AUS ASIA MINERALS LTD

ACN 121 969 819

ANNUAL REPORT
For the year ended 30 June 2017

AUS ASIA MINERALS LIMITED
ACN 121 969 819
ANNUAL REPORT 30 JUNE 2017

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AUS ASIA MINERALS LIMITED
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Corporate Directory

DIRECTORS

NICHOLAS YOUNG
Director
(Appointed 27 April 2018)

KYLA GARIC
Director
(Appointed 27 April 2018)

MICHAEL DAVY
Director
(Appointed 27 April 2018

COMPANY SECRETARY
KYLA GARIC
(Appointed 27 April 2018)

REGISTERED OFFICE
108 Outram Street
West Perth, WA 6005
Telephone (08) 9486 7244
Facsimile (08) 9486 6373

FOR INFORMATION ON THE COMPANY CONTACT

AUDITORS
Bentleys Audit & Corporate (WA) Pty Ltd
Level 3, 216 St Georges Terrace
Perth WA 6000
Telephone: (08) 9226 4500
Facsimile: (08) 9226 4300

STOCK EXCHANGE
Australian Securities Exchange (ASX)

COMPANY CODE (quoted)
AQJ (Fully paid shares)

FOR SHAREHOLDER INFORMATION CONTACT

SHARE REGISTRY
Automic Pty Ltd
PO Box 2226
Strawberry Hills, NSW 2012
Telephone 1300 288 664 (local)
Telephone +61 2 9698 5414 (international)

AUS ASIA MINERALS LIMITED
ACN 121 969 819
ANNUAL REPORT 30 JUNE 2017

DIRECTORS' REPORT

The Directors present this report, together with the interim financial statements for Aus Asia Minerals Limited ("**AQJ" or "the Company"**) and its subsidiaries ("**the Group**") for the year ended 30 June 2017.

The powers of the Directors were suspended from 28 August 2017, being the date of the appointment of the Joint and Several Administrators and remain so during the term of the Deed of Company Arrangement ("DOCA") made in relation to the Company.

Directors

The names and the particulars of the Directors who held office during or since the end of the year and until the date of this report are disclosed below.

Name	Status	Appointment/ Resignation
Mr Nicholas Young	Director	*appointed 27 April 2018*
Ms Kyla Garic	Director	*appointed 27 April 2018*
Mr Michael Davy	Director	*appointed 27 April 2018*
Mr Mark Baker	Non-Executive Chairman	*appointed 15 June 2017*
	Non-Executive Director	*appointed 9 November 2016*
		resigned 27 April 2018
Mr Gavan Farley	Non-Executive Director	*appointed 12 May 2015*
		resigned 27 April 2018
Mr Christopher Ritchie	Non-Executive Director	*appointed 27 September 2016*
	Executive Director	*appointed 15 June 2017*
		resigned 27 April 2018
Mr Denis Reinhardt	Non-Executive Director	*appointed 15 June 2017*
		resigned 27 April 2018
Mr Peter Hatfull	Non-Executive Chairman	*appointed 24 July 2015*
		resigned 15 November 2016
Mr Robert Swarbrick	Managing Director	*resigned 10 October 2016*
Mr Russel Krause	Alternate Director to Robert Swarbrick	*appointed 15 August 2016*
		resigned 10 October 2016

Company Secretary

Name	Status	Appointment/ Resignation
Ms Kyla Garic	Company Secretary	*appointed 27 April 2018*
Mr Christopher Ritchie	Company Secretary	*appointed 10 October 2016*
		resigned 27 April 2018
Mr Robert Swarbrick	Company Secretary	*resigned 10 October 2016*

Incomplete records

To prepare the financial report, the Directors who were not in office during the year under audit have reconstructed the financial records of the Group using data extracted from the Group's accounting system for the financial year. However, there may be information that the Directors have not been able to obtain, the impact of which may or may not be material on the annual financial statements.

These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel of the Company.

Incomplete records (Continued)

The Directors have not been able to source books and records of the Company's subsidiaries up to the date of this report. Ownership of the subsidiaries were transferred to the creditors' trust on the effectuation of the Deed of Company Arrangement ("DOCA"). Accordingly, the financial information of the group's subsidiaries has been deconsolidated effective 01 July 2015.

Consequently, and although the Directors have prepared this financial report to the best of their knowledge based on the information that is available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial performance for the year then ended.

Refer to Significant Events after the end of reporting period – Recapitalisation of the Company, for further information.

Significant Changes in State of affairs

On 27 September 2016 the Company appointed Mr Christopher Ritchie as a Non-Executive Director.

On 10 October 2016 Mr Robert Swarbrick resigned as Managing Director and Company Secretary and Mr Russell Krause resigned as Alternate Director for Mr Swarbrick.

On 9 November 2016 the Company appointed Mr Mark Barker as a Non-Executive Director.

On 16 November 2016, the Company announced it entered into a binding term sheet with Etheridge Resources Trust to farm-in to the Blackwood Central Gold Project near Ballarat in Victoria. Due to an inability to secure funding and agree to terms the project was abandoned

Significant Events after the end of reporting period – Recapitalisation of the Company

On 28 August 2017, The Gorilla Pit Pty Ltd ("GP"), a secured creditor of the Company placed the Group into Voluntary Administration. Ms Renee O'Driscoll and Mr Daniel Bredenkamp of Pitcher Partners were appointed as joint and several Voluntary Administrators. Following appointment of the Administrators, the powers of the Company's officers (including Directors) were suspended and the Administrators assumed control of the Group.

The first meeting of creditors was held on 6 September 2017.

On 19 September 2017, the Administrators applied with the Supreme Court of Western Australia extending the convening period of the second meeting of creditors. The Court ordered that the convening period be extended to 24 October 2017.

On 2 October 2017, the Australian Securities and Investment Commission ("ASIC") granted the Company deferral relief in respect of the Company's obligation to prepare, lodge and have audited full-year financial report and directors' report in respect of the period of up to six months from the date of Administrators appointment. In this regard, ASIC has also granted the Company an extension in which to hold its 2016 and 2017 Annual General Meetings until 28 April 2018 (being two months after the Financial Reporting Deferral Period ends).

On 31 October 2017, the second meetings of creditors of companies in the Group at which the creditors resolved with respect to the Company to enter into a Deed of Company Arrangement ("DOCA") to facilitate a recapitalisation of the Company. The DOCA was proposed by Otsana Pty Ltd trading as Otsana Capital.

Significant Events after the end of reporting period – Recapitalisation of the Company (Continued)

On 21 November 2017, the Company executed the DOCA, with Ms Renee O'Driscoll and Mr Daniel Bredenkamp as Joint and Several Deed Administrators ("Joint and Several Deed Administrators").

The DOCA provides for, inter alia, the recapitalisation of the Company and (subject to regulatory approval) re-quotation of its securities on the ASX.

A summary of the material terms of the recapitalisation Proposal in relation to the Company is set out below

a) The Company will consolidate its existing shares on a ratio of 1 for 200.;

b) $650,000 cash was provided towards the creditors of the Company ("Creditor Payment"). $40,000 was paid as a deposit, upon execution of the DOCA and the balance made available at completion of the DOCA.;

c) All of the directors of the Company will be removed and replaced by nominees of the syndicate.

d) All secured creditors releasing security over the Company and its assets contemporaneously with the effectuation of the DOCA.

e) The Creditor Payment is made on the basis that following shareholder approval the DOCA terminates and a creditors' trust fund is established to hold the Creditor Payment and Other Assets for creditors and claimants of the Company ("Creditor's Trust") .

f) All subsidiaries of the Company that are dormant and not required by the syndicate are to be deregistered and/or transferred to the Creditor's Trust, at no cost to the Company or the syndicate.

On 13 February 2018, the Company announced the following resolutions to be presented at the General Meeting to be held on the 15 March 2018. The following resolutions were subject to each of the other DOCA resolutions being passed:

- The Company will consolidate its existing shares and options on a one (1) for (200) basis.
- The Company to undertake a placement of up to 57,500,000 shares (on a post-consolidation basis) at an issue price of $0.02 to exempt investors to raise up to $1,150,000 (before costs).
- The Company to undertake a placement of 57,500,000 Options (on a post-consolidation basis) to Otsana or its nominees as consideration for advisory services provided.
- The Company to issue of 20,000,000 Shares (on a post-consolidation basis) to Otsana or its nominees as a consideration for advisory services provided, and
- The Appointment of Company's Directors Ms Kyla Garic, Mr Nicholas Young and Mr Michael Davy;

On 16 March 2018 it was announced that all resolutions presented at the General Meeting were approved by shareholders.

On 29 March 2018, it was announced that the consolidation of capital was completed, resulting in the reduction of issued number of shares from 787,718,100 to 3,938,661 and the reduction of options from 74,000,000 to 370,000.

On 24 April 2018 an interim placement of 35,000,000 fully paid ordinary shares at $0.02 was completed as approved by shareholders at the Company's General Meeting on 15 March 2018, with funds raised to be used towards funding the recapitalisation of the Company and for working capital.

On 27 April 2018 the Company announced that all conditions precedent to the DOCA had been met and that the DOCA was fully effectuated, with the Company exiting external administration and control of the Company passing to the Company's directors. Pursuant to the terms and conditions of the DOCA, the former board of directors comprising Mr Mark Baker, Mr Denis Reinhardt, Mr Gavan Farley and Mr Christopher Ritchie has been replaced by Mr Nicholas Young, Ms Kyla Garic and Mr Michael Davy. In addition, Ms Kyla Garic replaced Mr Christopher Ritchie in his capacity as the company secretary.

Significant Events after the end of reporting period – Recapitalisation of the Company (Continued)

On 15 June 2018 an interim placement of 9,900,000 fully paid ordinary shares at $0.02 was completed as approved by shareholders at the Company's General Meeting on 15 March 2018, with funds raised to be used towards funding the recapitalisation of the Company and for working capital. On the 15 June 2018 20,000,000 fully paid ordinary shares were issued to advisors as approved by the shareholders at the Company's General Meeting on 15 March 2018.

Financial Performance

The net loss for the year ended 30 June 2017 was $20,502 (30 June 2016: ($1,623,637)

Information on Directors and Company Secretary

Nicholas Young	***Appointed Director 27 April 2018***
Qualifications	**B Com, CA**
Experience	Mr Nicholas Young holds a Bachelor of Commerce, majoring in Accounting and Finance, is a Chartered Accountant and has completed the Insolvency Education Program at the Australian Restructuring and Turnaround Association. Nicholas commenced his career in the Corporate Restructuring division of an accounting firm and has gained valuable experience in Australia and Southern Africa, across a wide range of industries. Mr Young has been involved in the recapitalisation of various ASX-listed companies.
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities	Raiden Resources Limited (formerly A.C.N 009 161 522 Limited) (current) Vysarn Limited (formerly MHM Metals Limited) (current) Zenitas Healthcare Limited (formerly BGD Corporation Limited (ceased 1 February 2015) Cre8tek Limited (formerly Marion Energy Limited) (ceased 5 November 2015) Calidu Resources Limited (formerly Pharmanet Group Limited (ceased 13 June 2017)

Michael Davy	***Appointed Director 27 April 2018***
Qualifications	**B Com**
Experience	Mr Davy is an accountant with over 15 years' experience. His experience is broad, having worked in Oil and Gas, Resources, Property, Food Distribution, Restaurants and startup Technology companies. Mr Davy is also a director and owner of a number of successful private companies. During the past five years Mr Davy has held directorships in two other ASX listed companies.
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities	Dotz Nano Limited (formerly Northern Iron Limited) (ceased 31 October 2016)

Information on Directors and Company Secretary (Continued)

Kyla Garic	***Appointed Director and Company Secretary 27 April 2018***
Qualifications	**B Com, MAcc, CA**
Experience	Ms Garic is a Chartered Accountant and Director of Onyx Corporate. Onyx Corporate provides financial reporting and accounting services, including reconstruction and accounting compliance for companies undergoing recapitalisation.
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities	Raiden Resources Limited (formerly A.C.N 009 161 522 Limited) (ceased 20 February 2018) Schrole Group Limited (formerly Aquaint Capital Holdings Limited) (ceased 4 October 2017) Dotz Nano Limited (formerly Northern Iron Limited) (ceased 31 October 2016)

Denis Reinhardt ***(Appointed Non-Executive Director 15 June 2017, resigned 27 April 2018)***

Mr Reinhardt has over 35 years' experience in developing resources-base projects and is highly experienced in identifying and monetising previously distressed assets.

Mark Baker ***(Appointed Non-Executive Director 9 November 2016) (Appointed as Non-Executive Chairman 15 June 2017)***

Mr Baker is the CEO of the Melbourne Press Club Inc. and a former senior editor and national editorial executive of Fairfax Media. Mr Baker has extensive experience working across Asia and in government relations at a national state level.

Mr Baker has a Bachelor of Arts and is a Graduate of the Australian Institute of Company Directors.

Gavan Farley ***(Appointed Non-Executive Director 12 May 2015)***

Mr Farley has over 35 years of commercial and senior management experience from start-ups to publicly listed companies in Australia, USA and the UK. Mr Farley has wide experience with ASX listed companies in the capacity of advisor, company secretary and non-executive director. Mr Farley holds a Diploma of Business from Victoria University and a Master of Business Administration (MBA) from the University of Birmingham UK, and is a Member of the Australian Institute of Directors. Mr Farley has been a director of Indochine Mining Limited and Pilbara Minerals Limited within the last three years.

Mr Farley has no relevant interests in any securities.

Christopher Ritchie ***(Appointed Non – Executive Director /Company Secretary 27 September 2016)***

Mr Ritchie is a CPA and governance professional with over 25 years' experience in ASX listed companies. Mr Ritchie has extensive financial management experience in the energy & resources sector with several of Australia's largest engineering contractors and services companies on projects throughout the Asia Pacific and Middle East regions, a major commodities trading company and most recently as Chief Financial Officer and Company Secretary for Mustang Resources Limited during the time it transformed from an oil and gas producer and explorer to a minerals explorer.

Mr Ritchie is a Fellow of CPA Australia and a Fellow of the Governance Institute.

Meetings of Directors

Due to the appointment of the Administrators on 28 August 2017 to the Company and the current Directors not being in control of the Company during this time, information on the attendance at Directors' meetings is not available.

Share options

As at the date of this report and following the 1 to 200 consolidation of capital on 29 March 2018, the Company has the following unquoted options over unissued ordinary shares in the Company on issue:

- 20,000 options to acquire fully paid shares exercisable at $4.00 on or by 20 October 2018; and
- 350,000 options to acquire fully paid shares exercisable at $1.00 on or by 30 June 2019.

No options were exercised during the year (2016: nil).

Non-audit Services

No fees for non-audit services were paid to the external auditors during the year ended June 2017 (2016: Nil).

Remuneration Report

This remuneration report, which forms part of the Directors' Report, sets out information about the remuneration of Aus Asia Minerals Limited's directors and its senior management for the financial year ended 30 June 2017. The Company was in administration from 28 August 2017. On entering administration, the Administrators were responsible for the remuneration policies of the Company.

The Directors who are in office at the date of this report had no involvement in adopting, implementing or complying with these remuneration policies. These policies may or may not have been in place during the financial year.

If the recapitalisation process is successful, the Directors who are in office at the date of this report will adopt a new remuneration policy in accordance with the corporate governance framework to be adopted by the Board.

The prescribed details for each person covered by this report are detailed below under the following headings:

- Remuneration policy for directors and senior executives
- Key Management Personnel Remuneration
- Options issued as part of remuneration
- Employment Contracts of Directors and Senior Executives

Remuneration Policy for Directors and Senior Executives

Principles of compensation

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group, including directors of the Group and other executives. Key management personnel comprise of the Group directors.

Compensation levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- The capability and experience of the key management personnel
- The key management personnel's ability to control the relevant segments' performance; and
- The Group's performance including:
  - The Group's earnings;
  - The growth in share price and delivering constant returns on shareholders wealth; and
  - The amount of incentives within each key management person's compensation.

Compensation packages include a mix of fixed and variable compensation, and short and long-term performance based incentives.

Remuneration Report (continued)

Fixed compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles) as well as leave entitlements and employer contribution to superannuation funds.

Compensation levels are reviewed annually by the Board through a process that considers individual, segment and overall performance of the Group.

Non-Executive Directors

- The committee is to ensure that non-executive directors are not provided with retirement benefits other than statutory superannuation entitlements.
- To the extent that the Company adopts a remuneration structure for its non-executive directors other than in the form of cash and superannuation, disclosure shall be made to stakeholders and approvals obtained as required by law and the ASX listing rules.

Key Management Personnel Remuneration

From 28 August 2017 the Company was in administration**.** The Company's operations were suspended by the Deed Administrators. The Company does not have adequate information to enable the disclosures required by *Corporations Act 2001* for the year ended 30 June 2016 and 30 June 2017.

Relationship between Company Performance and Remuneration

There is no relationship between the financial performance of the Company for the current or previous financial year and the remuneration of the key management personnel. Remuneration is set having regard to market conditions and encourage the continual services of key management personnel.

Use of Remuneration Consultants

The Company did not employ the services of any remuneration consultant during the financial year ended 30 June 2016.

Service contracts

The previous directors' and executives' contracts ended upon entering administration.

Shares held by Key Management Personnel

The number of shares in the Company held at the beginning and end of the year and net movements **during the financial year** by key management personnel and/or their related entities are set out below:

30 June 2017:

Name	Balance at the start of the year	Share movements	Balance at the end of the year
Robert Swarbrick	334,650,000	-	334,650,000[1]
Total Ordinary shares	**334,650,000**	-	**334,650,000**

[1]Balance at the date of resignation on 10 October 2016.

Remuneration Report (continued)

30 June 2016:

Name	Balance at the start of the year	Share movements	Balance at the end of the year
Robert Swarbrick	334,650,000	-	334,650,000
Ben Donovan	25,357,546	-	25,357,546[2]
Total Ordinary shares	**360,007,546**	-	**360,007,546**

[2]Balance at the date of resignation on 24 July 2015.

Options held by Key Management Personnel

The number of options over fully paid ordinary shares in the Company held at the beginning and end of the year and movements **during the financial year** by key management personnel and/or their related entities are set out below:

30 June 2017:

No options over fully paid ordinary shares held by KMP during the year.

30 June 2016:

Name	Balance at the start of the year	Number of options issued as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested & exercisable at the end of the year
Ben Donovan Resigned 24 July 2015	2,900,000	-	-	2,900,000	2,900,000	2,900,000
Total	**2,900,000**	**-**	**-**	**2,900,000**	**2,900,000**	**2,900,000**

Other Key Management Personnel transactions

From 28 August 2017 the Company was in administration**.** The Company's operations were suspended by the Deed Administrators. The Company does not have adequate information to enable the disclosures required by *Corporations Act 2001* for the year ended 30 June 2017.

Loans to Key Management Personnel

To the best of the Directors' knowledge, they are not aware of any loans to Key Management Personnel during the financial year.

Remuneration, Nomination, and Governance Committee

From 28 August 2017 the Company was in administration. The Company's operations were suspended by the Administrators. The Company does not have adequate information to enable the disclosures required by Corporations Act 2001 for the year ended 30 June 2017.

Share Options Granted to Directors and Officers

No options have been issued to Directors or Officers during the year.

End of Audited Remuneration Report

DIRECTORS' REPORT

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

The Company was not a party to any such proceedings during the year.

Indemnifying Officers

During the financial year the Company paid a premium in respect of a contract insuring the directors of the Company (as named above), the Company Secretary, and all executive directors of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive office to the extent permitted by the *Corporation Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Due to the Company being in Administration the Directors insurance premiums have not been renewed since the last policy was paid. It is the intention of the current directors of the Company to ensure an adequate premium in respect of insuring the Directors, Secretary or Executive officers to the extent permitted by the *Corporations Act 2001*.

Environmental Regulations

In the normal course of business, there are no environmental regulations or requirements that the Company is subject to.

Future Developments, Prospects and Business Strategies

The company is in the process of being recapitalised and its future developments, prospects and business strategies are detailed in the significant events after balance sheet date section of the directors' report.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Bentleys Audit & Corporate (WA) Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Bentleys Audit & Corporate (WA) Pty Ltd during or since the financial year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in this annual report.

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

Mr Michael Davy
Director

Date: 23 July 2018
Perth, Western Australia

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the financial year ended 30 June 2017

	Note	2017 $	2016 $
Gain on Disposal of Subsidiaries		-	494,609
Other income		-	200
Depreciation and amortisation expense		-	(1,062)
Consulting and management expense		-	(734,667)
Assets written off		-	(6,873)
Impairment losses of exploration expenditure asset		-	(400,589)
Finance Costs		-	(216,256)
Unrealised Foreign Exchange Loss		-	(204,524)
Administration expenses		(20,502)	(554,475)
Net loss before income tax expenses		(20,502)	(1,623,637)
Income tax expense relating to ordinary activities	2	-	-
Net loss for the year		(20,502)	(1,623,637)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
De-recognition of foreign currency translation reserve on disposal of foreign operations		-	(112,792)
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive (loss)/income for the year net of tax		-	(112,792)
Total comprehensive loss		(20,502)	(1,736,429)
Net loss attributable to:			
Equity holders of the parent		(20,502)	(1,623,637)
Non-controlling interest		-	-
		(20,502)	(1,623,637)
Total comprehensive income			
Attributable to:			
Equity holder of parent		(20,502)	(1,736,429)
Non-controlling interest		-	-
		(20,502)	(1,736,429)
Basic loss per share(cents)		(0.003)	(0.21)

The Statement of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Financial Position as at 30 June 2017

	Note	2017 $	2016 $
Current Assets			
Cash and cash equivalents		-	20,502
Trade and other receivables	5	23,765	23,765
Total Current Assets		23,765	44,267
Non Current Assets			
Exploration assets	6	-	-
Total Non Current Assets		-	-
Total Assets		**23,765**	**44,267**
Trade and other payables	7	3,769,904	3,769,904
Financial liabilities	8	891,138	891,138
Total Current Liabilities		4,661,042	4,661,042
Net Liabilities		(4,637,277)	(4,616,775)
Equity			
Issued capital	9	20,162,527	20,162,527
Reserves	10	80,358	80,358
Accumulated losses		(24,880,162)	(24,859,660)
Equity attributable to owners of the parent		(4,637,277)	(4,616,775)
Non-controlling interest		-	-
Total Equity		(4,637,277)	(4,616,775)

The Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Changes in Equity as at 30 June 2017

	Issued Capital	Foreign Exchange Translation Reserve	Option Reserve	Accumulated Losses	Non-Controlling Interest	Total Equity
	$	$	$	$	$	$
Balance at 1 July 2016	20,162,527	-	80,358	(24,859,660)	-	(4,616,775)
Net Loss for the year	-	-	-	(20,502)	-	(20,502)
Other comprehensive loss	-	-	-	-	-	-
Total comprehensive loss	-	-	-	(20,502)	-	(20,502)
Balance at 30 June 2017	20,162,527	-	80,358	(24,880,162)	-	(4,637,277)
Balance at 1 July 2015	20,052,527	112,792	80,358	(23,236,023)	292,301	(2,698,045)
Net Loss for the year	-	-	-	(1,623,637)	-	(1,623,637)
Other comprehensive loss	-	(112,792)	-	-	-	(112,792)
Total comprehensive loss	-	(112,792)	-	(1,623,637)	-	(1,736,429)
Transactions with owners in their capacity as owners						
Ordinary shares issued during the year	110,000	-	-	-	-	110,000
Deconsolidate minority	-	-	-	-	(292,301)	(292,301)
Balance at 30 June 2016	20,162,527	-	80,358	(24,859,660)	-	(4,616,775)

The Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Cash Flows for the financial year ended 30 June 2017

	Note	2017 $	2016 $
Cash Flows from Operating Activities			
Interest received		-	200
Receipt from royalty fees		-	-
Payments to suppliers and employees		(20,502)	(317,671)
Interest paid		-	(9,704)
Net cash from operating activities		(20,502)	(327,175)
Cash Flows from Investing Activities			
Net Cash outflow on acquisition of subsidiaries		-	-
Net cash used in investing activities		-	-
Cash Flows from Financing Activities			
Ordinary Share Issue		-	20,000
Unsecured Loans		-	581,272
Repayment of Loans		-	(505,443)
Net cash provided by financing activities		-	95,829
Net increase in cash held		(20,502)	(231,346)
Cash at the beginning of the year		20,502	251,848
Cash at end of the year		-	20,502

The Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial report of the Company for the financial year ended 30 June 2017 comprises the Company and its subsidiaries (the "Group"). Aus Asia Minerals Limited is a company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity.

The financial report was issued by the board of directors on 23 July 2018 by the directors of the Company.

a) Basis of preparation of the financial report

Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("AASBs") (including Australian interpretations) adopted by the Australian Accounting Standard Board ("AASB") and the Corporations Act 2001 where possible (refer to Note 1(b)). These financial statements of the Group also comply with the International Financial Reporting Standards ("IFRSs") and interpretations adopted by the International Accounting Standards Board ("IASB") where possible (refer to Note 1(b)).

The financial statements have been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

b) Incomplete records

To prepare the financial report, the Directors who were not in office during the period under audit have reconstructed the financial records of the Group using data extracted from the Group's accounting system for the entire financial year. However, there may be information that the Directors have not been able to obtain, the impact of which may or may not be material on the annual financial statements.

These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel of the Company.

The Directors have not been able to source books and records of the Company's subsidiaries up to the date of this report. Ownership of the subsidiaries were transferred to the creditors' trust on the effectuation of the Deed of Company Arrangement ("DOCA"). Accordingly, the financial information of the group's subsidiaries has been deconsolidated effective 1 July 2015.

Consequently, and although the Directors have prepared this financial report to the best of their knowledge based on the information that is available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial performance for the year then ended

Refer to Significant Events after financial year-end date – Recapitalisation of the Company, for further information.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c) Going concern

The DOCA provides for, inter alia, the recapitalisation of the Company and (subject to regulatory approval) re-quotation of its securities on the ASX.

A summary of the material terms of the recapitalisation proposal in relation to the Company is set out below.

a) The Company will consolidate its existing shares on a ratio of 1 for 200.;

b) $650,000 cash was provided towards the creditors of the Company ("Creditor Payment"). $40,000 was paid as a deposit, upon execution of the DOCA and the balance made available at completion of the DOCA.;

c) All of the directors of the Company will be removed and replaced by nominees of the syndicate.

d) All secured creditors releasing security over the Company and its assets contemporaneously with the effectuation of the DOCA.

e) The Creditor Payment is made on the basis that following shareholder approval the DOCA terminates and a creditors' trust fund is established to hold the Creditor Payment and Other Assets for creditors and claimants of the Company ("Creditor's Trust").

f) All subsidiaries of the Company that are dormant and not required by the syndicate are to be deregistered and/or transferred to the Creditor's Trust, at no cost to the Company or the syndicate.

On 24 April 2018 an interim placement of 35,000,000 fully paid ordinary shares at $0.02 was completed as approved by shareholders at the Company's General Meeting on 15 March 2018, with funds raised to be used towards funding the recapitalisation of the Company and for working capital.

On 27 April 2018 the Company announced that all conditions precedent to the DOCA had been met and that the DOCA was fully effectuated, with the Company exiting External Administration and control of the Company passing to the Company's Directors. Pursuant to the terms and conditions of the DOCA, the former board of directors comprising Mr Mark Baker, Mr Denis Reinhardt, Mr Gavan Farley and Mr Christopher Ritchie has been replaced by Mr Nicholas Young, Ms Kyla Garic and Mr Michael Davy. In addition, Ms Kyla Garic replaced Mr Christopher Ritchie in his capacity as the company secretary.

On 15 June 2018 an interim placement of 9,900,000 fully paid ordinary shares at $0.02 was completed as approved by shareholders at the Company's General Meeting on 15 March 2018, with funds raised to be used towards funding the recapitalisation of the Company and for working capital.

Subsequent to completion of the DOCA and the initial capital raise the Company has sufficient funds to continue as a going concern. An additional capital raising relating to completion of a transaction and the reinstatement of the Company's securities will be required for re-quotation of the Company's securities on the ASX.

For these reasons, the Directors consider the Group to be a going concern. Notwithstanding the material uncertainties of future events inherent in the above, the Directors consider it is appropriate to prepare financial information on a going concern basis and hence no adjustments have been made to the financial information relating to the recoverability and classification of the asset carrying amounts or the amounts and classifications of liabilities that might be necessary if the Group does not continue as a going concern.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency. The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial report. The accounting policies have been applied consistently by all entities in the Group.

e) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

f) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2016. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investments retained
- Recognises any surplus or deficit in profit and loss

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f) Basis of consolidation (continued)

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

The consolidated financial report comprises the financial statements of the Company and its controlled entities. A controlled entity is any entity controlled by the Company whereby the parent entity has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those applied by the parent entity.

Where a subsidiary enters or leaves the Group during the year, its operating results are included or excluded from the date control was obtained or until the date control ceased.

Investments in subsidiaries are carried at cost in the Company's financial statements.

g) Financial Instruments

Non-derivative financial assets

The Group initially recognizes loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends whether to settle them on a net basis or to realize the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories:

Financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

h) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Group at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency is retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Foreign currency (continued)

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Group at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency is retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are generally recognized in profit or loss. However, foreign currency differences arising from the retranslation of the following items are recognized in other comprehensive income. Available for sale equity investments (except on impairment in which case foreign currency differences that have been recognized in other comprehensive income are reclassified to profit or loss).

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences arising from the translation above are recognized in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportion of the translation difference is allocated to the non-controlling interest.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group dispose of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests, when the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such items are considered to form part of the net investment in the foreign operation and are recognized in other comprehensive income, and presented in the translation reserve in equity.

j) Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognized in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long-service leave

The liability for long service leave is recognized in the provision for employees' benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expect future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date of national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

j) Employee benefits (continued)

(iii) Share-based payment transactions

The Group has provided payment to service providers and related parties in the form of share-based compensation, whereby services are rendered in exchange for shares or rights over shares ('equity –settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined using an appropriate option valuation model for services provided or where the fair value of the shares received cannot be reliably estimated.

For goods and services received where the fair value can be determined reliably the goods and services and the corresponding increase in equity are measured at that fair value.

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimates of the number of options that are expected become exercisable.

The cost of equity-settled transactions is recognized, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award ("vesting date").

The cumulative expense recognized for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of The Group, will ultimately vest. This opinion is formed based on the best available information at balance date. Not adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified. In addition, an expense is recognized for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

k) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

l) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and deferred consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss and contingent consideration, impairment losses recognized on financial (other than trade receivables), losses on hedging instrument that are recognized in profit or loss using the effective interest method.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as wither finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

m) Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

(i) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from declaration of dividends.

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects either neither accounting nor taxable profit or loss.
- Temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future
- Taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxed levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(iii) Tax exposures

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that caused the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(iv) GST

GST is accounted for on an accrual basis.

n) Issued Capital

Incremental costs directly attributable to an equity transaction are shown as a deduction from equity, net of any recognised income tax benefit.

o) Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) for its ordinary shares.

Basic EPS is calculated by dividing the result attributable to equity holders of the Company by the weighted number of shares outstanding during the period.

Diluted EPS is determined by adjusting the result attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential ordinary shares, which comprise share options granted.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

p) Trade and other payables

Trade and other payables are stated at amortised cost. The amounts are short term and considered to be a reasonable approximation of the vair value.

q) Adoption of new and revised standards

For the year ended 30 June 2017, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2015.

It has been determined by the directors 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 Group accounting policies.

r) Critical accounting judgments and key sources of estimation uncertainty

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

Impairment - General

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Consolidation of group's subsidiaries

For the purposes of preparing the financial statements for the year ended 30 June 2017, as detailed in Note 1(b), the Directors have not been able to obtain detailed financial information of the company's subsidiaries.

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

	2017 $	2016 $
2. Income tax expense		
(a) Income tax recognised in profit or loss		
Tax expense/(income) comprises:		
Current tax expense/(income)	-	-
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	-	-
Total tax expense/(income)	*	*
The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
Loss from operations	-	-
Income tax benefit calculated at 30%	-	-
Tax effect of:		
Non-deductible expenses	-	-
Movement in unrecognised temporary differences	-	-
Effect of current year tax loss derecognised/(recognised)	-	-
Less: Share issue expense recognised directly in equity	-	-
Income tax attributable to operating loss	*	*

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

	2017 $	2016 $
(b) **Deferred tax assets**		
Tax losses – revenue	-	-
Tax losses – capital	-	-
	-	-
Set-off deferred tax liabilities – 2 (c)	-	-
Net deferred tax assets	-	-
(c) **Deferred tax liabilities**		
Exploration expenditure	-	-
Set off deferred tax assets – 2 (b)	-	-
Net deferred tax liabilities	-	-
(d) **Unused tax losses and temporary differences**		
Tax revenue losses	-	-
Tax capital losses	-	-
Unused tax losses for which no deferred tax asset has been recognised	*	*

* From 28 August 2017 the Company was in administration. The Company's operations were suspended by the Deed Administrators.
As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. Accordingly, the current Directors have not been able to make the required disclosures as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

3. Interests of key management personnel (KMP)

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	2017 $	2016 $
Short-term employee benefits		
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	*	*

* From 28 August 2017 the Company was in administration. The Company's operations were suspended by the Deed Administrators.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. However, there may be information that the current Directors have not been able to obtain, the impact of which may or may not be material on the accounts. Accordingly, these financial statements do not contain all the required information or disclosures in relation transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

Other KMP Transactions

On 28 August 2017 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. However, there may be information that the current Directors have not been able to obtain, the impact of which may or may not be material on the accounts. Accordingly, these financial statements do not contain all the required information or disclosures in relation transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

	2017 $	2016 $
4. Auditors' remuneration		
Remuneration of the auditor of the parent entity:		
Audit or review of the financial report		
Current year	-	30,899

The auditor of Aus Asia Minerals Ltd is Bentleys Audit & Corporate (WA) Pty Ltd.

5. Trade and other receivables	2017 $	2016 $
Current trade and other receivables		
Goods and services tax (GST) recoverable	23,765	23,765
	23,765	23,765

6. Exploration assets

	2017 $	2016 $
Exploration and evaluation phase – at cost	-	-
	-	-

	2017	2016
Cost carried forward in respect of areas of interest in ongoing projects:		
Balance at beginning of financial year	-	3,002,922
Foreign exchange difference	-	139,939
Transfer of exploration assets (i)	-	(3,142,861)
Balance at end of financial year	-	-

(i) An agreement was executed on 26 April 2016 between the Company and Mr Budi Satriadi (the minority shareholder/vendor) and it was agreed the Company would transfer its shares in PT MSM back to Mr Satriadi in return for all debts under the vendor financing being forgiven.

7. Trade and other payables

	2017 $	2016 $
Trade payables – per deed administrator report	3,796,904	3,796,904
Total trade and other payables	3,796,904	3,796,904

* From 28 August 2017 the Company was in administration. The Company's operations were suspended by the Deed Administrators.
As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. Accordingly, the current Directors have not been able to make the required disclosures as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

8. Financial liabilities

	2017 $	2016 $
Current Financial liabilities		
Financial liabilities – per deed administrator report	891,138	891,138
Total current financial liabilities	891,138	891,138

* From 28 August 2017 the Company was in administration. The Company's operations were suspended by the Deed Administrators.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. Accordingly, the current Directors have not been able to make the required disclosures as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

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

9. Issued capital

	2017 $	2016 $
787,718,100 (2015: 765,718,100) fully paid ordinary shares	20,162,527	20,162,527

Date	Description		Shares	
1 July	Opening balance	787,718,100	765,718,100	20,0
27 Dec 2015	Issue of shares as approved by shareholders at EGM for working capital	-	22,000,000	1
30 June 2016/2017	Closing balance	787,718,100	787,718,100	20,1

Ordinary shares have the right to one vote per share at meetings of the Company, to receive dividends as declared and, in the event of a winding-up of the Company, 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.

The Company does not have an authorised capital or par value in respect of its issued shares.

10. Reserves

	2017 $	2016 $
Exchange reserve		
Balance at beginning of financial year	-	112,792
Currency translation differences	-	-
De-recognition of foreign currency translation reserve on disposal of foreign operations	-	(112,792)
Balance at end of financial year	-	-
Share options		
Balance at beginning of financial year	80,358	80,358
Balance at end of financial year	**80,358**	**80,358**
Total Reserves	**80,358**	**80,358**

11. Related party transactions

On 28 August 2017, The Gorilla Pit Pty Ltd (“GP”), a secured creditor of the Company placed the Group into Voluntary Administration. Ms Renee O’Driscoll and Mr Daniel Bredenkamp of Pitcher Partners were appointed as joint and several Voluntary Administrators. Following appointment of the Administrators, the powers of the Company’s officers (including Directors) were suspended and the Administrators assumed control of the Company’s business, property and affairs.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group’s accounting system. Accordingly, the current Directors have not been able to make the required disclosures as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

12. Cash Flow Reconciliation	**2017 $**	**2016 $**
Loss for the year attributable to equity holders of the parent	**(20,502)**	**(1,623,637)**
Gain on disposal of subsidiaries	-	(494,609)
Depreciation and amortisation of non-current assets	-	1,062
Assets written off	-	6,873
Impairment losses	-	400,589
Unrealised foreign exchange difference	-	204,524
Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:		
(Increase)/Decrease in trade and other receivables	-	10,375
(Decrease)/Increase in trade and other payables	-	1,167,648
Net cash (used in)/ generated from operating activities	**(20,502)**	**(327,175)**

13. Earnings per share	**2017 $**	**2016 $**
Basic loss per share	0.003	0.21

The net loss and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Net loss for the year	(20,502)	(1,623,637)
(Gain)/Loss attributable to minority equity interest	-	-
Net loss used in calculation of basic earnings per share	(20,502)	(1,623,637)
Weighted average number of ordinary shares for the purposes of basic loss per share	787,718,100	777,109,881

14. Capital and other commitments

On 28 August 2017, The Gorilla Pit Pty Ltd ("GP"), a secured creditor of the Company placed the Group into Voluntary Administration. Ms Renee O'Driscoll and Mr Daniel Bredenkamp of Pitcher Partners were appointed as joint and several Voluntary Administrators. Following appointment of the Administrators, the powers of the Company's officers (including Directors) were suspended and the Administrators assumed control of the Company's business, property and affairs.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. Accordingly, the current Directors have not been able to make the required disclosures as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

15. Contingent liabilities and contingent assets

The Company has entered into an agreement with the vendor of PT MSM to pay a royalty to the vendor of UD$5.00 per tonne on iron ore sold from the mine acquired from the vendor as part consideration for the acquisition price. No mining or sales have yet been made from this asset. As per the Administrators' report, it is unlikely that the Company has any remaining rights in relation to the royalty agreement.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. However, there may be information that the current Directors have not been able to obtain, the impact of which may or may not be material on the accounts. Accordingly, these financial statements do not contain all the required information or disclosures in relation transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

16. Interest in subsidiaries

		Ownership Interest	
		2017	2016
Name of entity	**Country of Incorporation**	**%**	**%**
PT Techventure Indocoal	Indonesia	-	95
Aus Asia Coal Limited	Hong Kong	100	100
Aus Asia Iron Ltd	Hong Kong	100	100
PT Mineral Sus Makmar	Indonesia	-	-
PT Tunggal Putra Nusantara	Indonesia	-	-

For the purposes of preparing the financial statements for the year ended 30 June 2017, as detailed in Note 1(b), the current Directors have not been able to obtain financial information of the company's subsidiaries and have determined to deconsolidate the financial information from 01 July 2015.

17. Operating Segment

On 28 August 2017 that the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. As detailed in Note 1 (b), the directors do not have access to sufficient information to enable this level of disclosure to be made.

18. Events after the financial year-end date

Significant Events after financial year-end date – Recapitalisation of the Company

On 28 August 2017, The Gorilla Pit Pty Ltd ("GP"), a secured creditor of the Company placed the Group into Voluntary Administration. Ms Renee O'Driscoll and Mr Daniel Bredenkamp of Pitcher Partners were appointed as joint and several Voluntary Administrators. Following appointment of the Administrators, the powers of the Company's officers (including Directors) were suspended and the Administrators assumed control of the Group.

The first meeting of creditors was held on 6 September 2017.

On 19 September 2017, the Administrators applied with the Supreme Court of Western Australia extending the convening period of the second meeting of creditors. The Court ordered that the convening period be extended to 24 October 2017.

On 2 October 2017, the Australian Securities and Investment Commission ("ASIC") granted the Company deferral relief in respect of the Company's obligation to prepare, lodge and have audited full-year financial report and directors' report in respect of the period of up to six months from the date of Administrators appointment. In this regard, ASIC has also granted the Company an extension in which to hold its 2016 and 2017 Annual General Meetings until 28 April 2018 (being two months after the Financial Reporting Deferral Period ends).

On 31 October 2017, the second meetings of creditors of companies in the Group at which the creditors resolved with respect to the Company to enter into a Deed of Company Arrangement ("DOCA") to facilitate a recapitalisation of the Company. The DOCA was proposed by Otsana Pty Ltd trading as Otsana Capital.

On 21 November 2017, the Company executed the DOCA, with Ms Renee O'Driscoll and Mr Daniel Bredenkamp as Joint and Several Deed Administrators ("Joint and Several Deed Administrators").

The DOCA provides for, inter alia, the recapitalisation of the Company and (subject to regulatory approval) re-quotation of its securities on the ASX.

18. Events after the financial year-end date (continued)

Significant Events after financial year-end date – Recapitalisation of the Company

A summary of the material terms of the recapitalisation Proposal in relation to the Company is set out below

a) The Company will consolidate its existing shares on a ratio of 1 for 200.;

b) $650,000 cash was provided towards the creditors of the Company ("Creditor Payment"). $40,000 was paid as a deposit, upon execution of the DOCA and the balance made available at completion of the DOCA.;

c) All of the directors of the Company will be removed and replaced by nominees of the syndicate.

d) All secured creditors releasing security over the Company and its assets contemporaneously with the effectuation of the DOCA.

e) The Creditor Payment is made on the basis that following shareholder approval the DOCA terminates and a creditors' trust fund is established to hold the Creditor Payment and Other Assets for creditors and claimants of the Company ("Creditor's Trust").

f) All subsidiaries of the Company that are dormant and not required by the syndicate are to be deregistered and/or transferred to the Creditor's Trust, at no cost to the Company or the syndicate.

On 13 February 2018, the Company announced the following resolutions to be presented at the General Meeting to be held on the 15 March 2018. The following resolutions were subject to each of the other DOCA resolutions being passed:

- The Company will consolidate its existing shares and options on a one (1) for (200) basis.
- The Company to undertake a placement of up to 57,500,000 shares (on a post-consolidation basis) at an issue price of $0.02 to exempt investors to raise up to $1,150,000 (before costs).
- The Company to undertake a placement of 57,500,000 Options (on a post-consolidation basis) to Otsana or its nominees as consideration for advisory services provided.
- The Company to issue of 20,000,000 Shares (on a post-consolidation basis) to Otsana or its nominees as a consideration for advisory services provided, and
- The Appointment of Company's Directors Ms Kyla Garic, Mr Nicholas Young and Mr Michael Davy;

On 16 March 2018, it was announced that all resolutions presented at the General Meeting were approved by shareholders.

On 29 March 2018, it was announced that the consolidation of capital was completed, resulting in the reduction of issued number of shares from 787,718,100 to 3,938,661 and the reduction of options from 74,000,000 to 370,000.

On 24 April 2018 an interim placement of 35,000,000 fully paid ordinary shares at $0.02 was completed as approved by shareholders at the Company's General Meeting on 15 March 2018, with funds raised to be used towards funding the recapitalisation of the Company and for working capital.

On 27 April 2018 the Company announced that all conditions precedent to the DOCA had been met and that the DOCA was fully effectuated, with the Company exiting external administration and control of the Company passing to the Company's directors. Pursuant to the terms and conditions of the DOCA, the former board of directors comprising Mr Mark Baker, Mr Denis Reinhardt, Mr Gavan Farley and Mr Christopher Ritchie has been replaced by Mr Nicholas Young, Ms Kyla Garic and Mr Michael Davy. In addition, Ms Kyla Garic replaced Mr Christopher Ritchie in his capacity as the company secretary

On 15 June 2018 an interim placement of 9,900,000 fully paid ordinary shares at $0.02 was completed as approved by shareholders at the Company's General Meeting on 15 March 2018, with funds raised to be used towards funding the recapitalisation of the Company and for working capital. On the 15 June 2018 20,000,000 fully paid ordinary shares were issued to advisors as approved by the shareholders at the Company's General Meeting on 15 March 2018.

19. Parent entity disclosures	**2017**	**2016**
	$	**$**
Financial Position		
Assets		
Current assets	23,765	44,265
Total assets	23,765	44,265
Liabilities		
Current liabilities	3,769,904	3,769,904
Financial liabilities	891,138	891,138
Total liabilities	4,661,042	4,661,042
Equity		
Issued capital	20,162,527	20,162,527
Option reserve	80,358	80,358
Accumulated losses	(24,880,162)	(24,859,660)
Total Equity	(4,637,277)	(4,616,775)
(b) Financial Performance		
Loss for the year	(20,502)	(1,623,637)
Other comprehensive income	-	(112,792)
Total comprehensive income	(20,502)	(1,736,429)

On 28 August 2017 that the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. However, there may be information that the current Directors have not been able to obtain, the impact of which may or may not be material on the accounts. Accordingly, these financial statements do not contain all the required information or disclosures in relation transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

20. Financial instruments

On 28 August 2017 that the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators.

As detailed in Note 1 (b), to prepare the financial report, the current Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting system. However, there may be information that the current Directors have not been able to obtain, the impact of which may or may not be material on the accounts. Accordingly, these financial statements do not contain all the required information or disclosures in relation transactions undertaken by the Company as this information is unascertainable due to the administration process and/or the change in directorships and key management personnel.

The preparers of this report determined that the inclusion of the disclosures related to the previous directors' financial risk management policy inclusive of the prior year comparatives could be misleading to readers of this Annual Report.

21. New Accounting Standards for application in future periods

Australian accounting standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 30 June 2017. Relevant Standards and Interpretations are outlined in the table below.

Title	Summary	Application date for Group
AASB 15 *Revenue from Contracts with Customers*	AASB 15 provides a single, principles-based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.	1 July 2018
AASB 16 *Leases*	AASB 16 provides a new lessee accounting model which requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. AASB 16 contains disclosure requirements for lessees.	1 July 2019
AASB 9 *Financial Instruments*	A finalised version of AASB 9 which contains accounting requirements for financial instruments, replacing AASB 139 Financial Instruments: Recognition and Measurement. The standard contains requirements in the areas of classification and measurement, impairment, hedge accounting and derecognition.	1 July 2018

The Group has decided not to early adopt any of the new and amended pronouncements. The impact of the above standards is yet to be determined.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Aus Asia Minerals Limited:

(a) As set out in Note 1(b), although the current Directors have prepared the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report to the best of their knowledge based on the information made available to them, they are of the opinion that it **is not possible** to state that the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

   (i) Giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date;

   (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

   (iii) Complying with International Financial Reporting Standards.

2. Subject to the matters highlighted in Note 1 (c), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The declaration required to be made in accordance with Section 295A of the Corporation Act 2001 for the financial year ended 30 June 2017 has been **unable** to be made due the reasons set out in Note 1(b).

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:

Mr Michael Davy
Director

Date: 23 July 2018
Perth, Western Australia

Bentleys
THINKING AHEAD

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To The Board of Directors

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

As lead audit Partner for the audit of the financial statements of Aus Asia Minerals Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

BENTLEYS
Chartered Accountants

DOUG BELL CA
Partner

Dated at Perth this 23rd day of July 2018

Independent Auditor's Report

To the Members of Aus Asia Minerals Limited

Bentleys
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Report on the Audit of the Financial Report

Disclaimer of Opinion

We were engaged to audit the financial report of Aus Asia Minerals Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), 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 financial statements, including a summary of significant accounting policies, and the directors' declaration.

We do not express an opinion on the accompanying financial report of the Consolidated Entity. Because of the significant of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

Basis for Disclaimer of Opinion

As disclosed in Note 1(b) to the financial statements, the financial report has been prepared by Directors who were not in office at the time Aus Asia Minerals Limited entered voluntary administration or the full period presented in the 30 June 2017 financial report.

Due to the above, the Directors of Aus Asia Minerals Limited have been unable to conclude without qualification, within its directors declaration, that the financial statements of the Consolidated Entity for the year ended 30 June 2017 have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards, to give a true and fair view of the financial position of the Consolidated Entity as at 30 June 2017 and of its performance for the year then ended.

As a result of these matters, we were unable to determine the completeness and accuracy of financial information presented to us for audit.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Consolidated Entity is currently in the process of recapitalising after having exited External Administration. As stated in Note 1(c), this, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our Disclaimer of Opinion is not further modified in respect of this matter.

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 Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that where possible the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability 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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to conduct an audit of the entity's financial report in accordance with the Australian Auditing Standards and to issue an auditor's report.

However, because of the matters described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

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.

Report on the Remuneration Report

Disclaimer of Opinion on the Remuneration Report

We were engaged to perform an audit on the Remuneration Report included in 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 s 300A of the Corporations Act 2001. Our responsibility is to issue an audit report based on our audit of the remuneration report conducted in accordance with Australian Auditing Standards.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the remuneration report.

Basis for Disclaimer of Opinion on the Remuneration Report

As disclosed in Note 1 to the financial statements, the remuneration report has been prepared by Directors who were not in office at the time Aus Asia Minerals Limited entered voluntary administration or the full period presented in the 30 June 2017 remuneration report.

Due to the above, the Directors of Aus Asia Minerals Limited have been unable to conclude without qualification, within its directors declaration, that the remuneration report of the Consolidated Entity for the year ended 30 June 2017 has been prepared in accordance with s 300A of the Corporations Act 2001.

As a result of these matters we are unable to determine the completeness and accuracy of information related to the remuneration report presented to us for audit.

BENTLEYS
Chartered Accountants

DOUG BELL CA
Partner

Dated at Perth this 23rd day of July 2018