,577	1,231,766
Cash and cash equivalents at the end of the period	2,321,418	2,639,405

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE INTERIM FINANCIAL REPORT

This general purpose financial report for the interim half-year reporting period ended 31 December 2013 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

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 Buxton Resources Limited during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2013, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2013.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2013. Management is in the process of assessing the impact of the adoption of these standards and interpretations on the Company.

Segment reporting

The Company has applied AASB 8 *Operating Segments* from 1 July 2011. AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. There has been no change to the reportable segments required to meet the new standard.

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the full Board of Directors.

NOTE 2: SEGMENT INFORMATION

The Company operates in predominantly one business and geographical segment, being mineral exploration in Australia.

NOTE 3: DEFERRED REVENUE

On 3 September 2012 the Company entered into a marketing agreement deriving license fee revenue of $600,000 over a term of 15 months. Payment has been received in full.

	31 December 2013	30 June 2013
	$	$
Arising from licence fee		
Current	-	205,263
	-	205,263

NOTE 4: ISSUED CAPITAL

	31 December 2013	30 June 2013
	$	$
Issued and paid up capital		
Fully paid ordinary shares	9,836,381	9,836,381

	31 December 2013 Number	31 December 2013 $
Movements in fully paid shares on issue		
At beginning of period	54,516,455	9,836,381
Balance at end of period	54,516,455	9,836,381

NOTE 5: RESERVES

	31 December 2012	31 December 2012
	$	$
Option premium reserve		
Balance at beginning of period	613,809	613,809
Issue of options to Company promoters	-	1,039,295
Issue of options to employees and contractors	-	692,187
Balance at end of period	613,809	2,345,291

NOTE 6: CONTINGENCIES

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

NOTE 7: SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the balance date …

Subsequent to the balance date no matter or circumstance, other than the above, has arisen 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.

NOTE 8: COMMITMENTS

Exploration commitments

In order to maintain current rights of tenure to mining tenements and permits, the Company has the following discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable:

	31 December 2013 $	30 June 2013 $
Within one year	360,000	472,500
Later than one year but not later than 5 years	1,440,000	1,890,000
	1,800,000	2,362,500

If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position 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.

Operating lease commitments

	31 December 2013 $	30 June 2013 $
Within one year	35,422	-
Later than one year but not later than 5 years	-	-
	35,422	-

BUXTON RESOURCES LIMITED

DIRECTORS' DECLARATION

In the directors' opinion:

1. the financial statements and notes set out in this report are in accordance with the *Corporations Act 2001*, including:
   (a) complying with Accounting Standards, AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
   (b) giving a true and fair view of the Company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Buxton Resources Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.



Anthony Maslin
Managing Director
Perth,14th March 2014

ROTHSAY

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

Independent Review Report to the Members of Buxton Resources Ltd

The financial report and directors' responsibility
The interim financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Buxton Resources Ltd for the period ended 31 December 2013.

The Company's directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach
We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the financial position as at 31 December 2013 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Buxton Resources LTD, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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*.

Conclusion
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Buxton Resources Ltd is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the financial position of the company as at 31 December 2013 and of its performance for the period ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Rothsay

Rothsay

Graham R Swan
Partner

Dated 14/03/2014.

Chartered Accountants

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).