

OREX MINING PTY LTD
(Reconstituted as YANDAL RESOURCES LTD)

ABN 86 108 753 608

Financial Statements
For the year ended 30 June 2016

OREX MINING PTY LTD
ABN 86 108 753 608
Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, present fairly the company's financial position as at 30 June 2016 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



IAN GILMOUR
Director

OREX MINING PTY LTD
ABN 86 108 753 608
Profit and Loss Statement
For the year ended 30 June 2016

	2016	2015
	\$	\$
Operating profit before income tax		(243)
Income tax (credit) attributable to operating profit (loss)		
Operating profit after income tax		(243)
Retained profits at the beginning of the financial year	<u>186,926</u>	<u>187,169</u>
Total available for appropriation	186,926	186,926
Retained profits at the end of the financial year	<u>186,926</u>	<u>186,926</u>

OREX MINING PTY LTD
ABN 86 108 753 608
Detailed Balance Sheet as at 30 June 2016

	Note	2016 \$	2015 \$
Non-Current Assets			
Property, Plant and Equipment			
Tenements - Stamp duty on transfer		207,719	207,719
		<u>207,719</u>	<u>207,719</u>
Other			
Preliminary expenses		800	800
		<u>800</u>	<u>800</u>
Total Non-Current Assets		<u>208,519</u>	<u>208,519</u>
Total Assets		<u>208,519</u>	<u>208,519</u>
Non-Current Liabilities			
Financial Liabilities			
Unsecured:			
Loans from other persons - M Ruane		21,593	21,593
		<u>21,593</u>	<u>21,593</u>
Total Non-Current Liabilities		<u>21,593</u>	<u>21,593</u>
Total Liabilities		<u>21,593</u>	<u>21,593</u>
Net Assets		<u>186,926</u>	<u>186,926</u>
Equity			
Retained profits / (accumulated losses)		186,926	186,926
Total Equity		<u>186,926</u>	<u>186,926</u>

OREX MINING PTY LTD
ABN 86 108 753 608
Notes to the Financial Statements
For the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Property, Plant and Equipment (PPE)

Property, plant and equipment are carried at cost, independent of directors' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the assets charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

(b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
OREX MINING PTY LTD**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Orex Mining Pty Ltd ("the Company") which comprises the balance sheet as at 30 June 2016, the statement of profit or loss for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of Orex Mining Pty Ltd is 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 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 in the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Directors' Responsibility 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 the 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.



Chartered Accountants



In preparing the financial report, the directors are responsible for assessing the ability of the company 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 company or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx

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

Rothsay Auditing

**Graham R Swan FCA
Partner**

Dated 16 October 2018



Chartered Accountants