



ACN 121 969 819

Interim Financial Report for the half year ended 31 December 2017

The information contained in this condensed report is to be read in conjunction with Aus Asia Minerals Limited's 2017 annual report and announcements to the market made by Aus Asia Minerals.

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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

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
INTERIM FINANCIAL REPORT 31 DECEMBER 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 half year ended 31 December 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 half year and until the date of this report are disclosed below.

Name	Status	Appointment/ Resignation
Mr Nicholas Young	Director	<i>appointed 27 April 2018</i>
Ms Kyla Garic	Director	<i>appointed 27 April 2018</i>
Mr Michael Davy	Director	<i>appointed 27 April 2018</i>
Mr Mark Baker	Non-Executive Chairman Non-Executive Director	<i>appointed 15 June 2017</i> <i>appointed 9 November 2016</i> <i>resigned 27 April 2018</i>
Mr Gavan Farley	Non-Executive Director	<i>appointed 12 May 2015</i> <i>resigned 27 April 2018</i>
Mr Christopher Ritchie	Non-Executive Director Executive Director	<i>appointed 27 September 2016</i> <i>appointed 15 June 2017</i> <i>resigned 27 April 2018</i>
Mr Denis Reinhardt	Non-Executive Director	<i>appointed 15 June 2017</i> <i>resigned 27 April 2018</i>

Company Secretary

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

Financial Performance

The loss for the six months ended 31 December 2017 was \$169,252 (31 December 2016: loss \$20,502).

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DIRECTORS' REPORT

Incomplete records

To prepare the half year financial report, the Directors who were not in office during the period under review have reconstructed the financial records of the Group using data extracted from the Group's accounting system for the half-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 half year 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. 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 half-year then ended.

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

State of affairs and major activities of the half-year

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.

AUS ASIA MINERALS LIMITED
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DIRECTORS' REPORT

State of affairs and major activities of the half-year (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.

Significant Events after the end of reporting period of the Company

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.

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

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.

AUS ASIA MINERALS LIMITED
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DIRECTORS' REPORT

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.

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 half - year report.

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



Mr Michael Davy
Director

Date: 23 July 2018
Perth, Western Australia

AUS ASIA MINERALS LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	31 Dec 2017	31 Dec 2016
	\$	\$
Administration expenses	(169,252)	(20,502)
Net loss before income tax expenses	(169,252)	(20,502)
Income tax expense relating to ordinary activities	-	-
Net loss for the period	(169,252)	(20,502)
Other comprehensive income:		
Other comprehensive (loss)/income for the period net of tax	-	-
Total comprehensive loss	(169,252)	(20,502)
Net loss attributable to:		
Equity holders of the parent	(169,252)	(20,502)
	(169,252)	(20,502)
Total comprehensive income		
Attributable to:		
Equity holder of parent	(169,252)	(20,502)
	(169,252)	(20,502)
Basic loss per share (cents)	(0.02)	(0.003)

The accompanying notes form part of these financial statements

AUS ASIA MINERALS LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	31 Dec 2017 \$	30 June 2017 \$
Current Assets			
Trade and other receivables		23,765	23,765
Total Current Assets		<u>23,765</u>	<u>23,765</u>
Total Assets		<u>23,765</u>	<u>23,765</u>
Current Liabilities			
Trade and other payables		3,939,156	3,769,904
Financial liabilities		891,138	891,138
Total Current Liabilities		<u>4,830,294</u>	<u>4,661,042</u>
Total Liabilities		<u>4,830,294</u>	<u>4,661,042</u>
Net Liabilities		<u>(4,806,529)</u>	<u>(4,637,277)</u>
Equity			
Issued capital		20,162,527	20,162,527
Reserves		80,358	80,358
Accumulated losses		(25,049,414)	(24,880,162)
Equity attributable to owners of the parent		(4,806,529)	(4,637,277)
Non-controlling interest		-	-
Total Equity		<u>(4,806,529)</u>	<u>(4,637,277)</u>

The accompanying notes form part of these financial statements

AUS ASIA MINERALS LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Issued Capital	Option Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2017	20,162,527	80,358	(24,880,162)	(4,637,277)
Net Loss for the Period	-	-	(169,252)	(169,252)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(169,252)	(169,252)
Balance at 31 December 2017	20,162,527	80,358	(25,049,414)	(4,806,529)
Balance at 1 July 2016	20,162,527	80,358	(24,859,660)	(4,616,775)
Net Loss for the Period	-	-	(20,502)	(20,502)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(20,502)	(20,502)
Balance at 31 Dec 2016	20,162,527	80,358	(24,880,162)	(4,637,277)

The accompanying notes form part of these financial statements

AUS ASIA MINERALS LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	31 DEC 2017	31 DEC 2016
	\$	\$
Cash Flows from Operating Activities		
Payments to suppliers and employees	-	(20,502)
Net cash from operating activities	-	(20,502)
Net increase in cash held	-	(20,502)
Cash at the beginning of the period	-	20,502
Cash at end of the period	-	-

The accompanying notes form part of these financial statements

AUS ASIA MINERALS LIMITED
ACN 121 969 819
INTERIM FINANCIAL REPORT 31 DECEMBER 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements for the half year ended 31 December 2017 cover Aus Asia Minerals Limited (“the Company”) and its controlled entities as a consolidated entity (also referred to as “the Group”). Aus Asia Minerals Limited is a company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity.

This interim financial report was issued on 23 July 2018 by the current Directors of the Company.

a) Statement of compliance

The interim financial report is a condensed financial report prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’ where possible (refer to note 1(b)).

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

This half-year report does not include the full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide in full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this half-year financial report is read in conjunction with the annual financial report for the year ended 30 June 2017 and any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The Accounting policies adopted in the preparation of this half-year financial report are consistent with those followed in preparation of the Group’s annual consolidated financial statements for the year ended 30 June 2017, except for the adoption of new standards and interpretations effective as of 1 July 2015 applied retrospectively. The adoption of these Standards and Interpretations has had no material impact.

b) Incomplete records

To prepare the half year financial report, the Directors who were not in office during the period under review have reconstructed the financial records of the Group using data extracted from the Group’s accounting system for the half-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 half year 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. Accordingly, the financial information of the group’s subsidiaries has been deconsolidated effective 1 July 2015.

AUS ASIA MINERALS LIMITED
ACN 121 969 819
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 half-year then ended.

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.

AUS ASIA MINERALS LIMITED
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d) Functional and presentation currency

The functional currency of each entity within the Group is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements for the year ended 30 June 2016 and half year ended 31 December 2016 are presented in Australian dollars (\$) which is the Company's functional and presentation currency.

e) Comparative figures

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

1. OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Company and its controlled entities operate in one business segment, being iron ore and coal projects, in Indonesia. The various products and services all relate to the same economic characteristics and are sold to a common set of customers. Based on the operation of a single segment and geography, separate segment numbers have not been provided as the financial statements represent one segment.

2. CONTINGENT ASSETS, LIABILITIES, AND COMMITMENTS

There have been no known changes in contingent assets or liabilities as at 31 December 2017 to that disclosed in the 30 June 2017 annual report.

Commitments

There have been no known changes in commitments as at 31 December 2017 to that disclosed in the 30 June 2017 annual report.

3. FAIR VALUES

The fair value of financial assets and financial liabilities of the Group approximated their carrying amount.

AUS ASIA MINERALS LIMITED
ACN 121 969 819
INTERIM FINANCIAL REPORT 31 DECEMBER 2017

4. EVENTS SUBSEQUENT TO REPORTING DATE

Recapitalisation of the Company

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.

AUS ASIA MINERALS LIMITED
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DIRECTORS' DECLARATION

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

1. As set out in Note 1(b), although the current Directors have prepared the financial statements and notes thereto 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 and notes thereto are in accordance with the Corporations Act 2001, including:
 - a. Giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the half year ended on that date; and
 - b. Complying with Australian Accounting Standards AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
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 303 of the Corporations Act 2001 for the half year ended 31 December 2017 has been **unable** to be made due to 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

To The Board of Directors

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

As lead audit Partner for the review of the financial statements of Aus Asia Minerals Limited for the period ended 31 December 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 review.

Yours faithfully



BENTLEYS
Chartered Accountants



DOUG BELL CA
Partner

Dated at Perth this 23rd day of July 2018

Independent Auditor's Review Report

To the Members of Aus Asia Minerals Limited

Disclaimer of Conclusion

We were engaged to review the accompanying half-year financial report of Aus Asia Minerals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2017, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

Because of the significance of the matter described in the Basis for Disclaimer of Conclusion section of our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on this half year financial report.

Basis for Disclaimer of Conclusion

As disclosed in Note 1(b) to the financial statements, the half-year 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 31 December 2017 half-year 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 half-year ended 31 December 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 31 December 2017 and of its performance for the half-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 review.

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 Conclusion is not further modified in respect of this matter.

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Independent Auditor's Review Report

To the Members of Aus Asia Minerals Limited (Continued)



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 control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to conduct a review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Because of the matters described in the Basis for Disclaimer of Conclusion paragraphs, however, we were not able to obtain sufficient appropriate review evidence to provide a basis for a review conclusion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

BENTLEYS
Chartered Accountants

DOUG BELL CA
Partner

Dated at Perth this 23rd day of July 2018