



BELLEVUE RESOURCES LIMITED
ABN 93 125 277 634

Half-Year Financial Report
31 December 2007

BELLEVUE RESOURCES LIMITED ABN 93 125 277 634

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDING THE 31 DECEMBER 2007

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CORPORATE DIRECTORY

This half-year report covers Bellevue Resources Limited (“the Company” or “Bellevue Resources”) during the half-year ended the 31 December 2007. The Company’s functional and presentation currency is AUD (\$)

OFFICERS

Mr Paul Niardone	(Non-Executive Chairman)
Mr John Ceccon	(Executive Director)
Mr Malcolm Castle	(Non-Executive Director – Technical)
Mr Philip Re	(Secretary)

REGISTERED OFFICE

Level 1 322 Hay Street
SUBIACO WA 6008

SOLICITORS

Steinepreis Paganin
Lawyers and Consultants
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

AUDITORS

Rix Levy Fowler
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

SHARE REGISTRY

Advanced Share Registry Services Pty Ltd
110 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871

PRINCIPAL PLACE OF BUSINESS

Unit 3, 16 Bellevue Terrace
WEST PERTH WA 6005
Telephone: (08) 9321 6646
Facsimile: (08) 9321 6649

WEBSITE

www.bellevueresources.com.au

ASX CODE

BVE

DIRECTOR'S REPORT

Your directors submit the financial report of the Company for the half-year ended 31 December 2007.

Directors

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

John Ceccon

Paul Niardone

Malcolm Castle (Appointed 9 October 2007)

Philip Re (Resigned 5 November 2007)

Review of Operations

Bellevue Resources Limited ("Bellevue") was incorporated on 8 May 2007.

On 11 December, Bellevue satisfied the conditions precedent for settlement of the Sale & Purchase Agreement for EPM 15628, for the purchase of The Running River Tin Project.

On 18 December 2007, Bellevue successfully listed on the Australian Securities Exchange (ASX). The Company raised \$3.5m from the IPO which was fully subscribed within three weeks from the initial offer due to high demand shown from investors.

The company issued 17.5 million shares at 20 cents each to raise the money to progress exploration at its Running River Tin Project which is located 120 kilometres northwest of Townsville in the prospective Kangaroo Hill mineral fields in Queensland.

On 18 December 2007 Bellevue reported that field exploration had resulted in the collection of 45 rock chip and stream sediment samples from Running River. The results are expected to be released in the March 2008 Quarter.

On 17 January Bellevue confirmed the presence of tin mineralisation following the commencement of its inaugural drilling program at Running River. The tin mineralisation was confirmed during ongoing exploration at Running River where nine reverse circulation (RC) drill holes were completed resulting in the collection of 106 samples.

The 16 hole Scout Drilling Program was initially designed to ascertain the depth to bedrock and locate old paleochannels (river bed) within the project area.

Evidence of tin mineralisation was confirmed after a concentrate was produced from four of the holes. Fine grained tin was recorded from the concentrates. The holes were evenly spaced over the whole area to determine if tin was present in the alluvials. Three of the holes were water

DIRECTOR'S REPORT

logged but the others returned representative samples.

Depending on weather conditions, the company plans to redrill the three water logged holes and complete the remaining seven holes by the March Quarter 2008.

Assay results from Running River will establish the grade of the alluvials. Results are expected within the March 2008 Quarter.

Based on the results of the current scout drill program, a reverse circulation drilling program has been proposed in early 2008 at Running River (following the wet season) to cover an area of 4km by 2km to test the alluvial tin deposits which were worked historically.

Further geological work will be done to delineate the exact areas to drill in order to determine the extent of the alluvial tin deposits.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 6 for the half-year ended 31 December 2007.

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



Director

John Ceccon

Dated this 7 Day February 2008



To The Board of Directors

**Auditor's Independence Declaration
under Section 307C of the Corporations Act 2001**

This declaration is made in connection with our review of the financial report of Bellevue Resources Limited for the half-year ended 31 December 2007 and in accordance with the provisions of the Corporations Act 2001.

We declare that, to the best of our knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review;
- No contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to the review.

Yours faithfully

RIX LEVY FOWLER
RIX LEVY FOWLER
Audit & Corporate Pty Ltd


CHRIS WATTS
Director

DATED at PERTH this 7th day of February 2008

BELLEVUE RESOURCES LIMITED ABN 93 125 277 634

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDING THE 31 DECEMBER 2007

COMPANY INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

	Note	31.12.2007
		\$
Revenue		13,620
Employee benefits expense		28,253
Depreciation and amortisation expense		406
Finance costs		960,026
Other expenses		52,932
Profit (loss) before income tax		<u>(1,027,997)</u>
Profit(loss) for the period	2	<u><u>(1,027,997)</u></u>

Overall Operations

Basic earnings per share (cents per share) (.

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

BELLEVUE RESOURCES LIMITED ABN 93 125 277 634

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDING THE 31 DECEMBER 2007

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2007

	Note	Company	
		31.12.2007	30.06.2007
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		2,844,160	15,000
Other current assets		42,159	558
TOTAL CURRENT ASSETS		<u>2,886,319</u>	<u>15,558</u>
NON-CURRENT ASSETS			
Exploration and evaluation expenditure		1,155,436	
TOTAL NON-CURRENT ASSETS		<u>1,155,436</u>	<u>0</u>
TOTAL ASSETS		<u><u>4,041,755</u></u>	<u><u>15,558</u></u>
CURRENT LIABILITIES			
Trade and other payables		762,520	697
TOTAL CURRENT LIABILITIES		<u>762,520</u>	<u>697</u>
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		<u>0</u>	<u>0</u>
TOTAL LIABILITIES		<u>762,520</u>	<u>697</u>
NET ASSETS		<u><u>3,279,235</u></u>	<u><u>14,861</u></u>
EQUITY			
Issued capital		4,307,371	15,000
Accumulated losses		(1,028,136)	(139)
TOTAL EQUITY		<u><u>3,279,235</u></u>	<u><u>14,861</u></u>

The above Balance Sheet should be read in conjunction with the accompanying notes

BELLEVUE RESOURCES LIMITED ABN 93 125 277 634**INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDING THE 31 DECEMBER 2007**

STATEMENT OF CHANGES IN EQUITY					
		\$	\$	\$	\$
	Note	Issued Capital Ordinary	Retained Earnings	Asset Reval- uation Reserve	Total
Balance at 1.7.2007		15,000	(139)		14,861
Shares issued during the year		4,292,371	(1,027,997)		3,264,374
Subtotal		4,307,371	(1,028,136)		3,279,235
Dividends paid or provided for	3	0	0		0
Balance at 31.12.2007		4,307,371	(1,028,136)		3,279,235

The above Statement of Changes of Equity should be read in conjunction with the accompanying notes.

BELLEVUE RESOURCES LIMITED ABN 93 125 277 634**INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDING THE 31 DECEMBER 2007**

COMPANY CASH FLOW STATEMENT FOR HALF-YEAR ENDED 31 DECEMBER 2007	
	31.12.2007
	\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to suppliers and employees	(46,476)
Interest received	13,620
Finance costs	(26)
Net cash provided by (used in) operating activities	<u>(32,882)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current assets	(505,980)
Payment for other current assets	(3,500)
Net cash provided by (used in) investing activities	<u>(509,480)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares	3,700,000
Payments for share issue	(528,478)
Repayment of borrowings	(400,000)
Proceeds from Loans	600,000
Net cash provided by (used in) financing activities	<u>3,371,522</u>
Net increase (decrease) in cash held	2,829,160
Cash at beginning of period	<u>15,000</u>
Cash at end of period	<u><u>2,844,160</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the Company of Bellevue Resources Limited. Bellevue Resources Limited is a listed public company, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. Taxation

The Company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law

b. Cash

For the purpose of the cash flow statement, cash includes cash on hand and other funds held at call net of bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

c. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

d. Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

e. Exploration, Evaluation and Development Expenditure

Costs incurred during exploration and evaluation related to an area of interest are accumulated. Costs carried forward provided such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not at balance date reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. In these instances the entity must have rights of tenure to the area of interest and must be continuing to undertake exploration operations in the area.

These assets are considered for impairment on an annual basis, depending on the existence of impairment indicators including:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- sufficient key data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

f. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

g. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Company's intention to hold these investments to maturity. Any held-to-maturity investments held by the Company are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

h. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates — Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

NOTE 2 : PROFIT FOR THE PERIOD

**Company
31.12.2007**

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

Directors fees	28,253
Corporate Consultants	40,000

NOTE 3: DIVIDENDS

No Dividend is paid or is proposed in respect of the half year ended 31 December 2007

NOTE 4: SEGMENT INFORMATION

Bellevue Resources Limited operates in one business segment – mineral exploration, and in one Geographical area – Australia

NOTE 5: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the Prospectus dated the 6 November 2007.

NOTE 6 : EVENT SUBSEQUENT TO REPORTING DATE

Subsequent to balance date, the entity has announced that it will be issuing a prospectus in relation to one for two non-renounceable rights issue for options in Bellevue Resources Limited. The options will be issued at 1 cent per option with an exercise price of 20c and an expiry date of 26 February 2011.

BELLEVUE RESOURCES LIMITED ABN 93 125 277 634

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDING THE 31 DECEMBER 2007

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 14:
 - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the economic entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director

John Ceccon

Dated this 7 day of February 2008



Independent Auditor's Review Report

To the Members of Bellevue Resources Limited

We have reviewed the accompanying half-year financial report of Bellevue Resources Limited (the company) which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2007 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 Bellevue Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Bellevue Resources Limited on 7 February 2008, would be in the same terms if provided to the directors as at the date of this auditor's review report.

Independent Auditor's Review Report

To the Members of Bellevue Resources Limited (Continued)

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 Bellevue Resources Limited is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the company's financial position as at 31 December 2007 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.

RIX LEVY FOWLER

RIX LEVY FOWLER
Audit & Corporate Pty Ltd



CHRIS WATTS
Director

DATED at PERTH this 7th day of February 2008