

**JATENERGY LIMITED**  
ABN 31 122 826 242

**ASX APPENDIX 4E**  
**RESULTS FOR ANNOUNCEMENT TO THE MARKET**  
**PRELIMINARY FINAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**1. Reporting Period**

Current Reporting Period 30 June 2017  
Prior Reporting Period 30 June 2016

**2. Results for announcement to the market**

Revenue from ordinary activities for the period \$9,826,738 up 916%  
Loss from ordinary activities after tax for the period \$406,025 up 79%  
attributable to members  
  
Net loss after tax for the period attributable to members \$406,025 up 35%

<b>EPS</b>	<b>Asat 30/06/2017</b>	<b>Asat 30/06/2016</b>
Basic Loss per share	0.2 cents	1.3 cents
Diluted Loss per Share	0.2 cents	1.3 cents

**3. Financial Result**

The consolidated loss of the Group for the year after providing for income tax amounted to \$406,025 (2016: \$1,978,817).

The 2017 result is attributable to the following:

	<b>2017</b>	<b>2016</b>
Trading Income	\$9,779,004	\$936,815
Cost of Sales – Trading Goods	\$9,570,847	\$905,577
Consultancy & Professional fee expenses	\$24,662	\$78,109
Directors fee expenses	\$204,000	\$291,150
Share based payment expense	\$109,500	\$226,000
Impairment of intangible of assets	\$Nil	\$1,225,800

Net tangible assets per security were \$0.00 at 30 June 2017 (2016: \$0.00).

**4. Commentary on Results**

As the graph below illustrates, 2017 has been a transformative year for Jatenergy Limited, with total sales of almost \$10 million, driven by the soft commodity trading business. This business was launched the previous financial year when the Group exited the Indonesian coal business. The Group continues to consider new energy strategies and projects, in particular those in photovoltaics (solar) in Victoria and methanogenesis in NSW. The Group is seeking investments where evaluation and due diligence demonstrate robust economics.

This success has largely been driven by three factors: JAT's extensive Chinese business network, precise attention to the regulatory environment, and a portfolio approach to products and market segments.

**Receipts from customers since company inception in 2007 to present. in millions of Australian dollars.**



The Board expects this approach will continue to assist JAT to exploit the massive potential of the Chinese market.

**5. Dividends**

The Company has not paid dividends and is not proposing to pay dividends.

**6. Statement of profit or loss and other comprehensive income**

Refer to attached Statement of profit or loss and other comprehensive income

**7. Statement of financial position**

Refer to attached statement of financial position

**8. Statement of changes in equity**

Refer to attached statement of changes in equity

**9. Statement of cash flows**

Refer to attached statement of cash flows

**10. Segment results**

The Company in the past year has changed with its exit from coal in Indonesia. All reports to the Board are on a consolidated basis for the Group being recognised as one segment.

The Company is now managed primarily on the basis as one entity and therefore Company's operating segment is determined on the same basis.

For reporting purposes, the entity now only operates in one geographical area, being Australia.

	<b>Consolidated Entity</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Trading Income	9,779,004	936,815
<b>Total Revenue</b>	<b>9,779,004</b>	<b>936,815</b>
<b>Other Income</b>		
Interest	1,218	4,192
Rental income	41,577	24,503
Miscellaneous Income	4,939	1,542
<b>Total Other Income</b>	<b>47,734</b>	<b>30,237</b>

**11. Details of entities over which control has been gained or lost**

The Company has decided to commence deregistration of Blackrock Resources Pty Ltd. All outstanding intercompany loans with these companies have been written off as they are considered irrecoverable by the directors. The Company registered AusJat Pty Ltd in December 2015 but will commence deregistration of the company in this coming year as its purpose for formation has been terminated.

On 25 August 2017, the Company incorporated a new subsidiary company – Cobbitty Country Pty Ltd. Apart from these changes there have been no other amendments to the Group in the current year.

**12. Details of associates and joint venture entities**

The Company has no associates or joint ventures.

**13. Status of audit and description of likely disputes or qualifications**

This preliminary final report is in the process of being audited. No matters have arisen which would result in a dispute or qualification.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2017

		Consolidated Entity	
		2017	2016
	Note	\$	\$
Revenue	3	9,779,004	936,815
Cost of goods Sold		(9,570,847)	(905,577)
Gross Profit		208,157	31,238
Other Revenue		47,734	30,237
Consultancy & professional fees		(24,662)	(78,109)
Insurance expense		(31,241)	(30,279)
Share based payments		(109,500)	(226,000)
Depreciation expense		(7,844)	(2,633)
Loss on disposal of assets		(5,874)	-
Directors' fees		(204,000)	(291,150)
Employee benefits expense		272	(3,903)
Travel expenses		(11,549)	(15,320)
Occupancy expenses		(60,577)	(48,573)
Finance costs		(3,659)	(2,263)
Other expenses		(203,282)	(74,110)
Coal production costs		-	(16,498)
Loss on derecognition of controlled entities		-	(25,654)
Impairment of assets		-	(1,225,800)
<b>Loss before income tax</b>	4	<b>(406,025)</b>	<b>(1,978,817)</b>
Income tax expense		-	-
<b>Loss for the year</b>		<b>(406,025)</b>	<b>(1,978,817)</b>
<b>Other Comprehensive Income</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		-	-
<b>Total comprehensive loss for the year</b>		<b>(406,025)</b>	<b>(1,978,817)</b>
Loss attributable to:			
- Members of parent entity		(406,004)	(1,975,417)
- Non-controlling interest		(21)	(3,400)
		<b>(406,025)</b>	<b>(1,978,817)</b>
Total comprehensive loss attributable to:			
- Members of parent entity		(406,004)	(1,975,417)
- Non-controlling interest		(21)	(3,400)
		<b>(406,025)</b>	<b>(1,978,817)</b>
<b>Loss per share for loss attributable to the ordinary equity holders of the company</b>			
		Cents	Cents
Basic loss per share	11	(0.2)	(1.3)
Diluted loss per share	11	(0.2)	(1.3)

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

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

Consolidated Entity			
		2017	2016
	Note	\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	98,968	235,040
Trade and other receivables	6	82,796	357,000
Total current assets		181,764	592,040
<b>Non-current assets</b>			
Plant and equipment	7	-	5,464
Total non-current assets		-	5,464
<b>Total assets</b>		<b>181,764</b>	<b>597,504</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	53,113	578,679
Total current liabilities		53,113	578,679
<b>Total liabilities</b>		<b>53,113</b>	<b>578,679</b>
<b>Net assets</b>		<b>128,651</b>	<b>18,825</b>
<b>Equity</b>			
Contributed equity	9	28,497,444	27,981,593
Non-controlling interest		880,720	880,741
Reserves		-	-
Accumulated losses		(29,249,513)	(28,843,509)
<b>Total equity</b>		<b>128,651</b>	<b>18,825</b>

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2017

	Contributed Equity	Non- Controlling Interest	Reserves	Accumulated Losses	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2015</b>	<b>27,420,664</b>	<b>884,141</b>	<b>(124,684)</b>	<b>(26,743,408)</b>	<b>1,436,713</b>
Loss for the year	-	(3,400)	-	(1,975,817)	(1,975,817)
Reserves transferred to retained earnings	-	-	124,684	(124,684)	-
<b>Total comprehensive income</b>	<b>-</b>	<b>(3,400)</b>	<b>124,684</b>	<b>(2,100,101)</b>	<b>(1,978,817)</b>
Issue of Capital	571,188	-	-	-	571,188
Transaction Costs	(10,259)	-	-	-	(10,259)
<b>Transaction with owners</b>	<b>560,929</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>560,929</b>
<b>Balance at 30 June 2016</b>	<b>27,981,593</b>	<b>880,741</b>	<b>-</b>	<b>(28,843,509)</b>	<b>18,825</b>
<b>Balance at 1 July 2016</b>	<b>27,981,593</b>	<b>880,741</b>	<b>-</b>	<b>(28,843,509)</b>	<b>18,825</b>
Loss for the year	-	(21)	-	(406,004)	(406,025)
<b>Total comprehensive income</b>	<b>-</b>	<b>(21)</b>	<b>-</b>	<b>(406,004)</b>	<b>(406,025)</b>
Issue of Capital	515,851	-	-	-	515,851
Transaction Costs	-	-	-	-	-
<b>Transaction with owners</b>	<b>515,851</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>515,851</b>
<b>Balance at 30 June 2017</b>	<b>28,497,444</b>	<b>880,720</b>	<b>-</b>	<b>(29,249,513)</b>	<b>(128,651)</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2017

## Consolidated Entity

		2017	2016
	Note	\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers		10,139,970	616,299
Payments to suppliers and employees		(10,587,312)	(1,143,136)
Interest received		1,218	4,192
Interest paid		-	(2,263)
Net cash outflow from operating activities	10	(446,124)	(524,908)
<b>Cash flows from investing activities</b>			
Payments for plant & equipment		(8,255)	(2,072)
Net cash inflow/(outflow) from investing activities		(8,255)	(2,072)
<b>Cash flows from financing activities</b>			
Proceeds from issues of shares		318,352	342,593
Transactions costs		-	(10,259)
Net cash inflow from financing activities		318,352	332,333
<b>Net (decrease) in cash and cash equivalents</b>		(136,027)	(194,647)
Cash and cash equivalents at the beginning of the financial year		235,040	429,687
Effect of exchange on cash holdings in foreign currencies		(45)	-
<b>Cash and cash equivalents at end of year</b>	5	98,968	235,040

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

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

This financial report covers the consolidated entity consisting of Jatenergy Limited and its controlled entities.

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

The financial report is presented in Australian currency.

Jatenergy Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 4.06  
55 Miller Street  
Pyrmont NSW 2009

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All press releases, financial reports and other information are available on our website: [www.jatenergy.com](http://www.jatenergy.com).

## 1. Summary of significant accounting policies

### Basis of preparation

These general purpose 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 is 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 stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Jatenergy Ltd is the Group's ultimate parent company. Jatenergy Ltd is a public company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is Suite 4.06, 55 Miller Street, Pyrmont, New South Wales 2009, Australia. The consolidated financial statements for the year ended 30 June 2017 were approved and authorised for issue by the Board of Directors on xx September 2017.

### (a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, JAT Energy Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 1. Summary of significant accounting policies (cont)

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

### (b) Going concern basis of accounting

The financial statements have been prepared on a going concern basis. The Group has incurred an operating loss for the year of \$406,025 (2016: \$1,978,817) and has negative cash flows from operating activities of \$446,124 (2016: \$524,908). The Company raised \$156,602 in equity through an entitlement offer in December 2016, \$101,750 through a placement in May 2017, \$60,000 through a placement in June 2017 and \$197,500 to settle fees through the issue of 17,173,913 shares in June 2017. The Directors are managing the Company’s cash flows carefully to meet its operational commitments. The Directors intend to fund the Company activities from future sales of its trading business and further capital raisings. Therefore, the Directors consider that the going concern basis is appropriate. Should the Group be unable to raise further funds or continue its trading activities profitably then there will be a material uncertainty over the ongoing viability of the Company.

### (c) Revenue and other income

Interest income is recognised on a time proportion basis using the effective interest method.

Revenue from trading income is recognised when the significant risks and rewards of ownership of the goods have passed from the buyer to the seller.

### (d) Income tax

The income tax expense or revenue for the period is the tax payable on the current period’s taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 1. Summary of significant accounting policies (cont)

### (e) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged 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 life of the lease term.

### (f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

### (g) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

### (h) Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

### (i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 1. Summary of significant accounting policies (cont)

### (j) Financial instruments

#### *Recognition and initial 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 Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs.

#### *Classification and subsequent measurement*

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through 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 value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

#### (i) 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.

Loans and receivables are included in current assets, as they are expected to mature within 12 months after the end of the reporting period.

#### (ii) Financial liabilities:

Non-derivative financial liabilities are subsequently measured at amortised cost.

#### *Impairment*

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 1. Summary of significant accounting policies (cont)

### *De-recognition*

Financial assets are de-recognised where the contractual rights to receipt of cash flows expires 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 de-recognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value 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.

### (k) Plant and equipment

Plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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.

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The depreciation rates used for each class of depreciable assets are:

- Furniture, fittings and office equipment 20-33%

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

### (l) Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

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

Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in statement of profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale financial assets are included in the fair value reserve in other comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 1. Summary of significant accounting policies (cont)

### (iii) Group companies

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

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

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

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

### (m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 2 Segment information

The Company in the past year has changed with its exit from coal in Indonesia. All reports to the Board are on a consolidated basis for the Group being recognised as one segment.

The Company is now managed primarily on the basis as one entity and therefore Company's operating segment is determined on the same basis.

For reporting purposes, the entity now only operates in one geographical area, being Australia.

## 3 Revenue

	Consolidated Entity	
	2017	2016
	\$	\$
<b>Revenue</b>		
Trading Income	9,779,004	936,815
<b>Total Revenue</b>	<b>9,779,004</b>	<b>936,815</b>
<b>Other Income</b>		
Interest	1,218	4,192
Rental income	41,577	24,503
Miscellaneous Income	4,939	1,542
<b>Total Other Income</b>	<b>47,734</b>	<b>30,237</b>

## 4 Expenses

	Consolidated Entity	
	2017	2016
	\$	\$
<b>Loss before income tax includes the following specific expenses:</b>		
Depreciation of plant and equipment	13,718	2,633
Finance costs	3,659	2,263
Loss on derecognition of controlled entities	-	25,654
Impairment of asset held for sale	-	1,225,800
Consultancy & Professional Fees	24,662	78,109
Share based payment expense	109,500	226,000
Rental expense relating to operating lease	60,577	48,573

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 5 Cash and cash equivalents

	Consolidated Entity	
	2017	2016
	\$	\$
Cash at bank and in hand	98,968	135,007
Term deposit	-	100,033
<b>Total</b>	<b>98,968</b>	<b>235,040</b>

### (a) Cash

The cash in the term deposit accounts earns floating interest rates of between 1.65% and 1.90% (2016: 1.5% to 2.0%).

### (b) Interest rate risk

The Group's exposure to interest rate risk relates primarily to the cash balances in the investment account detailed above. The Group's and the parent entity's exposure to interest rate risk is discussed in note 2.

## 6 Trade and other receivables

	Consolidated Entity	
	2017	2016
	\$	\$
Trade receivables	65,267	303,472
Other receivables	17,529	53,528
<b>Total</b>	<b>82,796</b>	<b>357,000</b>

	Gross Amount \$000	Past Due and Impaired \$000	Past Due but Not Impaired (Days Overdue)				Within Initial Trade Terms \$000
			< 30 \$000	31-60 \$000	61-90 \$000	> 90 \$000	
<b>2017</b>							
Trade and term receivables	65,267						65,267
Other receivables	17,529						17,529
<b>Total</b>	<b>82,796</b>						<b>82,796</b>
<b>2016</b>							
Trade and term receivables	303,472	-	-	500	-	-	302,972
Other receivables	53,528	-	-	-	-	-	53,528
<b>Total</b>	<b>357,000</b>	-	-	-	-	-	<b>303,472</b>

### (a) Effective interest rates and credit risk

There is no interest rate risk for the balance of trade and other receivables.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 7 Property, Plant and equipment

	2017 \$	2016 \$
Furniture & fixtures		
Cost	8,254	40,057
Accumulated Depreciation	(8,254)	(34,593)
	<u>-</u>	<u>5,464</u>

Movements in Carrying Amounts	Furniture and Fittings	Total
Balance at 1 July 2016	5,464	5,464
Additions	8,254	-
Write-off assets	(5,874)	-
Depreciation	(7,844)	-
<b>Balance at 30 June 2017</b>	<u>-</u>	<u>-</u>

## 8 Trade and other payables

	Consolidated Entity	
	2017	2016
	\$	\$
Trade payables	53,113	578,679
<b>Total</b>	<b>53,113</b>	<b>578,679</b>

Trade payables are non-interest bearing. Their fair value approximates their carrying amount.

## 9 Contributed equity

		Consolidated Entity	
		2017	2016
	Notes	\$	\$
<b>Share capital</b>			
Ordinary Shares			
219,161,351 (2016: 172,262,035) Fully paid shares	(a)	28,497,444	27,981,592
<b>Total Share Capital</b>		<b>28,497,444</b>	<b>27,981,592</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 9 Contributed equity (cont)

### (a) Movements in ordinary share capital

	2017	2016	2017	2015
	\$	\$	Number	Number
At the beginning of the reporting period	27,981,592	27,420,664	172,262,035	141,456,840
Share issues during the year:				
7 November 2015(Placement)		2,594		152,686
10 December 2015(Entitlement issue)		342,593		20,152,509
27 April 2016(Share based payment)		209,000		9,500,000
17 May 2016(Share cancellation)		(83,891)		(4,934,793)
20 May 2016(Placement)		83,891		4,934,793
27 June 2016(Share based payment)		17,000		1,000,000
30 December 2016 (Entitlement issue)	156,602		15,660,185	
15 May 2017 (Placement)	101,750		8,847,826	
28 June 2017 (Share based payment)	197,500		17,173,913	
28 June 2017 (Placement)	60,000		5,217,392	
Transaction costs		(10,259)	-	-
<b>Closing balance</b>	<b>28,497,444</b>	<b>27,981,592</b>	<b>219,161,351</b>	<b>172,262,035</b>

### (b) Ordinary shares

The Company does not have a limited amount of authorised capital.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held and do not have a par value.

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.

### (c) Options

There are no director or executive options, on issue during or outstanding at year end.

### (d) Capital risk management

The Group's and parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

## 10 Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated Entity	
	2017	2016
	\$	\$
Loss for the year	(406,025)	(1,978,817)
Depreciation	7,844	2,633
Loss on disposal of assets	5,874	-
Bad Debt expense	-	500
Share based payment expense	109,500	226,000
Loss on derecognition of subsidiaries	-	25,654
Impairment of assets	-	1,225,800
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	274,204	(320,516)
(Decrease)/increase in trade and other payables	(437,521)	293,838
<b>Net cash outflow from operating activities</b>	<b>(446,124)</b>	<b>(524,908)</b>

## 11 Loss per share

	Consolidated Entity	
	2017	2016
	cents	cents
(a) Basic and diluted loss per share		
Basic loss attributable to the ordinary equity holders of the Company	(0.2)	(1.3)
Diluted loss attributable to the ordinary equity holders of the Company	(0.2)	(1.3)
(b) Loss used in calculating basic and diluted loss per share	(406,025)	(1,978,817)
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share.	181,308,436	154,397,083
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share.	181,308,436	154,397,083