Appendix 4D

1. Company Details

Name of Entity

UltraCharge Limited (Formerly Lithex Resources Limited)

ABN	Half year ended ("current period")	Half year ended ("previous period")
97 140 316 463	31 December 2016	31 December 2015

2. Results for announcement to the market

			USD $
2.1 Revenues from continuing operations	Up	100% to	649
2.2 Profit / (loss) from continuing operations after tax attributable to members	Down	8,905% to	(2,230,122)
2.3 Net profit / (loss) for the period attributable to members	Down	8,905% to	(2,230,122)

2.4 Dividends	Amount per security	Franked amount per security
Interim dividend declared	N/A	N/A
2.5 Record date for determining entitlements to the dividend		N/A

2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood

On 19 December 2016, the Company, the formerly named Lithex Resources Limited, completed its acquisition of 100% of Ultracharge Ltd (Ultracharge Israel) together with a raising of $3.5 million (Acquisition Transaction). The acquisition of Ultracharge Pte resulted in the shareholders of Ultracharge Israel obtaining control of the merged entity.

3. Net tangible assets per security	31 December 2016 $	31 December 2015 $
Net tangible asset backing per ordinary security	0.0038	38.05

Note: There was only 1,000 shares issued upon incorporation on 9 December 2015.

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

4.1. Control gained over entities

On 19 December 2016, the Company, the formerly named Lithex Resources Limited, completed its acquisition of 100% of Ultracharge Ltd (Ultracharge Israel) and changed its name to UltraCharge Limited. The acquisition of Ultracharge Israel resulted in the shareholders of Ultracharge Israel obtaining control of the merged entity.

	31 December 16	31 December 15
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	(1,302,830)	(24,766)

4.2. Control lost over entities

N/A

5. Dividends

Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend:				
Current year	N/A	N/A	N/A	N/A
Previous year	N/A	N/A	N/A	N/A

6. Dividend reinvestment plans

The dividend or distribution plans shown below are in operation.

N/A	
The last date(s) for receipt of election notices for the dividend or distribution plans.	N/A

7. Details of associates and joint entities

N/A

8. Foreign entities

This financial report is the Consolidated Entity's first consolidated financial statements prepared in accordance with Australian Accounting Standards ("AASB") and International Financial Reporting Standards ("IFRS"). Accordingly, in preparing the consolidated financial statements, AASB 1 First-time Adoption of Australian Accounting Standards ("AASB 1") has been applied. Prior to the adoption of AASB, the Consolidated Entity's financial statements were prepared as special purpose financial statements to meet the needs of members. As these financial statements are the Consolidated Entity's first annual financial statements prepared in accordance with AASB, the group considered the transitional exceptions and exemptions in AASB 1 and has updated its accounting policies in line with the requirements of Australian Accounting Standards.

9. If the accounts are subject to audit dispute or qualification, details are described below.

N/A

Sign here: Date: 28 February 2017

Managing Director

Print Name: Kobi Ben-Shabat

ULTRACHARGE LIMITED

(FORMERLY LITHEX RESOURCES LIMITED)

ABN 97 140 316 463

Interim Financial Report for the Half-Year Ended 31 December 2016

The information contained in this report is to be read in conjunction with UltraCharge Limited's 2016 Annual Report, any announcements to the market by UltraCharge Limited during the half-year period ended 31 December 2016.

Directors' report

Your Directors submit the financial report for the company for the half-year ended 31 December 2016.

Directors

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

Mr Doron Nevo – Non-Executive Chairman (appointed 2 December 2016)

Mr Kobi Ben-Shabat – Managing Director (appointed 2 December 2016)

Mr Yury Nehushtan – Non-Executive Director (appointed 2 December 2016)

Mr John Paitaridis – Non-Executive Director (appointed 2 December 2016)

Mr David Wheeler – Non-Executive Director

Ms Paula Cowan – Non-Executive Director (resigned 2 December 2016)

Mr Joe Graziano – Non-Executive Director (resigned 2 December 2016)

Review of Operations

RESULTS OF OPERATIONS

During the half year, ended 31 December 2016, UltraCharge Ltd (**the Company** or **UltraCharge**) reported a net loss after tax attributable to the members of UltraCharge Limited of $2,230,122 (31 December 2015: $24,766).

Reverse acquisition

On 19 December 2016, the Company, the formerly named Lithex Resources Limited, completed its acquisition of 100% of Ultracharge Ltd (**Ultracharge Israel**) together with raising $3,500,000 (**Acquisition Transaction)**. The acquisition of Ultracharge Israel resulted in the shareholders of Ultracharge Israel obtaining control of the merged entity. In addition, the board of directors of the merged entity was restructured such that two of the Company's three directors stepped down and were replaced by Ultracharge Israel's nominees. A nominee of Ultracharge Israel serves as the Managing Director and the Ultracharge Israel management team has assumed responsibility for the management of the merged entity.

The combination of these factors resulted in the Acquisition Transaction being treated as a reverse acquisition for accounting purposes. Consequently, the Company (the legal parent) has been accounted for as the acquiree and UltraCharge Israel (the legal subsidiary) has been accounted for as the acquirer. As the Company was a listed shell at the transaction date, the Acquisition Transaction has been accounted for as a share based payment by which UltraCharge Israel acquired the net assets and listing status of Lithex Resources Limited (renamed as UltraCharge Limited).

Accordingly, the consolidated entity represents a continuation of the business and operations of UltraCharge Israel. The results for the period ended 31 December 2016 comprise the results of UltraCharge Israel for the full period and the results of UltraCharge for the period post completion of the Acquisition Transaction.

The financial results of the Company are presented in US Dollars and all comparative information provided is that of UltraCharge Israel, unless otherwise stated.

Business performance

UltraCharge has made significant progress in its strategy to grow the business, highlighted by the following key achievements:

- UltraCharge established a laboratory facility in Israel capable of conducting nanotube synthesis and the fabrication of the nanotube anodes.

- The new laboratory facility has state of the art equipment facilitating development, analysis and testing, fast tracking development and production.

- Successfully transferred patented nanotube synthesis technology from Nanyang Technology University in Singapore (**NTU**) to the new UltraCharge facility in Israel.

- Extremely positive Titanate Nanotube batch process results for batches created in the new UltraCharge facility with nanotubes synthesis twenty times better than achieved in NTU Laboratory.

- Batch results to date indicate technology will deliver lithium ion batteries that can be charged at faster rates with reduced overheating and a significantly improved lifespan

The principal activities of the Company are investing in research, development and commercialisation of intellectual property relating to lithium-ion battery technology.

As noted earlier in this report, the Company successfully completed the Acquisition Transaction on 19 December 2016. The Acquisition Transaction has resulted in a change in the nature of the Company's activities from a mineral exploration company to a research, development and commercialisation of intellectual property relating to lithium-ion battery technology company.

Other than set out above, there were no other significant changes to the nature of the consolidated group's principal activities during the period.

About the business

As announced to ASX on 13 May 2016 the Company entered into binding Heads of Agreement which, subject to shareholder approval and the satisfaction of certain other conditions, to acquire all the issued shares in the capital of UltraCharge Israel, an Israeli company limited by shares. UltraCharge Israel invests in research, development and commercialisation of intellectual property relating to lithium-ion battery technology.

UltraCharge is an Australian Company with a subsidiary in Israel conducting research and development dedicated to creating leading edge Lithium-Ion battery (**LIB**).

UltraCharge's LIB technology uses a titanium dioxide nanotube gel to significantly increase battery performance. Several characteristics of current LIB technology are limiting their utilisation in wider applications. The Company is aiming to develop and commercialise its technology into manufacturing processes for lithium ion batteries in the fast expanding market towards new applications in electric mobility and energy storage.

In addition, the Company undertook a capital raise under a Prospectus of $3,500,000 at $0.05 per share in accordance with the Acquisition Transaction.

On 19 December 2016, the Acquisition Transaction was completed with the following issues effected:

(i) 485,900,000 Ordinary Shares issued to the UltraCharge Israel vendors (or their respective nominee) in consideration for the acquisition of their respective shares in UltraCharge Israel;

(ii) 57,500,000 Performance Rights issued to the advisors, service providers and management of UltraCharge (or their respective nominee) pursuant to the terms of the acquisition agreement and in order to incentivise those parties to continue providing services to UltraCharge following completion. Subsequent to the end of the period, on 9 January 2017, the Company issued the remaining 2,500,000 Performance Rights pursuant to the terms of the acquisition agreement, bringing the total number of Performance Rights on issue at the date of this report to 60,000,000. Details of the performance shares are disclosed in note 7;

(iii) 24,295,000 Ordinary Shares issued to the CPS Capital Group Pty Ltd (or its Nominees) in full for services provided under the CPS Mandate;

(iv) 70,000,000 Options to Armada Capital Pty Ltd (or its Nominees) in consideration of services provided in respect of the Acquisition Transaction and capital raising; and

(v) 70,000,000 Ordinary Shares issued to investors who subscribed in the capital raising.

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

The lead auditor's independence declaration is set out on page 5 and forms part of the directors' report for the half-year ended 31 December 2016.

Signed in accordance with a resolution of the Board of Directors:

Kobi Ben-Shabat
Managing Director
Dated this 28th day of February 2017

Building a better working world

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Auditor's Independence Declaration to the Directors of UltraCharge Limited

As lead auditor for the review of UltraCharge Limited for the half-year ended 31 December 2016, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of UltraCharge Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

G Lotter
Partner
28 February 2017

GL:EH:UTR:028

Consolidated statement of comprehensive income

for the half-year ended 31 December 2016

	Note	Half year ended 31 December 2016 $	Period ended 31 December 2015 $
Revenue		649	-
General and administrative expenses		(426,103)	(24,766)
Corporate expenses	6	(9,889)	-
Sales and marketing expenses		(101,455)	-
Research and development expenses		(437,200)	-
Other expenses		(10,524)	-
Net foreign exchange loss		(37,260)	
Share based payments		(171,965)	
Listing expense	9	(1,036,375)	-
Loss before income tax		**(2,230,122)**	**(24,766)**
Income tax expense		-	-
Loss after tax		**(2,230,122)**	**(24,766)**
Other comprehensive income/(expense) for the period		-	-
Total comprehensive loss for the period		**(2,230,122)**	**(24,766)**
Total comprehensive loss attributable to members of UltraCharge Limited		**(2,230,122)**	**(24,766)**
Loss per share (cents per share)		(0.4)	(0.0)
Diluted loss per share (cents per share)		(0.4)	(0.0)

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

as at 31 December 2016

	Note	As at 31 December 2016 $	As at 30 June 2016 $
ASSETS			
Current Assets			
Cash and cash equivalents		3,056,971	278,079
Receivables and prepayments		152,494	20,348
Other financial assets		13,005	-
Total Current Assets		3,222,470	298,427
Non-Current Assets			
Property, plant and equipment		32,494	-
Other financial assets		-	13,001
Intangible assets		3,686,230	3,686,230
Total Non-Current Assets		3,718,724	3,699,231
TOTAL ASSETS		6,941,194	3,997,658
LIABILITIES			
Current Liabilities			
Trade and other payables		359,464	23,067
Other creditors		55,566	222,297
TOTAL CURRENT LIABILITIES		415,030	245,364
TOTAL LIABILITIES		415,030	245,364
NET ASSETS		6,526,164	3,752,294
EQUITY			
Contributed equity	7	8,267,443	4,117,623
Other reserves		1,540,812	686,640
Accumulated losses		(3,282,091)	(1,051,969)
TOTAL EQUITY		6,526,164	3,752,294

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

for the half-year ended 31 December 2016

	Note	Contributed equity $	Accumulated Losses $	Share Based Payments Reserve $	Total $
Balance as at 9 December 2015 (date of incorporation)		-	-	-	-
Loss attributable to members of the entity for the period ended 31 December 2015		-	(24,766)	-	**(24,766)**
Total comprehensive loss for the period		**-**	**(24,766)**	**-**	**(24,766)**
Transactions with owners in their capacity as owners					
Issue of share capital		63,138	-	-	**63,138**
Balance as at 31 December 2015		**63,138**	**(24,766)**	**-**	**38,372**
Balance as at 1 July 2016		**4,117,623**	**(1,051,969)**	**686,640**	**3,752,294**
Loss attributable to members of entity for the half year ended 31 December 2016		-	(2,230,122)	-	**(2,230,122)**
Total comprehensive loss for the year		**-**	**(2,230,122)**	**-**	**(2,230,122)**
Transactions with owners in their capacity as owners					
Issue of share capital		3,230,790			**3,230,790**
Deemed fair value of consideration transferred in reverse acquisition		1,221,003		63,067	**1,284,070**
Shares issued by UltraCharge as consideration for consultancy services		405,354			**405,354**
Share based payments - options issued				619,140	**619,140**
Share based payments - performance rights issued				171,965	**171,965**
Transaction costs		(707,327)			**(707,327)**
As at 31 December 2016		**8,267,443**	**(3,282,091)**	**1,540,812**	**6,526,164**

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

for the half-year ended 31 December 2016

	Note	Half-Year ended 31 December 2016 $	Period ended 31 December 2015 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,370,091)	-
Interest received		649	
Net cash flows used in operating activities		(1,369,442)	-
CASH FLOWS FROM INVESTING ACTIVITIES			-
Purchase of plant and equipment		(33,047)	
Cash acquired on completion of reverse acquisition	9	1,163,226	
Net cash flows from investing activities		1,130,179	-
CASH FLOWS FROM FINANCING ACTIVITIES			-
Proceeds from issue of shares		3,232,257	63,138
Payment of share issue costs		(291,474)	-
Net cash flows from financing activities		2,940,783	63,138
Net increase in cash and cash equivalents		2,701,520	63,138
Cash and cash equivalents at beginning of financial period		279,079	-
Net foreign exchange differences		76,372	-
Cash and cash equivalents at end of financial period		3,056,971	63,138

The accompanying notes form part of these financial statements.

Notes to the financial statements for the half year ended 31 December 2016

Note 1: Statement of significant accounting policies

This condensed interim financial report for the half-year reporting period ended 31 December 2016 is a condensed general purpose financial report prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of UltraCharge Israel, prepared in accordance with International Financial Reporting Standards (IFRS), for the year ended 30 June 2016 and any public announcements made by UltraCharge Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2016, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or before 1 July 2016.

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

The financial report was authorised for issue by the Directors on 28 February 2017.

The financial report is presented in the US dollars which is the functional currency of the parent.

Basis of Preparation

On 19 December 2016, the Company, the formerly named Lithex Resources Limited, completed its acquisition of 100% of Ultracharge Ltd(Ultracharge Israel) and changed its name to UltraCharge Limited (Ultracharge). The acquisition of Ultracharge Israel resulted in the shareholders of Ultracharge Israel obtaining control of the merged entity. In addition, the board of directors of the merged entity was restructured such that two of the Company's three directors stepped down and were replaced by Ultracharge Israel's nominees. A nominee of Ultracharge Israel serves as the Managing Director and the Ultracharge Israel management team has assumed responsibility for the management of the merged entity. Consequently, the acquisition has been accounted for with reference to the guidance for reverse acquisitions set out in AASB 3 *Business Combinations*.

The application of the reverse acquisition guidance contained in AASB 3 has resulted in the Company (the legal parent) being accounted for as the acquiree and UltraCharge Israel (the legal subsidiary) being accounted for as the acquirer As the Company was a listed shell at the transaction date and did not represent a business, the Acquisition Transaction has been accounted for as a share based payment by which UltraCharge Israel acquired the net assets and listing status of UltraCharge.

As a share based payment, the difference between the fair value of the deemed consideration paid by UltraCharge Israel and the fair value of the identifiable net assets of UltraCharge acquired, is recognised as an expense.

Given UltraCharge Israel is considered to be the acquirer for accounting purposes, the 31 December 2016 consolidated interim financial statements of UltraCharge Limited were prepared as a continuation of the business and operations of UltraCharge Israel. As the deemed acquirer, UltraCharge Israel has accounted for the in substance acquisition of UltraCharge from 19 December 2016.

The implications of the acquisition on the consolidated financial statements are as follows:

(i) Statement of comprehensive income

- The 2016 Statement of comprehensive income for the period ended 31 December 2016 comprises the total comprehensive income for the 6 months ended 31 December 16 for UltraCharge Israel, and the period from 19 December 2016 until 31 December 2016 for UltraCharge Limited.
- The comparative information is the Statement of comprehensive income is for the period from the date of incorporation, 9 December 2015, to 31 December 2015 for UltraCharge Israel.

(ii) Statement of financial position

- The 2016 Statement of financial position as at 31 December 2016 represents the combination of UltraCharge Israel and UltraCharge Limited.
- The comparative information as at 30 June 2016 is the Statement of financial position of UltraCharge Israel.

(iii) Statement of changes in equity

- The 2016 Statement of changes in equity comprises:
  - The equity balance of UltraCharge Israel as at 1 July 2016.
  - The total comprehensive income and equity transactions for UltraCharge Israel for the six months ended 31 December 2016 and the period from 19 December 2016 until 31 December 2016 for UltraCharge Limited;
  - The equity balance of the combined UltraCharge Israel and UltraCharge Israel, and its controlled entities, at the end of the financial period, 31 December 2016
- The comparative information for the period ended 31 December 2015 is the Statement of changes in equity of UltraCharge Israel.

(iv) Statement of cash flows

- The 2016 Statement of cash flows comprises:
  - The cash balance of UltraCharge Israel as at 1 July 2016;
  - The cash transactions for the 6 months ended 31 December 2016 of UltraCharge Israel and for the period from 19 December 2016 until 31 December 2016 for UltraCharge Limited;
  - Cash balance of the combined UltraCharge Israel and UltraCharge Limited at the end of the financial period, 31 December 2016.

The comparative information for the period ended 31 December 2016 is the Statement of cash flows of UltraCharge Israel.

Note 2: Segment reporting

The Group consists of one segment operating predominately in Israel and investing in research, development and commercialisation of intellectual property relating to lithium-ion battery technology.

Note 3: Subsequent events

On 9 January 2017, the Company issued 2,500,000 performance rights which will vest (following which the performance rights automatically convert into shares) on a 6-monthly basis in 4 equal instalments with the first instalment vesting on the date that is 6 months from the date of the grant.

On 22 February 2017, the Company announced its plan to seek shareholder approval to undertake a selective reduction of capital, where the Company proposes to cancel 129.2 million shares representing approximately 17.2% of the issued capital (Cancellation Shares). The Cancellations Shares represent approximately 40% of the total shares issued to certain vendors and advisors as part of the Acquisition Transaction. The company further announced the ASX had granted the necessary waiver to enable the selective reduction of capital to proceed.

There has not been in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature that has not been disclosed elsewhere in this report, in the opinion of the directors of the company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Note 4: Contingent Liabilities & Commitments

Contingent liabilities

The Group has a license agreement (the "License Agreement") with Nanyang Technology University (NTU), giving it an exclusive license to develop, manufacture, import, export, use, market and sell the invention and licensed technology from NTU. Under the License Agreement the following contingent consideration is still payable:

A. S$50,000 thousand (approximately $40,000) to be paid upon the finalization of the prototype of the first license product.

B. S$50,000 (approximately $40,000) to be paid upon the first commercial sale of the first licensed product.

In addition, the Group must pay NTU royalty payments at a rate of 3.5% of patented licenses products net sales, and 2.25% of other licensed products net sales.

The Company's obligation for royalty payments will terminate upon the later of:

A. The last licensed patent expiration.
B. 15 years from the date of the first commercial sale of licensed product.

The Group has the right to grant sub-licenses of the licensed technology subject to the license conditions. Under the Licence Agreement, the Group will pay 15% of all sub-license receipts to NTU. The Group has agreed to make reasonable efforts to make the first commercial sale of licensed product within two and a half years following the license agreement's date (the "**Milestone**"). If the Group does not reach the Milestone, NTU will have the right to convert the license granted from exclusive to non-exclusive. The Group may terminate the License Agreement at any time by giving a written notice to NTU.

Commitments

Ultracharge Israel entered into a research project agreement with NTU (the "Research Project Agreement"), in which it was decided on a collaboration that will further develop some of the licensed technology. The agreement states that the Company will fund the project and will pay NTU a total of S$1,500,000 (approximately $1,185,000) over the period of two years, which is the life span of the agreement.

As at the date of this report, the Company has paid NTU S$300,000 (approximately $237,000).

Other than disclosed above, there has been no change in commitments, contingent liabilities or contingent assets since the last annual reporting date.

Note 5: Dividends

No dividends have been paid or provided for during the half-year.

Note 6: Corporate Expenses

	Consolidated	
	Half-Year ended 31 December 2016 $	Period ended 31 December 2015 $
Stock exchange fees	1,397	-
Consultants	7,212	-
Other corporate expenses	1,280	-
	9,889	-

Note 7: Issued capital

	Consolidated	
	31 December 2016 $	30 June 2016 $
749,735,545 (2016: 1,416,567) fully paid ordinary shares	8,267,443	4,117,623

Movement in Issued Capital

The reconciliation of the movement in the number of shares on issue during the period reflects the fact that although UltraCharge Limited's acquisition of UltraCharge Israel is required to be accounted for as a reverse acquisition, the capital structure of the Group is that of the legal parent entity, being UltraCharge Limited.

		31 December 2016 No.	31 December 2016 $.	30 June 2016 No.	30 June 2016 $.
a.	**Ordinary shares**				
	At the beginning of reporting period	1,416,567	4,117,623	1,000	623
	Shares issued during the period				
	Share split	-	-	99,000	-
	Bonus shares	-	-	380,000	-
	Issuance of shares	-	-	399,667	586,000
	Issuance of shares to NTU	-	-	50,000	225,000
	Issuance of shares and options upon acquisition including transactions with owners	-	-	486,900	2,232,000
	Shares to be issued on acquisition of non-controlling interest in UltraCharge Israel	-	-	-	1,074,000
	Issuance of shares prior to Acquisition Transaction	300,833	676,000		
	Elimination of issued shares of UltraCharge Israel following the reverse acquisition	(1,717,400)	-	-	-

	31 December 2016 No.	31 December 2016 $.	30 June 2016 No.	30 June 2016 $.
UltraCharge shares on issue at the date of the reverse acquisition	169,540,545	-	-	-
Shares issued by UltraCharge pursuant to a prospectus	70,000,000	2,554,790	-	-
Deemed reverse acquisition of UltraCharge by UltraCharge Israel (refer to Note 9)	485,900,000	1,221,003	-	-
Shares issued by UltraCharge as consideration for consultancy services provided	24,295,000	405,354		
Less Share issue costs		(707,327)	-	-
At reporting date	749,735,545	8,267,443	1,416,567	4,117,623

Terms and Conditions of Issued Capital

Ordinary Shares

Ordinary shares have the right to receive dividends as declared by the board and, in the event of winding up the Group, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle the holder to one vote either in person or by proxy at a meeting of the Company.

Options on issue

The following reconciles the outstanding share options at the beginning and year end of the financial year:

	2016 No.	2015 No.
Description		
At the beginning of reporting period	153,142	-
Granted during the period prior to the Acquisition Transaction	8,858	
Exercised during the period	(162,000)	
Replacement options under reverse acquisition accounting	22,000,000	
Granted during the period	70,000,000	153,142
Expired during the period	(10,000,000)	-
Balance at the end of the period	82,000,000	153,142
Exercisable at the end of the period	82,000,000	153,142

Options

Each of the options entitles the holder to one fully paid ordinary share in the Group. The terms of the options on issue are:

Unlisted
8,000,000 exercisable at $0.05 before 5 April 2018
4,000,000 exercisable at $0.059 before 5 April 2019
20,000,000 exercisable at $0.05 before 2 December 2019
50,000,000 exercisable at $0.063 before 2 December 2019

Performance Rights on issue

Performance rights were issued to key management personnel as incentive awards. Holders of performance rights do not have any voting or dividend rights in relation to the performance rights.

As at the date of this report, there are 57,500,000 performance rights on issue and will vest (following which the performance rights automatically convert into shares) on a 6-monthly basis in 4 equal instalments with the first instalment vesting on the date that is 6 months from the date of the grant. Based on progress towards meeting the vesting conditions, the share based payment expense relating to performance rights recognised in the period is $171,965.

The vesting dates of the Performance Rights on issue are:

14,375,000 vesting on 2 June 2017
14,375,000 vesting on 2 December 2017
14,375,000 vesting on 2 June 2018
14,375,000 vesting on 2 December 2018

Note 8: Share Based Payment Reserve

The share based payments reserve records items recognised as expenses on share based payments.

	Consolidated	
	2016 $	2015 $
Balance at beginning of period	686,640	-
Fair value of options issued to employees prior to the Acquisition Transaction	42,487	
Fair value of replacement options under reverse acquisition accounting	63,067	
Fair value of options issued as consultancy fee	576,653	
Performance Rights granted 2 December 2016	171,965	
Balance as at end of period	1,540,812	-

Options

Profit and loss

The table below summaries options granted to suppliers during the half-year:

2016								
Grant Date	Expiry date	Exercise price	Balance at start of the period	Granted during the half-year	Exercised during the half-year	Expired during the half-year	Balance at end of the half-year	Exercisable at end of the year
		AUD $	Number	Number	Number	Number	Number	Number
19 Dec 16[1]	31 Dec 16	0.16	-	10,000,000	-	(10,000,000)	-	-
19 Dec 16[2]	5 Apr 18	0.05	-	8,000,000	-	-	8,000,000	-
19 Dec 16[3]	5 Apr 19	0.059	-	4,000,000	-	-	4,000,000	-
2 Dec 16[4]	2 Dec 19	0.0625	-	20,000,000	-	-	20,000,000	-
2 Dec 16[4]	2 Dec 19	0.05	-	50,000,000	-	-	50,000,000	-
26 Jun16	N/A	US$0.01	153,142	8,858	(162,000)	-	-	-

[1 – 4] The options have been valued using the Binomial option pricing model with inputs noted in the above table and further inputs as follows:

- Grant date share price: AUD$0.0229
- Risk-free interest rate: [1]) 1.50%, [2]) 1.57%, [3]) 1.83%, [4]) 1.97%
- Volatility: 109%

Note 9: Reverse acquisition

On 19 December 2016, the Company, the formerly named Lithex Resources Limited, completed its acquisition of 100% of Ultracharge Ltd (Ultracharge Israel) and changed its name to UltraCharge Limited (Ultracharge). The acquisition of Ultracharge Israel resulted in the shareholders of Ultracharge Israel obtaining control of the merged entity. In addition, the board of directors of the merged entity was restructured such that two of the Company's three directors stepped down and were replaced by Ultracharge Israel's nominees. A nominee of Ultracharge Israel serves as the Managing Director and the Ultracharge Israel management team has assumed responsibility for the management of the merged entity. Consequently, the acquisition has been accounted for with reference to the guidance for reverse acquisitions set out in AASB 3 *Business Combinations*.

The application of the reverse acquisition guidance contained in AASB 3 has resulted in the Company (the legal parent) being accounted for as the acquiree and UltraCharge Israel (the legal subsidiary) being accounted for as the acquirer. As the Company was a listed shell at the transaction date, the Acquisition Transaction has been accounted for as a share based payment by which UltraCharge Israel acquired the net assets and listing status of UltraCharge.

As a share based payment, the difference between the fair value of the deemed consideration paid by UltraCharge Israel and the fair value of the identifiable net assets of UltraCharge acquired, is recognised as an expense.

Given UltraCharge Israel is considered to be the acquirer for accounting purposes, the 31 December 2016 consolidated interim financial statements of UltraCharge Limited were prepared as a continuation of the business and operations of UltraCharge Israel. As the deemed acquirer, UltraCharge Israel has accounted for the in substance acquisition of UltraCharge Limited from 19 December 2016.

On 19 December 2016, the Acquisition Transaction was completed with the following issues effected.

(i) 485,900,000 Ordinary Shares issued to the UltraCharge Israel vendors (or their respective nominee) in consideration for the acquisition of their respective shares in UltraCharge Israel;

(ii) 57,500,000 Performance Rights issued to the advisors, service providers and management of UltraCharge (or their respective nominee) pursuant to the terms of the acquisition agreement and in order to incentivise those parties to continue providing services to UltraCharge following completion. Details of the Performance Rights are disclosed in note 8;

(iii) 24,295,000 Ordinary Shares issued to the CPS Capital Group Pty Ltd (or its nominees) in full for services provided under the CPS Mandate;

(iv) 70,000,000 Options to Armada Capital Pty Ltd (or its nominees) in consideration of services provided in respect of the Acquisition Transaction and capital raising; and

(v) 70,000,000 Ordinary Shares issued to investors who subscribed in the capital raising.

Details of the fair value of the identifiable net assets acquired and the excess consideration are set out below:

	$
Deemed share based consideration[1]	1,284,070
Transaction costs	718,727
	2,002,797
Less: Net identifiable assets acquired (see below)	966,422
Listing expense	**1,036,375**

1. Based on the number of equity instruments that Ultracharge Israel would have had to issue to give the owners of the Company the same percentage interest in the consolidated entity. The fair value per share at the date of acquisition was estimated to be $0.0025 based on the net assets of Ultracharge Israel.

The identifiable assets and liabilities of the Company at the date of the acquisition were as follows:

	$
Assets	
Cash and cash equivalents	1,163,226
Trade and other receivables	38,878
Other current assets	43,406
Property, plant and equipment	432
Total assets	**1,245,942**
Liabilities	
Trade and other payables	279,520
Total identifiable net assets of UltraCharge acquired	**966,422**

The net cash inflow arising as a result of the reverse acquisition was $1,163,226.

Note 10: Related parties transactions

Key management personnel

Reblaze Singapore Pte Ltd, a related party of Mr Kobi Ben-Shabat, Managing Director, provided re-compliance and associated services to the Group during the period on normal commercial terms and conditions. The aggregate amount recognised during the period relating to the agreement was $45,000 (30 June 2016: $nil), nil of which was outstanding at 31 December 2016 (30 June 2016: $nil).

Note 11: Financial Instruments

The fair value of financial assets and financial liabilities of the Group approximated their carrying amount at the balance sheet date.

Directors' declaration

The directors of the company declare that:

1. in the directors' opinion, the financial statements and accompanying notes are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standard AASB 134: Interim Financial Reporting; and

    b. give a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half year ended on that date;

2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Kobi Ben-Shabat
Director
Dated this 28th day of February 2017

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To the members of UltraCharge Limited

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of UltraCharge Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of UltraCharge Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of UltraCharge Limited is not in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and

b. complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

Ernst & Young

Ernst & Young

G Lotter
Partner
Perth
28 February 2017