Timah Resources Limited

Timah Resources Limited

A.B.N. 69 123 981 537

FINANCIAL STATEMENTS

30 JUNE 2017

Timah Resources Limited
A.B.N. 69 123 981 537

Company Particulars

Directors	Tan Sri Mah King Thian *Executive Chairman* Dato' Seri Mah King Seng *Managing Director* Soong Swee Koon Chief Operating Officer & Executive Director Jack Tian Hock Tan *Non-Executive Director* Lee Chong Hoe *Non-Executive Director* Michelle Siew Yee Lee *Non-Executive Director*
Secretary	Andrew Wallis
Registered Office	Level 25, St Martins Tower 31 Market Street Sydney NSW 2000 Tel (02) 9267 4633 Fax (02) 9267 4388
Auditors	Hall Chadwick Level 40 2 Park Street Sydney NSW 2000
Solicitors	FCG Legal Pty Ltd 18 Drummond Street Carlton, Victoria 3053
Share Register	Boardroom Pty Limited Grosvenor Place Level 12, 225 George Street Sydney NSW 2000
Stock Exchange Listing	Timah Resources Limited securities are listed on the Australian Securities Exchange (ASX) – Code 'TML'

Timah Resources Limited
A.B.N. 69 123 981 537

Chairman's Statement

Dear fellow shareholder,

I am pleased to report that the financial period ended 30th June 2017 has been a fruitful year with the achievement of the Commercial Operation Date (COD) for the biogas power plant by our subsidiary, Mistral Engineering Sdn. Bhd. (Mistral).

Upgrading of the Biogas Power Plant

On 16th November 2016, Mistral completed the upgrading of its biogas power plant and achieved the Initial Operation Date (IOD). The upgrade includes increasing the capacity of the plant from 3.0MW to 4.0MW, and connecting the plant to the national grid.

After the IOD, the upgraded plant was tested according to the parameters of the Renewable Energy Power Purchase Agreement (REPPA) signed with Sabah Electricity Sdn. Bhd. (SESB). After meeting all the test parameters, the plant successfully achieved the COD on 15th February 2017 and since then, it has been generating and exporting renewable electricity to the national grid.

In the post upgrading phase, the plant has encountered some operational issues, which is normally expected. It is currently operating at about 60% of its total installed capacity and the management team is taking the necessary steps to try to optimise the operation of the upgraded system and increase its generation efficiency.

Although the plant has only operated less than 5 months since the COD, the Group achieved a profit before tax amounting to RM501,638. As a whole, the Group achieved a total comprehensive income for the period of RM503,000 as compared to the total comprehensive loss of RM14,684,000 in the preceding financial period.

I also wish to highlight that on 3rd May 2017, Mistral filed a judicial review application against the decision in the letter dated 8 February 2017 from the Malaysian Investment Development Authority to withdraw the Investment Tax Allowance granted earlier to Mistral. As at the date of this report, all affidavits and submissions had been filed. The hearing has been set on 18 September 2017. The withdrawal is not expected to have any material financial impact on the Group in the near future.

Conclusion

On behalf of the Board of Directors and the management team, I would like to thank you for your continued support and look forward to further progress in the upcoming financial year.

Tan Sri Mah King Thian
Executive Chairman

Timah Resources Limited

A.B.N. 69 123 981 537

Directors' Report – 30 June 2017

Your Directors are pleased to present the report of Timah Resources Limited ("Timah") for the financial year ended 30 June 2017.

Directors

The names of persons acting as directors of Timah during the whole of the year and up to the date of this report are:

Tan Sri Mah King Thian

Dato' Seri Mah King Seng

Soong Swee Koon

Lee Chong Hoe

Michelle Siew Yee Lee

Jack Tan M. App Fin. F. Fin

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the Group during the year is renewable energy power generation.

Operating Results

The loss of the entity after providing for income tax amounted to RM55,610. (2016: loss of RM14,582,282).

Dividends

No dividends were paid or recommended for payment during or since the end of the financial year.

Review of Operations

The Group achieved commercial operation for its upgraded biogas power plant on the Commercial Operation Date (COD) of 15 February 2017. Renewable electricity has been generated and exported to the national grid since the COD.

Due to post upgrading operational issues encountered by the plant, it is currently operating at about 60% of its total installed capacity. The management team is taking the necessary steps to try to optimise the operation of the upgraded system and increase its generation efficiency. During the financial year, the plant generated 11,768,290KW of renewable electricity.

Although the plant has only operated less than 5 months since the COD, the Group achieved a profit before tax amounting to RM501,638. As a whole, the Group achieved a total comprehensive income for the period of RM 503,000 as compared to the total comprehensive loss of RM 14,683,000 in the preceding financial period.

The Group hopes to improve its performance in the next financial year with all the necessary steps currently being undertaken to try to optimise the operation of the upgraded system and increase its generation efficiency.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Company during the year.

After balance date events

There have been no subsequent events that would have a material impact on the financial report for the year ended 30 June 2017.

Future Developments, Prospects and Business Strategies

Disclosure of additional information regarding likely developments in the operations and expected results is likely to result in unreasonable prejudice to the entity.

Environmental Issues

There have been no environmental issues that would have a material impact on the Company during the year.

Shares under Options

No Options were issued or recommended for issue during or since the end of the financial year.

Directors' Report – 30 June 2017 (continued)

Information on Directors:

- Tan Sri Mah King Thian

Executive Chairman

Experience & expertise
Tan Sri Mah King Thian is a Malaysian resident aged 53 years old. He has almost 28 years of experience in oil palm cultivation, milling and construction.

He graduated from Monash University, Australia with a Bachelor of Economics Degree, majoring in Accounting in 1986 and also a Bachelor of Laws Degree in 1987. He was subsequently admitted and enrolled as an Advocate and Solicitor of the High Court of Malaya in 1988. He is also a Fellow Member of Certified Practising Accountant Australia (FCPA).

Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
Executive Chairman
Interest in shares
57,500,000 ordinary shares in Timah

- Dato' Seri Mah King Seng

Managing Director

Experience & expertise
Dato' Seri Mah King Seng is a Malaysian resident aged 59 years old. He has more than 38 years of experience in oil palm cultivation, milling and construction.

He graduated from University of Minnesota, United States of America with a degree in Agricultural Science in 1978. In 1980, he attended the Palm Oil Mill Engineer/Executive Training course on palm oil mill operations organised by the Malaysian Oil Palm Growers Council. He subsequently obtained his Bachelor of Laws Degree in 1985 from the University of Buckingham, United Kingdom and was admitted and enrolled as an Advocate and Solicitor of the High Court of Malaya in 1990.

Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
Managing Director
Interest in shares
57,500,000 ordinary shares in Timah

Information on Directors (continued):

- Soong Swee Koon — **Chief Operating Officer/Executive Director**

Experience & expertise
Soong Swee Koon is a Malaysian resident and is 62 years old.

He is a qualified engineer and holds qualifications in Steam Engineers Certificate of Competency (First Grade).

Soong Swee Koon started his career in power generation with Perak Hydro Electric Power Company (UK firm) in 1974. In the following years, he trained and specialised in power generation, Hydro and Steam Thermal Power Plants, and in the field maintenance and workshop overhaul of Cummins Diesel Engines and generators. From 1980 to1996, he worked as an engineer in United Plantations Bhd. The palm oil mill under Mr Soong's management was the winner of the Anugerah Award for Best Palm Oil Mill in Malaysia (2nd Place from year 1990-1995).

From 1996 to 2010, Mr Soong served as senior engineer, technical advisor, project manager and regional consultant to a number of energy companies. Mr. Soong joined his current company, MHC Plantations Bhd, in 2010 and is currently the Chief Operating Officer of MHC Plantations Bhd.

Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
Chief Operating Officer
Interest in shares
None

- Lee Chong Hoe — **Non-Executive Director**

Experience & expertise
Lee Chong Hoe (Billy Lee) is a Malaysian resident and is 52 years old.

Billy Lee graduated from Monash University, Australia with a double degree in Economics (majoring in Accounting) and Law in 1988. After completing his legal practical training course in Leo Cussen Institute of Melbourne, he was admitted to the Supreme Court of Victoria in 1989. He worked in Price Waterhouse Tax Services in Melbourne whereby he carried out research on the merger of family investment trusts and presented a paper on the Australian Budget 1989. Billy Lee then joined Peat Marwick Tax Services for a year in 1990 and later decided to chamber in Messrs Albar Zulkifly & Yap. Upon admission to the Malaysian Bar, Billy Lee commenced practice in Messrs Oon Kong & Lee in August 1991 and later continued in Messrs Lee Choon Wan & Co in June 1992. He has been involved in the listing of a number of public listed companies and privatisation projects. In March 1997, he joined Messrs Lee, Perrara & Tan. He is currently a partner at Teh & Lee, advocates and solicitors.

Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
None

Information on Directors (continued):

Interest in shares
None

- Michelle Siew Yee Lee

Non-Executive Director

Experience & expertise
Michelle Siew Yee Lee is an Australian resident and is 38 years old.

She graduated from Monash University, Australia with a Bachelor of Business (Accounting) in 2003 and enrolled in the Chartered Accountant program, after which she worked as an accountant for several years.

Michelle's first employment was with a legal firm in Brisbane called MF Lyons and Associates, where she worked from 2004 to 2005. She then worked as a Project Accountant in Brisbane with Bechtel Australia Pty Ltd from 2005 to 2007. Her last employment was with Centro Properties Group in Melbourne as a Property Accountant from 2007 to 2009. Currently, she is actively involved in community work while serving her family.

Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
None
Interest in shares
None

- Jack Tian Hock Tan

Non-Executive Director

Experience & expertise
Jack Tan has a Bachelor of Business Administration from University of Singapore (1973) and a Master of Applied Finance from Macquarie University (1995).

Jack Tan is an investment banker with 40 years' experience in the capital markets and finance sector in Australia and Malaysia. Jack has been instrumental in project acquisitions, evaluations and valuations and capital raisings including several public offerings on ASX.

Jack was a founder director of Norton Goldfields Ltd, Rocklands Richfield Ltd, Orocobre Limited and Vietnam Emerging Capital Limited.

Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
None

Interest in shares
541,373 ordinary shares in Timah

Company Secretary

Andrew Wallis was appointed as Company Secretary since 13 March 2013.

Andrew Wallis is a registered company auditor, tax agent, Justice of Peace and a member of the Institute of Chartered Accountants for over 27 years and a graduate of Sydney University with a Bachelor of Economics (B.Ec). Andrew has considerable experiences in secretarial and corporate advisory roles. He has also operated as the Managing Director of A F Wallis & Co for nearly 20 years and has been working in the chartered accounting profession for over 32 years.

Meetings of Directors

The Directors attendances at Directors' meetings held during the year were:

	Number Attended	Number Held*
Tan Sri Mah King Thian	5	5
Dato' Seri Mah King Seng	5	5
Soong Swee Koon	5	5
Lee Chong Hoe	4	5
Michelle Siew Yee Lee	5	5
Jack Tian Hock Tan	5	5

* Reflects the maximum number of meetings each director was eligible to attend.

Indemnifying Officers or Auditors

During or since the end of the financial year, the Company has not, in respect of any person who is or has been an officer or auditor of the Company:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, other than costs and expenses of successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's experience and experience with the Company are important.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are satisfied that the provision of non-audit services by the external auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the board of directors to ensure they do not impact the integrity and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110: Code of Ethics for Professional Accountants set by the Accountants Professional and ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

The following fees were paid or payable to Hall Chadwick for non-audit services provided during the year ended 30 June 2017:

	RM
Taxation services	7,521

Auditor's Independence Declaration

Auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out in this financial report.

Remuneration Report

This remuneration report is set out under the following main headings

A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Details of shareholdings
D Service agreements
E Share-based compensation
F Additional information

Directors' Report – 30 June 2017 (continued)

A Principles used to determine the nature and amount of remuneration

The Board of Directors is responsible for determining and reviewing director's compensation and reviewing the Managing Director's recommendations on the remuneration of key management personnel.

The current maximum amount of Non-executive fees approved by shareholders is fixed at AUD$250,000 per annum. No retirement or other long term benefits are provided to any director or the company secretary other than superannuation to those directors who are also employees. The Non-executive Directors can claim reimbursement of out-of-pocket expenses incurred on behalf of Timah and time spent on specific issues.

The aggregate remuneration paid or payable to all Directors of the Company for the financial year ended 30 June 2017 is as follows:-

	Fees RM
Executive Directors	-
Non-Executive Directors	84,490

Timah paid its Company Secretary a fixed remuneration of AUD$2,000 + GST per month.

Timah paid its immediate holding company a monthly management fee of AUD$5,000.

No retirement or other long term benefits are provided to any director or the company secretary.

B Details of remuneration

Information on directors' remuneration is also set out in Note 13 – Key management personnel disclosures. The Company has not granted options to Directors or Officers during the financial year. No employees were granted options as part of their remuneration.

Directors and other key management personnel
The following persons were directors of Timah during the financial year:

(i) **Executive Chairman**
Tan Sri Mah King Thian

(ii) **Managing Director**
Dato' Seri Mah King Seng

(iii) **Chief Operating Officer/Executive Director**
Soong Swee Koon

(iv) **Non-Executive Director**
Jack Tian Hock Tan
Lee Chong Hoe
Michelle Siew Yee Lee

The following person also had authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, during the financial year:

Name	**Position**
Andrew Wallis	Company Secretary

Remuneration Report

B Details of remuneration (continued)

The following table of benefits and payments details, in respect to the financial year, the component of remuneration for each member of the key management personnel of the Company and other executives of the Company.

2017	Short-term employee benefits			Post-employment benefits	Long-term benefits		Share-based payment	
Name	Cash salary & Fees RM	Cash bonus RM	Non-monetary benefits RM	Super-annuation RM	Long service leave RM	Termination benefits RM	Shares & options RM	Total RM
Non- executive Directors								
Jack Tian Hock Tan	32,245	-	-	-	-	-	-	32,245
Lee Chong Hoe	20,000	-	-	-	-	-	-	20,000
Michelle Siew Yee Lee	32,245	-	-	-	-	-	-	32,245
Executive Chairman								
Tan Sri Mah King Thian	-	-	-	-	-	-	-	-
Managing Director								
Dato' Seri Mah King Seng	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Chief Operating Officer/Executive Director								
Soong Swee Koon								
Andrew Wallis	77,801	-	-	-	-	-	-	77,801
Company Secretary								
Total key management personnel compensation	162,291	-	-	-	-	-	-	162,291

Remuneration Report

B Details of remuneration (continued)

2016	Short-term employee benefits			Post-employment benefits	Long-term benefits		Share-based payment	
Name	Cash salary & Fees RM	Cash bonus RM	Non-monetary benefits RM	Super-annuation RM	Long service leave RM	Termination benefits RM	Shares & options RM	Total RM
Non- executive Directors								
Lawrence Nguyen	-	-	-	-	-	-	-	-
Ting Teck Kai	-	-	-	-	-	-	-	-
Jack Tian Hock Tan	60,536	-	-	-	-	-	-	60,536
Lee Chong Hoe	30,000	-	-	-	-	-	-	30,000
Michelle Siew Yee Lee	60,536	-	-	-	-	-	-	60,536
Executive Chairman								
Tan Sri Mah King Thian	-	-	-	-	-	-	-	-
Managing Director								
Dato' Seri Mah King Seng	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Chief Operating Officer/Executive Director								
Soong Swee Koon								
Andrew Wallis	51,456	-	-	-	-	-	-	51,456
Company Secretary								
Total key management personnel compensation	202,528	-	-	-	-	-	-	202,528

C Details of shareholdings

Option holdings – 2017
There were no Options issued or recommended for issue during or since the end of the financial year.

Option holdings – 2016
There were no Options issued or recommended for issue during or since the end of the financial year.

No Directors, executives or employees are participants in an employee share scheme.

Remuneration Report

C Details of shareholdings (continued)

Shareholdings - 2017

The number of shares in the company held during the financial year by each Director of Timah and other key management personnel of the entity, including their personally related parties are set out below:

Name	Balance at the start of the year	Other changes during the year	Balance at the end of the year	Held indirectly
Directors – Ordinary Shares				
Tan Sri Mah King Thian	57,500,000	-	57,500,000	57,500,000
Dato' Seri Mah King Seng	57,500,000	-	57,500,000	57,500,000
Soong Swee Koon	-	-	-	-
Lee Chong Hoe	-	-	-	-
Michelle Siew Yee Lee	-	-	-	-
Jack Tian Hock Tan	541,373	-	541,373	-
Executives – Ordinary Shares				
Andrew Wallis	-	-	-	-

Shareholdings - 2016

Name	Balance at the start of the year	Other changes during the year (1)	Balance at the end of the year	Held indirectly
Directors – Ordinary Shares				
Tan Sri Mah King Thian	-	57,500,000	57,500,000	57,500,000
Dato' Seri Mah King Seng	-	57,500,000	57,500,000	57,500,000
Soong Swee Koon	-	-	-	-
Lee Chong Hoe	-	-	-	-
Michelle Siew Yee Lee	-	-	-	-
Jack Tian Hock Tan	1,082,744	(541,371)	541,373	-
Lawrence Nguyen	2,246,743	(2,246,743)	-	-
Ting Teck Kai	100,000	(100,000)	-	-
Executives – Ordinary Shares				
Andrew Wallis	-	-	-	-

(1) Other changes include appointment and resignation from the Board.

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Remuneration Report

C Details of shareholdings (continued)

Other Key Management Personnel Transactions
There have been no other transactions involving equity instruments other than those described in the tables above

D Service agreements
A service agreement was entered with the immediate holding company for providing supervisory service, accountancy service and all executive director services to the Company at a monthly management fee of RM16,208.

Tan Sri Mah King Thian – *Executive Chairman*

- No director's fees were paid/payable for the year ended 30 June 2017.

Dato' Seri Mah King Seng – *Managing Director*

- No director's fees were paid/payable for the year ended 30 June 2017.

Soong Swee Koon – *Chief Operating Officer/Executive Director*

- No director's fees were paid/payable for the year ended 30 June 2017.

Jack Tian Hock Tan – *Non-Executive Director*

- RM32,245 were paid/payable as director's fees for the year ended 30 June 2017.

Lee Chong Hoe – *Non-Executive Director*

- RM20,000 were paid/payable as director's fees for the year ended 30 June 2017.

Michelle Siew Yee Lee – *Non-Executive Director*

- RM32,245 were paid/payable as director's fees for the year ended 30 June 2017.

Andrew Wallis – *Company Secretary*

- A fee of RM77,801 for corporate secretarial services rendered for the year ended 30 June 2017 was paid to Andrew in his capacity as Company Secretary.

E Share-based Compensation

Directors Share Options

No Options were issued during the year and after year end to the date of this report by Timah to a director or any of the most highly remunerated officers as part of their remuneration.

Directors' Report – 30 June 2017 (continued)

Remuneration Report

F Additional information

No cash bonuses, loans or other remuneration has been paid to Key Management Personnel.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors.

Tan Sri Mah King Thian
Executive Chairman
Sydney 15 September 2017

HALL CHADWICK (NSW)
Chartered Accountants and Business Advisers

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia

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Sydney NSW 2001

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TIMAH RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN 69 123 981 537
AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TIMAH RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of :

i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

ii. any applicable code of professional conduct in relation to the review.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

GRAHAM WEBB
Partner

Date: 15 September 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	Consolidated Group	
		2017	**2016**
		RM'000	**RM'000**
Revenue	4	13,609	20,070
Cost of sales		(13,707)	(19,896)
Gross (loss)/profit		(98)	174
Other income	4	3,108	6,236
Administrative expenses		(730)	(651)
Finance costs		(1,779)	(1,238)
Impairment of goodwill	5	-	(17,849)
Profit/(Loss) before income tax	6	501	(13,328)
Income tax expense	7	(557)	(1,254)
Loss for the period		(56)	(14,582)
Other comprehensive income:			
Exchange differences on translation of foreign operations		559	(102)
Total comprehensive income for the period		503	(14,684)
Earnings per share			
– basic earnings per share (cents)	22	(0.006)	(17.73)
– diluted earnings per share (cents)	22	(0.006)	(17.73)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	Consolidated Group	
		2017	2016
		RM'000	RM'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	6,738	8,479
Trade and other receivables	9	3,416	1,224
Other assets	9	322	92
Inventories	10	69	30
TOTAL CURRENT ASSETS		10,545	9,825
NON-CURRENT ASSETS			
Trade and other receivables	9	52,552	39,741
Property, plant and equipment	11	512	499
TOTAL NON-CURRENT ASSETS		53,064	40,240
TOTAL ASSETS		63,609	50,065
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	3,531	905
Borrowings	14	2,263	1,650
TOTAL CURRENT LIABILITIES		5,794	2,555
NON-CURRENT LIABILITIES			
Borrowings	14	41,002	31,757
Deferred tax liabilities	12	898	341
TOTAL NON-CURRENT LIABILITIES		41,900	32,098
TOTAL LIABILITIES		47,694	34,653
NET ASSETS		15,915	15,412
EQUITY			
Issued capital	15	31,981	31,981
Foreign currency translation reserve	16	457	(102)
Retained earnings		(16,523)	(16,467)
TOTAL EQUITY		15,915	15,412

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

Consolidated Group	Ordinary Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Total
	RM'000	RM'000	RM'000	RM'000
Balance at 1 July 2015	9,250	(1,885)	-	7,365
Comprehensive income				
Loss for the period	-	(14,582)	-	(14,582)
Foreign exchange translation difference	-	-	(102)	(102)
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the period	22,861	-	-	22,861
Equity raising costs	(130)			(130)
Balance at 30 June 2016	31,981	(16,467)	(102)	15,412
Balance at 1 July 2016	31,981	(16,467)	(102)	15,412
Comprehensive income				
Loss for the period	-	(56)	-	(56)
Foreign exchange translation difference	-	-	559	559
Balance at 30 June 2017	31,981	(16,523)	457	15,915

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	Note	Consolidated Group 2017 RM'000	2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,243	3,556
Payments to suppliers and employees		(4,093)	(3,019)
Interest received		174	100
Finance costs		(1,779)	(1,238)
Net cash used in operating activities	8(b)	(3,455)	(601)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for construction assets		(8,722)	(11,599)
Net cash used in investing activities		(8,722)	(11,599)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(1,650)	(1,650)
Proceeds from issue of shares		-	6,490
Equity raising costs		-	(130)
Advances from holding company		11,495	15,143
Net cash provided by financing activities		9,845	19,853
Net (decrease)/increase in cash held		(2,332)	7,653
Cash and cash equivalents at beginning of period		8,479	739
Effect of exchange rate changes on cash and cash equivalents		591	87
Cash and cash equivalents at end of period	8(a)	6,738	8,479

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 1 – Statement of significant accounting policies

Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The consolidated financial statements have been prepared using reverse acquisition accounting. In reverse acquisition accounting, the cost of the business combination is deemed to have been incurred by the legal subsidiary Mistral Engineering Sdn Bhd (the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent, Timah (the acquire for accounting purposes).

The ultimate holding company of the Group is Cepatwawasan Group Berhad, a company incorporated in Malaysia.

The financial statements were authorised for issue on 15 September 2017 by the directors of the Group.

Functional and Presentation Currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Malaysia Ringgit which is the parent entity's functional and presentation currency.

(a) Going Concern

Notwithstanding the Group incurred net cash outflows from operations of RM3,454,577 for the year ended 30 June 2017, the financial statements of the Group have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future.

The ultimate holding company has agreed to provide continue financial support to the extent that the Group will be able to meet it liabilities as and when they fall due during the next twelve months period ending 30 June 2018.

The Group's budget indicates the Group will be profitable for the 12 months ended 30 June 2018.

Based on the above basis, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

(b) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowings costs for long-term construction projects if the recognition criteria are met.

Note 1 – Statement of significant accounting policies (continued)

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and infrastructure	**5% - 7%**
Heavy equipment, plant and machinery	**6% - 10%**
Furniture, fittings and equipment	**10%**

Assets under construction are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

(c) Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 1 – Statement of significant accounting policies (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(d) Loans and Borrowings

Loans and borrowings and payables are recognised initially at net of directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

(e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Revenue from the sale of electricity is recognised upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Revenue under service concession arrangements is noted below.

(f) Service Concession Agreements

Mistral and Sabah Electricity Sdn. Bhd. ("SESB") entered into a Renewable Energy Power Purchase Agreement on 1 April 2015 ("REPPA") to design, construct, own, operate and maintain a Renewable Energy Power Plant ("the Facilities"), to sell and deliver electrical energy to SESB under the Feed-In Tariff Program.

In accordance to the terms of the REPPA, SESB agrees to purchase the Annual Baseline Energy generate from the Facilities at a fixed tariff of 16 years from the commercial operation date.

Revenue
The Group recognises revenue from the construction of the Facilities in accordance with its accounting policy for construction contracts set out in Note 1 (h) below. Where the Group performs more than one service under the arrangement, consideration received or receivable is allocated to the components by reference to the relative fair values of the services delivered, when the amounts are separately identified.

Financial Assets
The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction services.

Note 1 – Statement of significant accounting policies (continued)

(g) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is possible that total contract costs will exceed total contract revenues, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenues and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is classified as amounts due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amounts due to customers on contracts.

(h) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. 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 assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 1 – Statement of significant accounting policies (continued)

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(i) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authorities. 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. In the statement of financial position, trade receivables and payables are shown inclusive of GST.

Cash flows are presented in the statement of cash flow on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Foreign Currency Transaction and Balances

Transaction and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the statement of profit or loss.

Group Companies
The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

Note 1 – Statement of significant accounting policies (continued)

(k) Financial Instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement
Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) *Financial assets at fair value through profit or loss*
Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) 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 subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Note 1 – Statement of significant accounting policies (continued)

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Financial guarantees

Where material, financial guarantees issued that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due are recognised as a financial liability at fair value on initial recognition.

Note 1 – Statement of significant accounting policies (continued)

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting during the next reporting period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposure if the guaranteed party were to default.

Financial guarantees are subsequently measured at the higher of the best estimate of the obligation in accordance with AASB 137: *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: *Revenue*. Where the entity gives guarantees in exchange for a fee, revenue is recognised in accordance with AASB 118.

Derecognition
Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(l) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of change in value. These also include bank overdrafts that form an integral part of the Group's cash management, if any.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

Consumable stores: purchase costs and expenses in bringing them into store on a weighted average cost method.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Note 1 – Statement of significant accounting policies (continued)

(o) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

(p) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset – but not the legal ownership – are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(q) Earnings per share

(i) Basic earnings per share
Basic earnings per share is determined by dividing the loss after income tax attributable to members of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(r) Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, associated with the acquisition of a business, are included as part of the purchase consideration.

Note 1 – Statement of significant accounting policies (continued)

(s) Critical Accounting Estimates & Judgements

Estimates and judgements are continually evaluated and are based on historical knowledge and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Key estimates

(i) Impairment

The entity assesses impairment at each reporting date by evaluating conditions and specific to the entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

(ii) Useful lives of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 5 to 20 years. These are common life expectancies applied in the operation of a biogas power plant industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's plant and equipment at the reporting date is disclosed in Note 11. A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 2.5% (2016: 0.69%) variance in the Group's profit/(loss) for the year.

(iii) Service concession assets

The service concession assets are determined based on the fair values of the services delivered. In determining the appropriate discount rate, management has derived the applicable interest rates from high quality corporate bonds in Malaysia with an AAA rating. The bonds have been selected based on the expected duration of the lease rental period and taking into consideration the yield curve respectively.

(iv) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty; hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statement of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

(t) New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Company, together with an assessment of the potential impact of such pronouncements on the Company when adopted in future periods, are discussed below:

Note 1 – Statement of significant accounting policies (continued)

a) AASB 9*: Financial Instruments* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the Company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items.

The directors anticipate that the adoption of AASB 9 is unlikely to have a material effect.

b) AASB 15: *Revenue from Contracts with Customers* (applicable for annual reporting periods commencing on or after 1 January 2018).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The directors anticipate that the adoption of AASB 15 is expected to have a minimum impact on the Company’s financial statements.

Note 1 – Statement of significant accounting policies (continued)

c) AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The directors anticipate that the adoption of AASB 16 will have no impact to the Group's financial statements.

Note 2 - Financial Risk Management

The entity's activities expose it to a variety of financial risks; market risk, credit risk, liquidity risk and cash flow interest rate risk. The entity's overall risk management program focuses on managing these risks and implementing and monitoring of controls around the cash management function. The entity's principal financial instruments consist of cash and cash equivalents.

The entity management of treasury activities is centralised and governed by policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as identifying risk exposure, analysing and deciding upon strategies and performance measurement.

Note 2 - Financial Risk Management (continued)

The entity held the following financial instruments:

	2017 RM'000	2016 RM'000
Financial assets		
Cash & cash equivalents	6,738	8,479
Trade and other receivables	55,968	40,965
	62,706	49,444
Financial liabilities		
Trade and other payables	37,708	23,574
Borrowings	9,088	10,737
	46,796	34,311

(a) Interest rate risk
The entity's cash-flow interest rate risk primarily arises from its loans and borrowings subject to market bank rates. The Group's policy is to manage interest cost using mix of fixed and floating rate debts. Generally, no interest is receivable or payable on the entity trade and other receivables or payables.

As at balance sheet date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit/(loss) net of tax would have been RM36,393 (2016: RM28,734) lower/higher, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(b) Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the entity's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the entity monitors its cash requirements and raises equity funding as and when appropriate to meet such planned requirements.

(c) Foreign exchange risk
The entity operates internationally and is exposed to foreign exchange risk arising from various currencies, primarily with respect to the Australian Dollar in the current financial year. The entity has material currency risk as some cash balances are held in Australian Dollar. The carrying amount of the commercial transactions and recognised financial assets and liabilities are all in Malaysian currency.

The carrying amounts of the entity's financial assets and liabilities are denominated in Malaysian Ringgit except as set out below which is denominated in Australian Dollar:

	2017 RM'000	2016 RM'000
Cash & cash equivalents	6,281	6,011
+/- 5% in MYR/$A	+/-314	+/-300

(d) Credit risk
The entity has treasury policies in place for deposit transactions for such transactions to be conducted with financial institutions with a minimum credit rating.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 2 - Financial Risk Management (continued)

The Group's exposure to credit risk arises primarily from trade and other receivables. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. As at balance sheet date, all the Group's trade receivable was due from customers under service concession agreements. Information regarding credit enhancements for trade and other receivable is disclosed in Note 9.

At balance sheet date, cash and deposits were held with ANZ and NAB in Australia, and Standard Chartered, RHB and Ambank in Malaysia.

(e) Price risk

The entity does not have any direct material market or commodity price risk relating to its financial assets or liabilities.

Note 3 Segment Information

The Group operates in a single segment being renewable energy generation in two geographical segments.

(i) Segment Performance	**Australia RM'000**	**Malaysia RM'000**	**Total RM'000**
Year Ended 30.6.2017			
Revenue	180	16,170	16,350
Debt forgiveness	367	-	367
Total Segment Revenue	**547**	**16,170**	**16,717**
Inter-Segment Elimination	-	-	-
Total Group Revenue	**547**	**16,170**	**16,717**
Segment Net (Loss)/Profit before tax	**(63)**	**564**	**501**
Year Ended 30.6.2016			
Revenue	87	24,896	24,983
Debt forgiveness	1,323	-	1,323
Total Segment Revenue	**1,410**	**24,896**	**26,306**
Inter-Segment Elimination	-	-	-
Total Group Revenue	**1,410**	**24,896**	**26,306**
Segment Net (Loss)/Profit before tax	**(16,985)**	**3,656**	**(13,329)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 3 Segments Information (continued)

(ii) Segment Assets **As at 30.6.2017**	**Australia** **RM'000**	**Malaysia** **RM'000**	**Total** **RM'000**
Total Group Assets	**6,306**	**57,303**	**63,609**
As at 30.06.2016			
Total Group Assets	**6,041**	**44,024**	**50,065**
(iii) Segment Liabilities **As at 30.6.2017**			
Total Liabilities	**166**	**47,528**	**47,694**
As at 30.06.2016			
Total Liabilities	**396**	**34,256**	**34,652**

Note 4 – Revenue

	Consolidated Group	
	2017 **RM'000**	**2016** **RM'000**
Revenue:		
Sales of renewable energy	2,079	2,358
Construction of services concession facilities	11,530	17,713
	13,609	20,071
Other Income:		
Sales of sludge oil	155	1,198
Interest income	2,557	1,815
Compensation for Emission Reductions Purchase Agreement termination	-	1,899
Debt forgiveness	367	1,322
Other income	29	1
	3,108	6,235
Total	16,717	26,306

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 5 – Business Combination

On 16th September 2015, the Company acquired 100% of the issued capital of Mistral, a biogas renewable energy company incorporated in Malaysia. The acquisition provides existing shareholders of the Company the opportunity to participate in the business opportunities of Mistral.

The acquisition is part of the Group's overall strategy to venture into the renewable energy business.

The acquisition was achieved by issuing 85,500,000 ordinary shares in the Company to the existing shareholders of Mistral, a 2:1 share consolidation and an Initial Public Offer (IPO) listing on the ASX. The existing shareholders of Mistral subscribed 10,000,000 consolidated ordinary shares in the IPO.

Upon completion, the previous shareholders of the Company hold 38.49% whilst the shareholders of Mistral hold 61.51%. For accounting purposes the acquisition is accounted for as a reverse acquisition resulting in a goodwill of RM 17,849,000 which was fully impaired during the period.

	RM'000
Purchase Consideration	16,371
Less:	
Fair value at acquisition date:	
Fixed assets	1
Other receivables	27
Cash and cash equivalents	6,569
Trade and other payables	(8,075)
Fair value of net assets acquired	(1,478)
Goodwill	17,849
Purchase Consideration	16,371

The acquisition resulted in a goodwill of MYR17,848,604 which has been written off in the period ended 30 June 2016.

Note 6 – Expenses

	2017 RM'000	**2016** RM'000
(Loss) before income tax from continuing operations includes the following specific expenses:		
(a) Depreciation - Plant & Equipment	28	35
Total depreciation	28	35

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 7 – Tax expense

a) Tax expense	**2017 RM'000**	**2016 RM'000**
Current tax	-	-
Deferred tax	557	1,253
	557	1,253

b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(Loss) before income tax expense	501	(13,329)
Taxation at Australia/Malaysia statutory tax rate	117	(3,147)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-taxable incomes	(110)	(396)
Non-deductible depreciation, impairment & amortisation & other expenses	3	4,656
Benefits not brought to account in respect of temporary differences	127	141
Deferred tax liabilities not bought to account in prior year	420	-
Income tax expense attributable to operating (loss) before income tax	557	1,254

c) Deferred tax assets not recognised	**2017 RM'000**	**2016 RM'000**
Tax losses	284	281
Temporary differences	25	25
	309	306

The deferred tax assets of the legal parent entity have not been brought to account as utilisation of these losses is not probable. The income tax losses can only be recovered by the company deriving future assessable income, conditions for deductibility imposed by law being complied with and no changes in tax legislation adversely affecting the realisation of the benefit from the deductions.

The balance of franking credits available for the franking of dividends at 30 June 2017 was nil (2016: nil).

Note 8 – Current assets - Cash & Cash Equivalents

	2017 RM'000	**2016 RM'000**
a) Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of financial position as follows:		
Cash at Bank & in hand *		
Balance per Statement of Cash Flows	6,738	8,479
	6,738	8,479

*Cash interest rate ranges from 0.01% to 3.0% on the daily balance.

Note 8 – Current assets - Cash & Cash Equivalents (continued)

b) Reconciliation of cash flow from operations with net loss after income tax	**2017 RM'000**	**2016 RM'000**
Operating loss after Income Tax		
Non-cash flows in net loss	(56)	(14,582)
Depreciation	28	35
Forgiveness of debts	(367)	(1,322)
Goodwill written off	-	17,849
Construction and Finance Income	(2,887)	(2,205)
Changes in assets and liabilities		
Increase in deferred tax	557	1,253
Increase in inventory	(39)	(21)
Decrease/(increase) in trade & other receivables, deposits and prepayments	837	(1,419)
Increase in trade and other payables	(1,528)	(189)
Net cash used in operating activities	(3,455)	(601)

Note 9 – Trade and other receivables

Current Assets			
Trade receivable – Amount due from customers on sales of electricity		2,591	-
Termination compensation receivable		661	661
Other receivables		164	563
Deposits and prepayments		322	92
Total other receivables		3,738	1,316
Non-Current Asset			
Trade receivable – Amount due from customers on service concession agreements	(a)	52,552	39,141
Other receivable - Termination compensation receivable	(b)	-	600
Total trade and other receivables		52,552	39,741

No interest is receivable in respect of other receivables.
None of the other receivables are considered past due or impaired

(a) Services concession agreements

On 1 April 2015, the Group had entered into Renewable Energy Power Purchase Agreement ("REPPA") with Sabah Electricity Sdn. Bhd. ("SESB") to design, construct, own and maintain the facility and to sell and deliver electrical energy to SESB under Feed-In Tariff Programme.

The Construction of the facility commenced in 2015 and has yet to be completed as at year end. It was expected to be completed and available for use on 25 September 2016. In accordance to the terms of the REPPA, SESB agrees to purchase the Annual Baseline Energy generate from the Facilities of a fixed tariff for 16 years from the commercial operation date.

For the year ended 30 June 2017, the Group has recognised revenue of RM45 million on construction of the facility. The revenue recognised in 2017 in relation to construction represents the fair value of the construction services provided in constructing the facility. The Group has recognised a service concession receivable, measured initially at the fair value of the construction services discounted at a rate of 4.8% per annum.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 9 – Trade and other receivables (continued)

(b) Termination compensation receivable

The fair value of the termination compensation receivable is measured initially at the fair value at a discounted rate of 5.43%.

Note 10 – Inventories

	2017 RM'000	2016 RM'000
At Cost:		
Consumable supplies	69	30

There were no inventories stated at net realisable value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 11 – Property, plant and equipment

	Long term leasehold land RM'000	Buildings RM'000	Infrastructure RM'000	Heavy equipment, plant and machinery RM'000	Furniture, fittings and equipment RM'000	Assets under construction RM'000	Total RM'000
Cost							
At 1 July 2015	396	-	-	126	60	-	582
Additions	-	-	-	-	17	-	17
At 30 June 2016	396	-	-	126	77	-	599
Additions	-	-	-	-	41	-	41
At 30 June 2017	396	-	-	126	118	-	640
Accumulated Depreciation							
At 1 July 2015	20	-	-	39	6	-	65
Depreciation charged for the year	6	-	-	13	16	-	35
At 30 June 2016	26	-	-	52	22	-	100
Depreciation charged for the year	6	-	-	13	9	-	28
At 30 June 2017	32	-	-	65	31	-	128
Net Carrying Amount							
At 30 June 2016	370	-	-	74	55	-	499
At 30 June 2017	364	-	-	61	87	-	512

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 12 – Deferred tax liabilities

	Opening Balance RM'000	Charged to Income RM'000	Closing Balance RM'000
NON-CURRENT			
Consolidated Group			
Deferred tax assets/(liabilities)			
Property plant and equipment:			
– tax allowance	673	(1,305)	(632)
Future income tax benefits attributable to tax losses	240	51	291
Balance at 30 June 2016	913	(1,254)	(341)
Property plant and equipment:			
– tax allowance	(632)	(557)	(1,189)
Future income tax benefits attributable to tax losses	291	-	291
Balance at 30 June 2017	(341)	(557)	(898)

Note 13 – Other payables

		2017 RM'000	2016 RM'000
Current liability			
Retention sum payable to contractors		349	330
Provision for services concession agreements		2,828	-
Sundry payables and accrued expenses	a	354	575
Total Trade and other payables		3,531	905

(a) Sundry payables and accrued expenses

These amounts are non-interest bearing and are normally settled on an average term of three months.

Note 14 – Borrowings

		2017 RM'000	2016 RM'000
Current liability			
Secured:			
Bank loan at COF + 1.5% p.a.	i	2,263	1,650
Non-current liability			
Secured:			
Bank loan at COP + 1.5% p.a.	i	6,825	9,087
Loan from ultimate holding company	ii	34,177	22,670
Total Borrowings		41,002	31,757

The remaining maturities of the loans and borrowings are as follows:

	2017	2016
On demand or within 1 year	2,263	1,650
More than 1 year and less than 2 years	2,700	1,650
More than 2 years and less than 5 years	38,302	30,107
5 years or more	-	-
	43,265	33,407

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 14 – Borrowings (continued)

i) RM bank loan at COF + 1.5% p.a.

This loan is secured by:

(a) a corporate guarantee given by the ultimate holding company;

(b) first legal charge over the sub-divided land of a related company together with the plant erected thereon;

(c) debentures incorporating fixed and floating charge over all assets of the Company;

(d) assignment over all contract proceeds from a related company in accordance with the Renewable Energy Power Purchase Agreement;

(e) assignment over all rights and benefits under the contracts between the Company and its contractors;

(f) assignment over the performance bonds issued by contractors in favour of the Company in relation to the plant; and

(g) third party guarantee up to 60% of the limit of the term loan facility of RM15 million.

ii) Loan from ultimate holding company

This amount carries interest at cost of fund which at 30 June 2017 equates to 4.8%. It is unsecured and repayable on 31 December 2020.

Note 15 – Issued Capital

Movement in share capital of the Group are set out below:

	No.	**RM'000**
Opening balance at 1 July 2016	93,481,313	31,981
Shares issued	-	-
Closing balance at 30 June 2017	93,481,313	31,981

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Share Options

There were no share options on issue or recommended for issue during or end of the financial year.

Note 15 – Issued Capital (continued)

Capital management
Management controls the capital of the entity's in order to maintain the entity's capital management objectives.

The entity's objectives for managing capital are to:
- Ensure their ability to operate as a going concern.
- Maximise returns to stakeholders by maintaining an optimal debt/equity structure via the issuance/redemption of debt or equity as appropriate.

There are no externally imposed capital requirements and there have been no changes in the strategy adopted by management to control the capital of the entity since the prior year.

Note 16 – Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

Note 17 – Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year.

	2017 RM'000	2016 RM'000
Transactions with ultimate holding company:		
Advances during the year	9,800	8,290
Interest on advances obtained	1,362	752
Transactions with holding company:		
Management fee	195	136
Transactions with related companies:		
Prolific Yield Sdn. Bhd.		
- Sales of sludge oil	-	102
- Sales of electricity	612	2,203
- Land rental	36	30
- Transportation expenses	7	4
Cash Horse (M) Sdn. Bhd.		
- Sludge oil handling charges	3	40
- Sales of sludge oil	155	1,096
- Sales of electricity	-	154
Suara Baru Sdn. Bhd.		
- Purchase of stone	23	51
Transactions with Director related company:		
Gold Mountain Limited	39	-
Finance Professional Alliance Pty Ltd	-	27

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 18 – Key management personnel compensation

	2017 RM'000	2016 RM'000
Short-term employee benefits	162	203
	162	203

The company has disclosed the detailed remuneration in the directors' report. The relevant information can be found in sections A-E of the remuneration report.

Note 19 – Remuneration of Auditors

During the year the following fees were paid or payable for services provided by the auditor of the entity its related practices and non-related audit services.

	2017 RM'000	2016 RM'000
Assurance services		
Audit services- Hall Chadwick		
Audit and review of financial reports under the Corporations Act 2001	102	133
Audit services- Ernst & Young		
Audit and review of financial reports and other audit work under Company Act, 1965 in Malaysia	18	17
Other services		
Taxation services- Hall Chadwick	8	8
	128	158

Note 20 – Contingencies

There are no contingent liabilities at the end of the financial year.

Note 21 – Capital commitments

Capital expenditure commitments as at the reporting date are as follows:

	2017 RM'000	2016 RM'000
Approved and contracted for:		
Property, plant and equipment	-	9,164
Approved but not contracted for:		
Property, plant and equipment	-	923

Note 22 - Events after the balance sheet date

There have been no subsequent events that would have a material impact on the financial report for the year ended 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 23 – Earnings Per Share

	2017 Cents	2016 Cents
Basic and diluted earnings per share	(0.006)	(17.73)

The following reflects the income and share data used in the calculation of basic and diluted earnings per share from continuing & discontinued operations:

	2017 RM'000	2016 RM'000
Loss used in calculating basic & diluted earnings per share	(56)	(14,582)

Number of shares used as the denominator	Number of Shares 2017	Number of Shares 2016
Weighted average number of fully paid ordinary shares used in the calculation of basic & diluted earnings per share	93,481,313	82,225,601

Note 24 – Company Details

The address of the registered office is Level 25, 31 Market Street Sydney 2000.

The principal place of business is Lot 70, Block 6, Prima Square, Mile 4, North Road, 90000 Sandakan, Sabah, Malaysia.

Note 25 – Lease Commitments

The Group has no lease commitments and shares its registered office with other companies and pays its share of rent on a monthly basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 26 – Parent Entity Information

	2017 RM'000	2016 RM'000
The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.		
Statement of Financial Position		
ASSETS		
Current assets	6,306	6,040
Non-current assets	26,162	26,162
TOTAL ASSETS	32,468	32,202
LIABILITIES		
Current liabilities	166	396
TOTAL LIABILITIES	166	396
EQUITY		
Issued capital	39,926	39,926
Retained earnings	(8,081)	(8,018)
Foreign currency translation reserve	457	(102)
TOTAL EQUITY	32,302	31,806
Statement of Profit or Loss and Other Comprehensive Income		
Total (loss)/profit	(63)	864
Total comprehensive (loss)/income	(63)	864

Timah Resources Limited

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The Financial Statements and notes, as set out on pages 18 to 47 are in accordance with the Corporations Act 2001 and:

   a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the company.

2. the Directors have each declared that:

   a) the financial records of the Group for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;

   b) the financial statements and notes for the financial year comply with the Accounting Standards; and

   c) the financial statements and notes for the financial year give a true and fair view;

3. In the directors' opinion, there are reasonable grounds to believe that the Group 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.

Tan Sri Mah King Thian
Executive Chairman

Sydney
Dated this 15 September 2017

HALL CHADWICK (NSW)
Chartered Accountants and Business Advisers

TIMAH RESOURCES LIMITED
ABN 69 123 981 537
AND CONTROLLED ENTITIES

SYDNEY
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Australia

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIMAH RESOURCES LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

Opinion

We have audited the financial report of Timah Resources Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of Timah Resources Limited and Controlled Entities is in accordance with the *Corporations Act 2001,* including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

TIMAH RESOURCES LIMITED
ABN 69 123 981 537
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIMAH RESOURCES LIMITED AND CONTROLLED ENTITIES

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2017. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Service Concession Arrangements	Our procedures included, amongst others:
Refer to Note 9 to the financial statements, Accounting Policy Note 1(f) and Critical Accounting Estimates & Judgements Note 1(s)(iii).	We obtained a copy of the Renewable Energy Power Purchase Agreement to ensure that the arrangement reflects a service concession arrangement.
Timah's operating subsidiary, Mistral Engineering Sbn. Bhd., entered into an arrangement whereby the company operates a Biogas power plant providing electricity to Sabah Electricity Sdn. Bhd. This arrangement is accounted for as a service concession arrangement in accordance with AASB Interpretation 12: Service Concession Arrangements.	We obtained the financial asset model and verified the key inputs including the agreed annual baseline energy delivery (kWh), the agreed rate (kwh), agreement term, the finance cost, the profit margin and the costs associated with the construction of the power plant in order to assess the carrying value.
We focused on this area as a key audit because the carrying value of the financial asset is material to the financial statements and significant judgement is applied in measuring its fair value.	We assessed whether there were any impairment indicators.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

TIMAH RESOURCES LIMITED
ABN 69 123 981 537
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIMAH RESOURCES LIMITED AND CONTROLLED ENTITIES

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

TIMAH RESOURCES LIMITED
ABN 69 123 981 537
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIMAH RESOURCES LIMITED AND CONTROLLED ENTITIES

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the remuneration report included in pages 10 to 16 of the directors' report for the year ended 30 June 2017. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards

Auditor's Opinion

In our opinion, the remuneration report of Timah Resources Limited, for the year ended 30 June 2017, complies with s 300A of the *Corporations Act 2001*.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

GWebb

GRAHAM WEBB
Partner
Dated: 15 September 2017

Corporate governance

The Board of Directors of the Company will be responsible for the corporate governance of the Company including its strategic development.
The Company's corporate governance principles and policies are structured as follows:

Principle 1 *Lay solid foundations for management and oversight*

Principle 2 *Structure the Board to add value*

Principle 3 *Act ethically and responsibly*

Principle 4 *Safeguard integrity in financial reporting*

Principle 5 *Make timely and balanced disclosure*

Principle 6 *Respect the rights of security holders*

Principle 7 *Recognise and manage risk*

Principle 8 *Remunerate fairly and responsibly*

(a) Board responsibilities

Responsibility for the proper corporate governance of Timah rests with the Board. The Board's guiding principle in meeting this responsibility is to act honestly, conscientiously and fairly, in accordance with the law, in the interests of Timah's Shareholders (with a view to building sustainable value for the Shareholders) and those of employees and other stakeholders.

The Board's broad function is to:

- chart strategy and set financial targets for Timah;
- monitor the implementation and execution of strategy and performance against financial and non-financial targets; and
- appoint and oversee the performance of executive management and generally to take and fulfil an effective leadership role.

Power and authority in certain areas is specifically reserved to the Board, consistent with its function as outlined above. These areas include:

- composition of the Board itself, including the appointment and removal of Directors;
- overseeing Timah, including its control and accountability system;
- appointment and removal of senior management including the Managing Director, Chief Executive Officer, Chief Financial Officer, Executive Directors and Company Secretary and certain other senior executives;
- reviewing and overseeing systems of risk management and internal compliance and control, codes of ethics and conduct, and legal and statutory compliances;
- monitoring senior management's performance and implementation of strategy; and
- approving and monitoring financial, other reporting and the operation of committees.

When the Board agrees to appoint a new director, appropriate checks on their background and details of any interest that may influence his or her capacity to bring about independent judgement on the Board will be carried out, using the services of external consultants and whatever known information available, if considered necessary. An announcement is made on the stock exchange upon formal appointment by the Board.

The Group Secretary is present at every Board meeting and the minutes are prepared, circulated and approved by all the Directors during the meeting.

The Group does not currently have a formal diversity policy in place, due to its size. Nevertheless, the Group strives to undertake the recruitment of employees at all levels from as diverse a pool of qualified candidates as reasonably possible based on their skills, qualifications and experience. All employees are treated fairly and with respect by the Group and the Board.

Corporate governance (continued)

(a) Board responsibilities (continued)

Board composition will be also reviewed periodically either when a vacancy arises or if it is considered the Board would benefit from the services of a new director, given the existing mix of skills and experience of the Board, which should match the strategic demands of the Group. Nominations for new directors are received and reviewed by the Board.

Although there are no formal documentation of procedures for appraising the performance of senior executives, induction procedures are available to new senior executives to enable a better understanding of the Company's strategies, operations, management policies and their respective roles and responsibilities.

(b) Composition of the Board

The Board performs its roles and function, consistent with the above statement of its overall corporate governance responsibility, in accordance with the following principles:

- The Board should comprise at least three Directors with a maximum of nine Directors;
- Directors will be elected for a three-year term; and
- The Constitution provides that at every annual general meeting, one third of the Directors shall retire from office but may stand for re-election.

All Directors are encouraged to attend trainings or courses that can help develop and maintain their skills and knowledge whenever necessary to contribute to the Board more effectively.

(c) Board charter

The Board has recently adopted a Board Charter (which will be kept under review and amended from time to time as the Board may consider appropriate), the purpose of which is to give formal recognition to the matters outlined above. This charter sets out various other matters that are important for effective corporate governance including the following:

- a detailed definition of "independence" for purposes of appointment of Directors;
- a framework for annual performance review and evaluation;
- approval of criteria for monitoring and evaluating the performance of senior executives;
- approving and monitoring capital management and major capital expenditure;
- frequency of Board meetings;
- ethical standards and values - ensuring compliance with Timah's governing documents and code of conduct;
- risk management - identifying risks, reviewing and ratifying Timah's systems of internal compliance and control;
- establishment of Board committees: audit and risk committee and remuneration and nomination committee;
- the implementation of a formal and detailed code for securities transactions designed to ensure fair and transparent trading by Directors, management, employees and others (the Board has implemented a separate securities trading policy); and
- communications with shareholders and the market.

These initiatives, together with other matters provided for in the Board's charter, are designed to "institutionalise" good corporate governance and generally build a culture of best practice in Timah's own internal practices and in its dealings with others.

Corporate governance (continued)

(e) Audit and risk committee

The purpose of this committee is to monitor the integrity of Timah's financial statements, and monitor and review the effectiveness of Timah's internal financial control system and internal and external audit functions.

The committee is to include at least 3 members, the majority of which are nonexecutive directors, including the chair who will not be the chairperson of the Board. At least one member is to have significant, recent and relevant financial management experience.

It is intended that the committee will comprise the following members:

- Mr Jack Tian Hock Tan as Chairman;
- Mr. Soong Siew Koon; and
- Mr Lee Chong Hoe.

The committee performs a variety of functions relevant to internal and external reporting and reports to the Board following each meeting. Among other matters for which the committee is responsible are the following:

- monitor the integrity of the financial statements of Timah and its subsidiaries, by reviewing significant financial reporting judgments;
- review the effectiveness of Timah's internal financial control system and, unless expressly addressed by the Board itself, risk management systems;
- monitor and review the effectiveness of Timah's internal audit function;
- monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- perform such other functions as assigned by law, Timah's constitution, or the Board;
- approve the corporate governance section of Timah's Annual Report relating to the Committee and its responsibilities;
- review compliance with legal and regulatory requirements;
- to review and oversee management policies and profiles and the risk management and internal control system and to review effectiveness and compliance;
- identifying material business risks and monitoring emerging risks;
- reviewing legal matters, compliance and reporting issues;
- reviewing the compliance function at least annually;
- reviewing findings of any regulatory examinations and liaising with regulators;
- consideration of Timah's official documents including media releases, ASX announcements and analyst information;
- establishing a procedure for the receipt and treatment of complaints received regarding accounting and auditing matters;
- reviewing corporate legal reports of evidence of violations of the Corporations Act, ASX Listing Rules or breaches of fiduciary duties; and
- evaluating its performance at least annually.

The committee meets at least four times per year, with further meetings to be convened as required or as requested by the chair of the committee or the Board. At the discretion of the chair of the committee, relevant members of management.

(f) Remuneration and nomination committee

The purpose of this committee is to assist the Board and make recommendations to it in relation to the appointment and remuneration of new Directors (both executive and non-executive) and senior executives. The Committee is to have a minimum of 3 members. At any time the composition of the Board permits, the Committee will also consist only of non-executive directors, and a majority of independent directors, and will be chaired by an independent chairman appointed by the Board.

Committee members will be appointed for periods of no more than one year, with members being generally eligible for re-appointment so long as they remain directors of the Board.

Corporate governance (continued)

(f) Remuneration and nomination committee (continued)

It is intended that the committee will comprise the following members:

- Mr Lee Chong Hoe as Chairman;
- Ms Michelle Siew Yee Lee; and
- Mr Jack Tian Hock Tan.

Functions performed by the committee will include the following:

- providing advice in relation to remuneration packages of senior executives, non-executive Directors and executive Directors, equity-based incentive plans and other employee benefit programmes;
- reviewing Timah's recruitment, retention and termination policies;
- reviewing Timah's superannuation arrangements;
- reviewing succession plans of senior executives and executive Directors;
- recommending individuals for nomination as members of the Board and its committees;
- ensuring the performance of senior executives and members of the Board are reviewed at least annually;
- considering those aspects of Timah's remuneration policies and packages, including equity based incentives, which should be subject to shareholder approval;
- monitoring the size and composition of the Board;
- reviewing Timah's diversity policy and its effectiveness;
- development of suitable criteria for the selection and appointment of Board candidates;
- identification and consideration of possible candidates, and recommendation to the Board accordingly;
- establishment of procedures, and recommendations for succession plans for the Board, and
- ensuring the performance of each Director and of senior management, is reviewed and assessed each year in accordance with procedures adopted by the Board.

The Remuneration and Nomination Committee will meet as often as necessary, but must meet at least twice a year and one of those meetings must take place at least 2 months prior to each annual general meeting. The Chairman may invite other persons to attend meetings if appropriate.

(g) Best practice commitment

Timah is committed to achieving and maintaining the highest standards of conduct and has undertaken various initiatives, as outlined in this Section that are designed to achieve this objective. Timah's corporate governance objective is intended to "institutionalise" good corporate governance and, generally, to build a culture of best practice both in Timah's own internal practices and in its dealings with others.

The following are a tangible demonstration of the corporate governance commitment by Timah.

(i) Independent Professional Advice

With the prior approval of the Chairman, which may not be unreasonably withheld, each Director has the right to seek independent professional advice, at the cost of Timah, concerning any aspect of Timah's operations or undertakings in order to fulfil their duties and responsibilities as Directors and to ensure independent decision making.

(ii) Code of Conduct

The Board acknowledges the need for the highest standards of corporate governance practice and ethical conduct by all directors, employees, consultants and contractors of Timah.

The Board has adopted two Codes of Conduct for employees generally, and Directors and senior executives generally, which establishes a clear set of values that emphasise a culture encompassing strong corporate governance, sound business practices and good ethical conduct.

Recognising the increased role played by women and minorities in the workforce, Timah has also adopted a Diversity Policy which is managed by the Remuneration and Nomination Committee. Key to this policy is the establishment of measurable gender diversity objectives, against which the Board will report progress annually.

Recognising that individuals connected with Timah will sometimes be in possession of market-sensitive information, Timah has adopted a Securities Trading Policy. Compliant with ASX Listing Rule 12.9, this policy also restricts any transactions in Timah's Shares by Timah directors, officers, consultants, senior management and other employees and related persons who in the course of their interactions with Timah, are in possession of such market-sensitive information.

(iii) Securities Trading Policy

The Board has adopted a formal Securities Trading Policy that complies with ASX Listing Rule 12.12.

Under the Securities Trading Policy, Directors and certain key management personnel are prevented from trading in Timah's shares during the period from the end of a statutory reporting period until two days after the announcement of quarterly, half year and full year reports. This is a restriction over and above the requirement to not trade in Timah's securities when in possession of inside information which applies to all Directors, executives and employees of Timah.

The Board may, in exceptional circumstances only, approve any member of key management personnel (or his or her associated parties) trading in Timah's securities during a restricted period. An exemption will not however be granted by the Board if it considers there is information that is not generally available, but if it were, would be likely to "materially affect" the price of Timah's securities.

In accordance with the provisions of the Corporations Act and ASX Listing Rules, Timah, on behalf of the Directors, must advise ASX of any transactions conducted by Director's in Timah's securities.

(h) Security holder Communication

Timah is committed to promoting investor confidence and ensuring that Shareholders and the market are provided with timely and balanced disclosure of all material matters concerning Timah, as well as ensuring that all Shareholders have equal and timely access to externally available information issued by Timah.

Timah has adopted a Continuous Disclosure Policy to outline responsibilities in relation to disclosing information to the market and shareholders, and to ensure compliance with the continuous disclosure regime under ASX Listing Rules and the *Corporations Act 2001*.

Timah has adopted a Shareholder Communication Strategy to ensure that Shareholders have access to balanced and understandable information about Timah and its activities.

Information is communicated to security holders through:

- annual and half-yearly financial reports;
- annual and other general meetings convened for security holder review and approval of Board proposals;
- continuous disclosure of material changes to ASX for open access to the public; and
- the Company maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

All annual financial reports and notices for annual and other general meetings are distributed to the security holders unless specifically notified by the security holder that he or she would like to receive information regarding the Group electronically.

External communication which may have a material effect on the price or value of Timah's securities will not be released unless it has been announced previously to ASX.

Effective participation by Shareholders will be encouraged at general meetings and procedures will be designed to facilitate this.

Shareholder Information

Timah Resources Limited (Timah) shares are listed on Australian Securities Exchange (ASX) under ASX Code: TML.

The following information is provided regarding the Issued Capital of Timah as at 30 June 2017.

1. **(a) Distribution of Ordinary Fully Paid Shareholder**

The distribution of ordinary fully paid shareholders and their shareholdings at 30 June 2017 was as follows:

Range	Shareholders	Fully Paid Shares	%
1 - 1,000	0	0	0.00%
1,001 - 5,000	52	220,406	0.24%
5,001 - 10,000	318	3,138,086	3.36%
10,001 - 100,000	78	3,069,424	3.28%
100,001 - upwards	36	87,053,404	93.12%
Total	**484**	**93,481,320**	**100.00%**

(b) Capital Structure and Escrow

Timah currently has on issue 93,481,320 Shares. Of these:

i. 40,671,864 Shares quoted and tradeable; and
ii. 52,809,456 Shares not quoted and classified as restricted securities for a period of 24 months from 16 September 2015.

A breakdown of the restricted securities by holder is as follows:

Shareholders Name	Number of Shares Restricted
Cash Nexus (M) Sdn. Bhd.	47,025,000
Timah Pasir Sdn. Bhd.	4,725,000
Lawrence Nguyen Nominees Pty Ltd	436,686
Jack Tian Hock Tan	336,568
Lawrence Nguyen	225,001
Coin Equities Pty Ltd	61,201

(c) The names of substantial ordinary fully paid shareholders listed in the holding company's register as at 30 June 2017 are:

Shareholders Name	Number of Shares	%
Cash Nexus (M) Sdn. Bhd.	57,500,000	61.51%
Timah Pasir Sdn. Bhd.	5,250,000	5.62%

(d) Voting Rights

Issued shares are either ordinary fully paid shares or partly paid shares. Each shareholder is entitled to one vote on any matter put to a vote by show of hands at a meeting of shareholders. Each fully paid shareholder is entitled to one vote per share on any matter put to a poll at a meeting of shareholders. Partly Paid Shareholders are entitled to vote to the extent to which the Partly Paid Shares are paid up.

Shareholder Information (continued)

2. Substantial Ordinary Fully Paid Shareholders

The top 20 ordinary fully paid shareholders and their shareholding at 30 June 2017 were as follows:

	Name of Shareholder	Number of Shares	% of Issued Capital
1	Cash Nexus (M) Sdn. Bhd.	57,500,000	61.51%
2	Timah Pasir Sdn. Bhd.	5,250,000	5.62%
3	TIME ELEMENTAL SDN BHD	3,759,583	4.02%
4	MRS PHAIK SUAN KANG	2,000,000	2.14%
5	MS SOON GAIK KHOO	2,000,000	2.14%
6	MRS KIM SIM ONG	2,000,000	2.14%
7	KHOO CHENG LYE	2,000,000	2.14%
8	MRS KIM SIM ONG	1,888,000	2.02%
9	MR ALBERT KHOO	1,630,250	1.74%
10	MR CHENG KANG KHOO	1,500,000	1.60%
11	DOUBLE M TRADING PTY LTD	1,140,000	1.22%
12	LAWRENCE NGUYEN NOMINEES	1,098,372	1.17%
13	BNP PARIBAS NOMINEES PTY LTD	1,000,000	1.07%
14	MR TEO TIEW	1,000,000	1.07%
15	UNILEASE CAPITAL SDN BHD	650,000	0.69%
16	HAI MINH NGUYEN	648,372	0.69%
17	MR JACK TIAN HOCK TAN	541,373	0.58%
18	INVESTRA PTY LTD	510,000	0.55%
19	BINH THANH HAI NGUYEN	475,001	0.51%
20	M F CUSTODIANS LTD	325,000	0.35%
	Total Twenty Largest Shareholders	**86,915,951**	**92.98%**
	Total Ordinary Shares on Issue at 30 June 2017	**93,481,320**	

3. Option Holders

There were no Options issued or recommended for issue during or since the end of the financial year.