WestStar Industrial

ASX: WSI | ABN 38 119 047 693

2020 FULL YEAR STATUTORY ACCOUNTS

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CORPORATE DIRECTORY

Directors
Mr Philip Re (Non-Executive Director/Chairman)
Mr Lay Ann Ong (Non-Executive Director)
Mr Umberto Mondello (Non-Executive Director)

Company Secretary
Mr Derek Hall

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Auditors
Criterion Audit Pty Ltd
PO Box 2138
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Stock Exchange
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)

ASX Code
WSI

CORPORATE GOVERNANCE STATEMENT

1. OUR APPROACH TO CORPORATE GOVERNANCE

(A) FRAMEWORK AND APPROACH TO CORPORATE GOVERNANCE AND RESPONSIBILITY

The Directors of WestStar Industrial Limited ("WestStar" or "the Company") is committed to maintaining the highest standards of corporate governance.

Corporate governance is about having a set of values that underpin the company's everyday activities - values that ensure fair dealing, transparency of actions, and protect the interests of stakeholders. The Board considers corporate governance forms part of a broader framework of corporate responsibility and regulatory oversight.

In pursuing its commitment to best practice governance standards, the Board will continue to:

- review and improve its governance practices; and
- monitor global developments in best practice corporate governance.

The Board is guided by the principles and practices that are in our stakeholders' best interests while ensuring full compliance with legal requirements.

(B) COMPLIANCE WITH THE ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

The ASX Listing Rules require listed companies to include in their Annual Report a statement disclosing the extent to which they have followed the ASX Corporate Governance Principles and Recommendations in the reporting period.

In accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement will be available for review on the Company's website and will be lodged together with an Appendix 4G with the ASX at the same time that this Annual Report is lodged with ASX.

The Appendix 4G will identify each recommendation that needs to be reported against by the Company and will provide shareholders with information as to where relevant disclosures can be found.

The Company's corporate governance policies and charters are available at the Company's website www.weststarindustrial.com.au.

Listed companies must identify the recommendations that have not been followed and provide reasons for the company's decision.

This Governance Statement describes WestStar's governance practices and notes where they do not comply with the ASX Corporate Governance Principles and Recommendations.

2. DATE OF THIS STATEMENT

This statement reflects WestStar's corporate governance policies and procedures as at 30 September 2020.

DIRECTORS' REPORT

The Directors of WestStar Industrial Limited submit the financial report of WestStar Industrial Limited ("the Company") and its controlled entities ("the Group" or "Consolidated Entity") for the year ended 30 June 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

DIRECTORS

The names, qualifications, and experience of the Company's Directors in office during the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Philip Re
Non-Executive Chairman

Philip Re is a Chartered Accountant, Chartered Secretary, and a Member of the Institute of Company Directors. Mr Re is an experienced Company Director having held the position as director and founder of several ASX listed Companies in various industries. Mr Re is the Managing Director of Regency Corporate Pty Ltd. Regency Corporate is a specialist corporate advisory business specialising in corporate governance, financing, mergers and acquisitions and investment banking for ASX listed Companies. In addition to his role as Chairman of WestStar Industrial Limited, Mr Re currently holds the position as Non-Executive Director of ASX listed Emerge Gaming Limited and is founder and Chairman of the charity organisation, The Better Life Foundation WA.

Special responsibilities: Nil
Other current directorships of Listed companies: Emerge Gaming Limited
Former directorships of Listed Companies in the last 3 years: iCollege Limited, The Agency Group Australia Limited

Mr Umberto (Bert) Mondello
Non-Executive Director

Mr Bert Mondello is an experienced Public Company Director and Corporate Advisor with 20 years' experience across both the private and public sectors. An as Executive, Mr Mondello has substantial capital markets experience and knowledge of equity markets having participated in company restructures, complex M & A transactions, IPOs, RTOs, investor placements and seed raisings.

Mr Mondello has widespread experience spanning across retail and institutional sectors and an extensive knowledge of marketing communications and investor relations. With deep rooted expertise across multiple technology sectors, Mr Mondello has provided strategic corporate advice and mentoring to a number of private and public organisations internationally across multiple industries.

Mr Mondello is currently the Chairman for Vection Technologies Ltd (ASX: VR1), Emerge Gaming Ltd (ASX: EM1), SineTech Ltd (ASX: STC) and a Non-Executive Director of WestStar Industrial Ltd (ASX: WSI) and ZipTel Ltd (ASX: ZIP). He holds a Bachelor of Laws from the University of Notre Dame, Australia.

Special responsibilities: Nil
Other current directorships of Listed companies: Vection Technologies Ltd, ZipTel Limited, Emerge Gaming Limited
Former directorships of Listed Companies in the last 3 years: Nil

Mr Lay Ann Ong
Non-Executive Director

Mr Lay Ann Ong is an experienced entrepreneur and executive, having held senior executive positions with both public and private companies globally over the last 18 years. Mr Ong has interests in various listed and unlisted companies in the property development, technology, commodities, energy, construction, and food and beverage sector in South East Asia and Australia. Mr Ong has held Chairman and director positions within the WestStar Industrial Limited Group and is also director of ISDN Investments a wholly owned subsidiary of ISDN Holdings Limited, a company listed on the SGX. Mr Ong holds a degree in Law from University of Manchester and a Master's in Business Administration from Manchester Business School.

Special responsibilities: Nil
Other current directorships of Listed companies: Nil
Former directorships of Listed Companies in the last 3 years: Nil

COMPANY SECRETARY

Mr Derek Hall

Mr Hall is a Chartered Accountant, Fellow of the Financial Services Institute and Member of the Institute of Chartered Secretaries and Administrators.

INTERESTS IN THE SECURITIES OF THE COMPANY

As at 30 September 2020, the interests of the Directors in the securities of WestStar Industrial Limited are:

Director	Ordinary Shares
Mr Lay Ann Ong	77,543,686
Mr Philip Re	3,452,537
Mr Bert Mondello	3,268,571

RESULTS OF OPERATIONS

WestStar Industrial Limited posted a net profit after taxation of $3,458,055 for the year to 30 June 2020 (2019: $984,287). Based on this profit, the Company posted a strong underlying EBITDA figure of $5.5M as calculated below. This is a major milestone for the Company and a significant improvement on prior periods. Both SIMPEC Pty Ltd ("SIMPEC") and Alltype Engineering Pty Ltd ("Alltype") achieved turnover to support profitable operations for the full year.

	Year ended 30 June 2020 $
Profit after income tax expense	3,458,055
Add back:	
Interest and financing costs	286,369
Depreciation	586,978
Share Based Payments	1,167,690
EBITDA*	**5,499,092**

*EBITDA is a non-AIFRS financial measure which is not prescribed by Australian Accounting Standards ('AAS')

The Company posted record revenue from ordinary activities of $62.5M, 219% higher than FY2019 ($28.5M). This was a direct result of SIMPEC's growing reputation in the market and the introduction of Alltype delivering further revenue to the combined group since its acquisition in January 2020.

The significant increase in revenue was matched with a record full year profit of $3.45M, continuing the trend from last year's maiden profit result. This is a major milestone for the combined group with SIMPEC's significant turnover reinforced by the consistent contribution of five trading months from Alltype in the second half of the year.

This result was achieved despite significant integration work in relation to the Alltype acquisition as well as the impact of the COVID-19 pandemic. With SIMPEC and Alltype integrated and synergies starting to flow through, the Company is well placed to deliver a strong result in FY2021.

DIVIDENDS

No dividend was paid or declared by the Company during the year and up to the date of this report.

CORPORATE STRUCTURE

WestStar Industrial Limited is a company limited by shares, which is incorporated and domiciled in Australia.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of companies within the Group during the financial year was the provision of an industrial services company providing engineering, construction and mining services to the resources, energy and infrastructure sectors. The Company's key operating subsidiaries are SIMPEC, a construction contractor with specialist experience in both Structural, Mechanical and Piping (SMP), and Electrical and Instrumentation (E&I) works) and Alltype Engineering offering complete project solutions including SMP and E&I site installation, construction and maintenance services, across almost every industry in Australia.

REVIEW OF OPERATIONS

Operations

FY20 produced a challenging and rewarding year for WestStar Industrial Limited.

The Group delivered a strong operational result with ~$62M of revenue for the full year and underlying EBITDA of $5.5M based on a net profit of $3.5M.

SIMPEC delivered the bulk of revenue, contributing ~$42 M for the full year.

SIMPEC overview of operations full year highlights included:

- $5M contract at Fortescue's (FMG) Eliwana Mine and Rail Project with Energy Power Systems Australia.
- $23M contract direct with Tianqi Lithium Kwinana at the Tianqi Lithium LHPP1 process plant in Kwinana.
- $4M contract with Sydney WestConnex New M5 Project with the CPB Dragados Samsung.

The contract award at FMG's Eliwana Mine strengthened SIMPEC's exposure to WA's significant iron ore projects. With this award SIMPEC has now delivered contracts across each of BHP (South Flank), Rio Tinto (West Angelas Mine and Cape Lambert Port Facility) and FMG's Eliwana camp sites. The FMG contract also represented SIMPEC's first full vertical installation package – comprising of Civil, Structural, Mechanical, Piping, Electrical and Instrumentation works.

SIMPEC's contract award directly with TLK at the Tianqi Lithium LHPP1 process plant was another first for SIMPEC with previous contracts at this project completed as a subcontractor. Under the contract, SIMPEC supplied SMP and E&I completions and commissioning support services for the stage 1 processing plant assisting TLK with the handover of the plant to operations. SIMPEC was awarded scope extensions to its current contracts in excess of $18M.

SIMPEC was awarded a new contract for the WestConnex New M5 Project in Sydney, New South Wales. The team was performing detailed Electrical and Instrumentation completions and handover activities on the WestConnex New M5 tunnel works. The contract continues to receive extensions representing a further endorsement of SIMPEC's service offering.

SIMPEC continued its strong tendering activities during the year.

ALLTYPE ENGINEERING delivered segment revenue of $16.5M for the five months since Acquisition / completion date.

Alltype Engineering overview of operations full year highlights included:

- Over $5M in contracts with Mitsui E&P and AGIG to deliver the turnkey Waitsia Metering and Offtake station and undertake the SMP installation works on the Xyris gas plant and compression upgrade project near Dongara, in the Perth basin. These works were completed to aggressive timelines during the peak of the COVID19 pandemic impacts.
- Over $7M in contracts with BMT for fabrication of vessels, tanks, piping and structural steel which were incorporated into the multidiscipline turnkey construction of the state of the art Mercury waste treatment facility in Kwinana, Western Australia
- Over $5M in contracts with the Smartways Alliance team, BMD and MRIA for the supply and fabrication of the new Perth Smart Freeways gantry signs, cantilevered structures, architectural steel, poles and noise walls installed on the Kwinana Freeway northbound from Russell Road to the Narrows Bridge. Completion of these works in parallel allowed Alltype Engineering to become CC3 accredited with Main Roads WA and achieve AS3834 and AS5131 accreditation.
- Completion of Water Corporation infrastructure upgrades and modifications ranging from water treatment plants (Neerabup), pipeline diversion and rerouting (Kalamunda Road Bridge Project) and call off site works.
- Fabrication and delivery of the iconic Kalbarri cantilevered Skywalk bridge structures which opened to the public in 2020.
- Key E&I shutdown and pipeline infrastructure upgrades on the DBP compressor stations.
- Delivery of major stainless steel tank and hopper package for BHP Nickel West in Kwinana and Albemarle in Kemerton, Western Australia.
- Supply and fabrication contracts for structural steel, piping and plate works for Tier One main contractors in Iron Ore and Gold mineral processing EPC contracts.
- Continued tendering and proposal offerings in Queensland (upstream gas projects), NSW (Hydrogen facility project) and SA (gas infrastructure works) as part of the national expansion strategic plan.
- Supply of numerous mining, petrochemical, oil and gas and infrastructure support services and fabrication works.
- Renewal of Steel Mains licensing agreement for MSCL and Sintakote application on Water Corporation water pipelines and fittings works.
- Increased maintenance and call off project support services amongst a broad range of existing and new clients for SMP and E&I discipline scopes.

All type Engineering is now well positioned for FY 21 with recent Awards:

- ~$7M of contract awards including significant new contracts with Primero, Acciona's Kwinana Waste-to-Energy Treatment Plant, APA Group, Georgiou, BP, Melchor and Altona Plumbing and Civil.
- ~$6M Laing O'Rourke Project. Alltype Engineering awarded NEW contract by Laing O'Rourke to deliver iron ore mining plant – Phase 1 Structural, mechanical and piping package (SMP) for RIO TINTO Koodaideri Mine Project.

The contracts cover several industrial market segments including Iron Ore, Gold, Lithium, Oil and Gas, Power Generation, Water, Waste Processing and Transport Infrastructure projects.

Alltype Engineering continues to tender strongly for new work and expects outcomes from these tendering activities in due course.

PRECAST AUSTRALIA

The decision to consolidate the operations of Precast Australia into the Group resulted in the cessation of leased premises in Kwinana and the transfer of staff and personnel throughout the Group. Administrative costs and overheads have ceased and are expected to deliver significant cost savings to the Group on a consolidated basis.

Corporate Update

Controlled Placement Facility

On 28 April 2020, the Company entered into a Controlled Placement Agreement (CPA) with Acuity Capital. The CPA provides WestStar with up to AUD$2.5 million of standby equity capital via placement over the coming 24 months. Importantly, WestStar retains full control of all aspects of the placement process, with sole discretion as to whether or not to utilise the CPA, the quantum of issued shares, the minimum issue price of shares and the timing of each placement tranche (if any).

WestStar is not obligated to utilise the CPA and WestStar may terminate the CPA at any time, without cost or penalty. Acuity Capital and the CPA do not place any restrictions at any time on WestStar raising capital through other methods. If WestStar does decide to utilise the CPA, the Company is able to set a floor price (at its sole discretion) and the final issue price will be calculated as the greater of that floor price set by WestStar and a 10% discount to a Volume Weighted Average Price (VWAP) over a period of the Company's choosing (again at the sole discretion of WestStar).

To secure the CPA, WestStar has placed 44,000,000 fully paid ordinary shares from its ASX Listing Rule 7.1 capacity, at nil consideration to Acuity Capital (Collateral Shares). WestStar may, at any time, cancel the CPA and buy back the Collateral Shares for nil consideration (subject to shareholder approval).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than disclosed elsewhere in this Directors report, there have been no significant changes in the state of affairs of the Group which occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There were no other matters or circumstances arising since the end of the reporting period that have significantly affected, or may significantly affect the operations of the Company and the results of those operations or the state of the affairs of the Company in the financial period subsequent to 30 June 2020.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Company are set out in the above review of operations in this annual report.
Any future prospects are dependent upon the success of the Company's operational subsidiaries.

INDEMNIFYING OFFICERS OR AUDITOR

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 officers of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings. The Company was not a party to any such proceedings during the year.

DIRECTORS' MEETINGS

During the financial year, in addition to regular Board discussions, the number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr Lay Ann Ong	5	5
Mr Philip Re	5	5
Mr Bert Mondello	5	5

NON-AUDIT SERVICES

No non-audit services were provided by the Company's auditor, Criterion Audit Pty Ltd.

SHARE OPTIONS

As at the date of this report, the Company had 30,000,000 options on issue which were approved by Shareholders on 29 November 2019:

- 15,000,000 Options to Hartleys Ltd (or their nominee)
- 15,000,000 Options to ECK Investments Pty Ltd (or their nominee).

AUDITOR INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Company's auditors to provide the Directors of the Company with an Independence Declaration in relation to the audit of the full year financial report. The Independence Declaration forms part of this Directors' Report. A copy of that declaration is included in this annual report.

AUDITED REMUNERATION REPORT

This report outlines the remuneration arrangements in place for Directors and executives of WestStar Industrial Limited in accordance with the requirements of the *Corporation Act 2001* and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Details of Key Management Personnel
The Directors and other key management personnel of the Group during or since the end of the financial year were:

Mr Philip Re	Non-Executive Chairman
Mr Lay Ann Ong	Non-Executive Director
Mr Bert Mondello	Non-Executive Director
Mr Robert Spadanuda	CEO (WestStar Group)
Mr Mark Dimasi	Managing Director (SIMPEC)
Mr Kelvin Andrijich	Managing Director (Alltype Engineering)

Remuneration Policy
The Board is responsible for determining and reviewing compensation arrangements for the Directors and, if required, senior executives of the Company ("the Directors and senior executives"). These arrangements will be competitively set to attract and retain appropriately qualified and experienced Directors and senior executives.

The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Board may obtain independent advice on the appropriateness of remuneration packages given trends in comparative companies both locally and internationally and the objectives of the Company's remuneration strategy. No such advice was obtained during the current year.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter. Due to the current size of the Company and number of directors, the board has elected not to create a separate Remuneration Committee but has instead decided to undertake this function as a full Board under the guidance of the charter.

The rewards for Directors' have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted.

Non-executive Director remuneration
Non-executive Directors are remunerated by way of fees, in the form of cash, non-cash benefits, where applicable superannuation contributions or salary sacrifice into equity and do not normally participate in schemes designed for the remuneration of executives.

Shareholders' approval must be obtained in relation to the overall limit set for the non-executive Directors' fees. The maximum aggregate remuneration approved by shareholders for non-executive Directors is $300,000 per annum. The Directors set the individual non-executive Director fees within the limit approved by shareholders.

Employment Contracts of Directors and Senior Executives
The employment contracts typically stipulate 3-month resignation periods. The Company may also at its sole discretion terminate an employment contract immediately by making a payment equal to the salary for the relevant period of notice. There are no employment contracts relating to Non-Executive Directors or the Company Secretary other than those outlined above.

Relationship between the remuneration policy and Company performance
The Directors considers that at this time, evaluation of the Company's financial performance using generally accepted measures such as total shareholder return or per Company comparison are not relevant as the Company has a limited trading history and is continuing to establish itself as outlined in the Directors' report. Fees for non-executive directors are not linked to the performance of the Group.

The earnings of the listed entity for the five years to 30 June 2020 are summarised below:

WestStar Industrial Limited	2020	2019	2018	2017	2016
Revenue ($'000)	62,473	28,943	9,115	4,578	14
NPAT ($'000)	3,458	984	(3,067)	(6,577)	(794)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

WestStar Industrial Limited	2020	2019	2018	2017	2016
Dividends	-	-	-	-	-
Basic EPS (cents per share)	0.0046	0.002	(0.008)	(0.031)	(3.63)

*Net profit/(loss) and earnings per shares figures for periods prior to 2017 are as previously disclosed and have not been updated for subsequent acquisitions and therefore these figures may not be comparable to the 2020 figures.

Loans to Directors and Executives
There were no loans to directors and executives during the financial year ended 30 June 2020.

Share-based Compensation
Issue of shares
(i) On 29 November 2019, Shareholders approved the issue of 25,000,000 Shares to the vendors of SIMPEC Pty Ltd (and their nominees) on the terms and conditions in the Explanatory Statement.

(ii) On 29 November 2019, Shareholders approved the Company to grant 15,000,000 Shares to Regency Corporate Pty Ltd (or its nominees).

(iii) On 28 January 2020, WestStar acquired 100% of the ordinary share capital and voting rights in Alltype Engineering Pty Ltd ("Alltype"). The consideration for the acquisition comprised the issue to Alltype's shareholders of 237.1 million fully paid ordinary shares on completion.

(iv) On 29 April 2020, the Company placed 44,000,000 fully paid ordinary shares at nil consideration to Acuity Capital (Collateral shares).

Apart from these issuances, there was no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2020.

Options
There were no grants of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year. No options vested, lapsed or were exercised during the year.

Voting and comments made at the company's 2019 Annual General Meeting
WestStar Industrial Limited received more than 97% of "yes" votes on its remuneration report for the 2019 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Remuneration Expense Details for the Year Ended 30 June 2020
The following table of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the Company. Such amounts have been calculated in accordance with Australian Accounting Standards.

		Short Term employee benefits		**Post-employment benefits**		**Share based payments**	**Total**
Director		Base Salary & Fees $	Other $	Superannuation $	Termination benefits $	Shares & options $	**$**
Lay Ann Ong	2020	48,000	-	-	-	-	48,000
	2019	48,000	-	-	-	-	48,000
Philip Re	2020	78,000	-	7,410	-	-	85,410
	2019	86,063	-	7,410	-	-	93,473
Bert Mondello	2020	78,000	-	7,410	-	-	85,410
	2019	86,063	-	7,410	-	-	93,473
Management							
Robert Spadanuda	2020	160,000	24,000	17,480	-	-	201,480
	2019	160,000	24,000	17,480	-	-	201,480
Mark Dimasi [2]	2020	150,000	24,000	16,530	-	125,000	315,530
	2019	148,270	26,000	16,556	-	318,750	509,576
Kelvin Andrijich [1]	2020	149,038	-	10,429	-	-	159,467
Total	**2020**	**663,038**	**48,000**	**59,259**		**125,000**	**895,297**
	2019	**528,396**	**50,000**	**48,856**	**-**	**318,750**	**946,002**

1. Remuneration expense from date of acquisition of Alltype Engineering Pty Ltd on 28 January 2020.
2. Value of shares allotted to Mr Mark Dimasi (or nominee) arising from issue of shares in relation to SIMPEC Earn out.

Shareholdings of Key Management Personnel
The number of shares in the Company held during the financial year held by each director of WestStar Industrial Limited, including their personally related parties, is set out below. There were no shares granted during the year as compensation.

Director	Held at 30 June 2019	Granted as compensation	Net change other	Held at 30 June 2020
Lay Ann Ong	74,343,686	-	-	74,343,686
Philip Re	802,676	-	-	802,676
Bert Mondello	-	-	-	-
Management				
Robert Spadanuda	-	-	-	-
Mark Dimasi[1 & 2]	9,375,000	6,250,000	(9,375,000)	6,250,000
Kelvin Andrijich[3]	-	-	64,359,320	64,359,320

1. Last year, Mr Mark Dimasi was issued 18,750,000 fully paid ordinary shares which were converted from service-based Performance Rights upon the Service Conditions of the Performance Rights being met on 2 August 2019. Mr Mark Dimasi allotted these securities to unrelated nominees.
2. During the year, Mr Mark Dimasi (or nominee) was issued 6,250,000 fully paid ordinary shares as part of the SIMPEC Earn out shares issued.
3. As part of the acquisition of Alltype Engineering, 64.36M shares were allocated to Mr Kelvin Geoffrey Andrijich.

For the previous year ended 30 June 2019:

Director	Held at 30 June 2018	Granted as compensation	Net change other	Held at 30 June 2019
Lay Ann Ong	74,343,686	-	-	74,343,686
Philip Re	138,619	-	664,057	802,676
Bert Mondello	-	-	-	-
Management				
Robert Spadanuda	-	-	-	-
Mark Dimasi[1]	9,375,000	18,750,000	(18,750,000)[1]	9,375,000

1. During the year, Mr Mark Dimasi was issued 18,750,000 fully paid ordinary shares which were converted from service-based Performance Rights upon the Service Conditions of the Performance Rights being met on 2 August 2019. Mr Mark Dimasi allotted these securities to unrelated nominees.

Option holdings of Key Management Personnel
The numbers of options over ordinary shares in the company held during the financial year by each director of WestStar Industrial Limited and specified executive of the Group, including their personally related parties, are set out below:

Director	Held at 30 June 2019	Granted as compensation	Net change other	Held at 30 June 2020	Vested Options	
					Exercisable	Not exercisable
Lay Ann Ong	15,000,000	-	(15,000,000)	-	-	-
Philip Re	-	-	-	-	-	-
Bert Mondello	-	-	-	-	-	-
Management						
Robert Spadanuda	-	-	-	-	-	-
Mark Dimasi	-	-	-	-	-	-
Kelvin Andrijich	-	-	-	-	-	-

For the previous year ended 30 June 2019:

Director	Held at 30 June 2018	Granted as compensation	Net change other	Held at 30 June 2019	Vested Options	
					Exercisable	Not exercisable
Lay Ann Ong [1]	15,000,000	-	-	15,000,000[1]	15,000,000[1]	-
Philip Re	-	-	-	-	-	-
Bert Mondello	-	-	-	-	-	-
Management						
Robert Spadanuda	-	-	-	-	-	-
Mark Dimasi	-	-	-	-	-	-

1.These options lapsed post year end on 6 July 2019.

Rights holdings of Key Management Personnel
There were no rights on issue as at year end.

Other transactions with Key Management Personnel

Regency Corporate Pty Limited
Regency Corporate (and its nominees), a company of which Mr Philip Re is a director, provided the Company with a fully serviced office including administration and information technology support and reimbursement of payments for financial accounting fees, corporate secretarial, bookkeeping, CFO and corporate advisory services of $144,360 plus GST (2019: $268,650 plus GST) in the period.

As at 30 June 2020, the amount outstanding from the Company to Regency Corporate was $41,313 (2019: $43,780)

Regency Partners Pty Limited
Regency Partners, a company of which Mr Philip Re is a shareholder, provided the Company with accounting and bookkeeping services of $715 plus GST (2019: $650 plus GST) in the period.

As at 30 June 2020, the amount outstanding from the Company to Regency Partners Pty Ltd was $12,964 (2019: $1,210)

24 Prowse Street Pty Ltd
On 12 June 2018, WestStar announced that Distinct Developments Pty Ltd ("Distinct") had secured a management contract (the "Contract") for the design and construction of a commercial mixed-use building (the "Project") in West Perth, Western Australia. To fast-track the development, Distinct made a working capital facility ("Facility") of $750,000 available to the owner, 24 Prowse Street Pty Ltd, for the purposes of assisting with the property settlement, design consultants, development approvals, rates and taxes. The Facility is provided with an interest rate of 10% per annum payable to Distinct with a 36 months' maturity period. Mr Mark Dimasi is a director of 24 Prowse Street Pty Ltd. During the year, a further $128,379 was advanced to 24 Prowse Street Pty Ltd by the Company.

Dimasi Family Trust
During the year, The Dimasi Family Trust, an entity related to Mr Mark Dimasi, was paid $70,945 (2019: $65,458) in relation to provision of administrative services for the Group.

Indomain Enterprises Pty Ltd
Indomain Enterprises, a company of which Mr Bert Mondello is a director, provided the Company with corporate advisory services of $Nil (2019: $48,000 plus GST) in the period. As at 30 June 2020, the amount outstanding from the Company to Indomain Enterprises was $71,500 (2019: $14,300).

WestStar Precast Pte Ltd
On 24 April 2017, the Company entered into a Convertible Note agreement with WestStar Precast Pte Ltd, an entity associated with Director, Mr Lay Ann Ong in satisfaction of the outstanding loan amount. During the current year, the Convertible Notes lapsed unexercised and as a result, the borrowing amount has been forgiven by mutual agreement.

In addition, as at 30 June 2020, the amount outstanding from the Company to WestStar Precast Pte Ltd was $80,000 (2019: $254,669).

This Directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Philip Re
Non-Executive Chairman
Perth, Western Australia
30 September 2020

AUDITORS INDEPENDENCE DECLARATION

CRITERION AUDIT

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 2138 SUBIACO WA 6904

Suite 1 GF, 437 Roberts Road
SUBIACO WA 6008

Phone: 6380 2555 Fax: 9381 1122

To The Board of Directors

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

As lead audit director for the audit of the financial statements of WestStar Industrial Limited and Controlled Entities for the financial year ended 30 June 2020, 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

CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 30th day of September 2020

Consolidated Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2020

	Note	30 June 2020 $	30 June 2019 $
Revenue	4	62,472,896	28,549,076
Other income	4	188,643	60,533
		62,661,539	28,609,609
Expenses:			
Cost of goods sold		(51,227,988)	(22,390,778)
Occupancy expenses		(671,088)	(606,088)
Administration expenses	5	(5,105,312)	(4,230,540)
Depreciation		(586,978)	(157,867)
Recognition / (Impairment) of intangibles	7	-	992,198
Other impairment charges		-	(41,369)
Finance costs	5	(286,369)	(244,798)
Doubtful debts expense		(90,120)	(642,012)
Share based payments expense	27	(1,167,690)	(304,068)
Loss on sale of plant and equipment		(67,939)	-
Expenses		(59,203,484)	(27,625,322)
Profit / (loss) before income tax		**3,458,055**	**984,287**
Income tax expense	8	**-**	**-**
Profit / (loss) after income tax		**3,458,055**	**984,287**
Other Comprehensive Income			
Items that may be reclassified to profit or loss		-	-
Other comprehensive income/(loss), net of tax		-	-
Total comprehensive income / (loss)		**3,458,055**	**984,287**
Earnings / (loss) per share			
Earnings / (Loss) per share for the year attributable to the members of WestStar Industrial Limited (cents per share)	28	0.0046	0.002

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position as at 30 June 2020

	Note	30 June 2020 $	30 June 2019 $
ASSETS			
Current Assets			
Cash and cash equivalents	9	6,642,063	10,068,300
Trade and other receivables	10	10,260,551	6,081,759
Stock on hand		410,222	15,933
Other assets	11	7,012,541	5,835,136
Total Current Assets		**24,325,377**	**22,001,129**
Non-Current Assets			
Investments	12	-	151,380
Bank guarantees		60,650	243,933
Trade and other receivables	10	844,419	-
Property, plant & equipment	13	4,338,653	353,914
Right of Use Asset	14	2,255,123	-
Loans receivable	15	908,903	780,524
Intangible Assets	16	4,508,116	992,198
Total Non-Current Assets		**12,915,864**	**2,521,949**
Total Assets		**37,241,241**	**24,523,078**
LIABILITIES			
Current Liabilities			
Trade and other payables	17	13,955,912	10,985,353
Provisions	18	962,330	273,716
Borrowings	19	790,000	882,011
Lease liabilities	20	660,125	-
Other liabilities	11	5,867,141	9,650,651
Total Current Liabilities		**22,235,508**	**21,791,731**
Non-Current Liabilities			
Provisions	18	23,276	-
Lease liabilities	20	1,698,074	-
Total Non-Current Liabilities		**1,721,350**	**-**
Total Liabilities		**23,956,858**	**21,791,731**
Net Assets		**13,284,383**	**2,731,347**
EQUITY			
Issued capital	25	19,811,669	13,004,376
Reserves	26	772,495	484,805
Accumulated losses		(7,299,781)	(10,757,834)
Total Equity		**13,284,383**	**2,731,347**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the year ended 30 June 2020

	Note	30 June 2020 $	30 June 2019 $
Cash flows from operating activities			
Receipts from customers		53,583,474	31,571,722
Payments to suppliers and employees		(57,371,812)	(25,384,281)
Interest received		11,753	6,199
Interest paid		(250,843)	(244,798)
Net cash flows provided by/(used in) operating activities	9	**(4,027,428)**	**5,948,842**
Cash flows from investing activities			
Payment for bank guarantees		-	(91,628)
Proceeds from sale of investments		454,631	-
Purchase of subsidiary, net cash acquired	6	810,855	-
Purchase of property, plant & equipment		(135,728)	(76,748)
Payments for investments		(387,720)	-
Net cash flows provided by/(used in) investing activities		**742,038**	**(168,376)**
Cash flows from financing activities			
Proceeds from issue of shares		-	2,188,800
Proceeds from borrowings		19,000	1,052,000
Amounts loaned		(25,471)	(42,774)
Repayment of borrowings		(134,376)	(622,018)
Net cash provided by/(used in) financing activities		**(140,847)**	**2,576,008**
Net increase/(decrease) in cash and cash equivalents		(3,426,237)	8,356,474
Cash and cash equivalents at beginning of period		10,068,300	1,711,826
Cash and cash equivalents at the end of the period	9	**6,642,063**	**10,068,300**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2020

	Note	Issued capital $	Accumulated losses $	Share based payment reserve $	Total $
At 1 July 2019		**13,004,376**	**(10,757,834)**	**484,805**	**2,731,347**
Change in accounting policies		-	-	-	-
Profit/(loss) for the year		-	3,458,055	-	3,458,055
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	3,458,055	-	3,458,055
Transactions with owners in their capacity as owners					
Shares issued for the acquisition of Alltype Engineering Pty Ltd		5,927,292	-	-	5,927,292
Options issued	26	-	-	287,690	287,690
Contribution of equity net of transaction costs	25	-	-	-	-
Transfer of expired options value		-	-	-	-
Recognition of share-based payments	27	880,000	-	-	880,000
Transactions with owners in their capacity as owners		6,807,292	-	287,690	7,094,982
Balance at 30 June 2020		**19,811,669**	**(7,299,781)**	**772,495**	**13,284,383**

	Note	Issued capital $	Accumulated losses $	Share based payment reserve $	Total $
At 1 July 2018		**10,162,478**	**(11,439,911)**	**821,045**	**(456,388)**
Change in accounting policies	2(e)	-	(638,450)	-	(638,450)
Profit/(loss) for the year		-	984,287	-	984,287
Other comprehensive income					
Total comprehensive income for the year		-	984,287	-	984,287
Transactions with owners in their capacity as owners					
Contribution of equity net of transaction costs	25	2,204,399	-	-	2,204,399
Transfer of expired options value	26	-	336,240	(336,240)	-
Recognition of share-based payments	27	637,499	-		637,499
Transactions with owners in their capacity as owners		2,841,898	1,320,527	(336,240)	3,826,185
Balance at 30 June 2019		**13,004,376**	**(10,757,834)**	**484,805**	**2,731,347**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

- **Corporate**

The financial report of WestStar Industrial Limited ("the Company") and its controlled entities ("the Group" or "Consolidated Entity") for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the directors on 30 September 2020.

WestStar Industrial Limited is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the Directors' Report.

- **Basis of Preparation and Accounting Policies**

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'). The financial report has also been prepared on a historical cost except for, where applicable, the revaluation of certain classes of plant and equipment and available-for-sale investments which are measured at fair value. The presentation currency is Australian dollars.

(b) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group posted a net profit after tax for the year ended 30 June 2020 of $3,458,055 (2019: profit of $984,287) and net operating cash outflows of $4,027,428 (2019: inflows of $5,948,842). The Group achieved total net cash outflows of $3,426,237 (2019: inflows of $8,356,474). The Group had cash of $6,642,063 (2019: $10,068,300) and a working capital surplus of $2,089,869 as at 30 June 2020 (2019: surplus of $209,398).

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Group not be able to continue as a going concern. The directors have reviewed the Group's financial position and are of the opinion that the use of the going concern basis of accounting is appropriate.

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of WestStar Industrial Limited ('the Company') and its subsidiaries as at 30 June each year ('the Group').

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 profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-company transactions have been eliminated in full.

(d) Parent Information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in the notes.

(e) New, revised or amending Accounting Standards or Interpretations adopted

The following Accounting Standards or Interpretations are most relevant to the Consolidated Entity.

AASB 16 Leases

The consolidated entity has adopted AASB 16 effective on 1 July 2019 but has only impacted the acquisition of Alltype Engineering Pty Ltd on 28 January 2020. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

AASB 15 Revenue from Contracts with Customers

The Group has adopted AASB 15 from 1 July 2018. AASB 15 replaces AASB 118 Revenue and several revenue-related Interpretations. This standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price.

Change in Accounting Policy and Impact of Adoption

AASB 15 has been applied using the modified retrospective approach. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. Under this method, the cumulative effect of initial application is recognised as an adjustment to the opening balance of accumulated losses at 1 July 2018 and comparatives are not restated. Upon adoption of AASB 15, the Group recognised an accrual for discounts and rebates on the statement of financial position and reflected the corresponding adjustment in revenue, with the net effect being adjusted in accumulated losses. The following table shows the adjustments recognised for each individual line item in the Financial Statements. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided.

Consolidated statement of Financial Position

The total impact on the Group's statement of Financial Position as at 1 July 2018:

As at	30 June 2018 Reported	AASB 15 adjustment	1 July 2018 Restated
Current Assets			
Other assets	306,673	2,414,188	2,720,861
Total assets	**5,499,701**	**2,414,188**	**7,913,890**
Current Liabilities			
Other liabilities	416,419	3,052,638	3,469,057
Total Liabilities	**5,956,089**	**3,052,638**	**9,008,727**
Equity			
Accumulated losses	11,439,911	638,450	12,078,361
Total Equity	**(456,388)**	**(638,450)**	**(1,094,838)**

The tables below highlight the impact of AASB 15 on the Group's statement of Profit or Loss and Other Comprehensive Income and the statement of Financial Position for the year ending 30 June 2019. The adoption of AASB 15 did not have any impact on the Group's statement of cash flows.

Consolidated statement of Profit or Loss and Other Comprehensive Income

The total impact on the Group's statement of Profit or Loss and Other Comprehensive Income for the reporting period:

As at	Amounts under AASB 118	AASB 15 adjustment	Amounts under AASB 15
Revenue	30,401,288	(1,852,212)	28,549,076
Total Revenue	**30,461,821**	**(1,852,212)**	**28,609,609**
Expenses			
Cost of goods sold	25,505,055	(3,114,277)	22,390,778
Total Expenses	**30,739,599**	**(3,114,277)**	**27,625,322**
Profit / (Loss) before tax	**(277,778)**	**1,262,065**	**984,287**

Consolidated statement of Financial Position

The total impact on the Group's statement of Financial Position for the reporting period:

As at	Amounts under AASB 118	AASB 15 adjustment	Amounts under AASB 15
Current Assets			
Other assets	601,829	5,233,307	5,835,136
Total Current Assets	**16,767,822**	**5,233,307**	**22,001,129**
Current Liabilities			
Other liabilities	5,021,171	4,629,480	9,650,651
Total Liabilities	**17,162,251**	**4,629,480**	**21,791,731**
Equity			
Accumulated losses	11,361,661	(603,826)	10,757,834
Total Equity	**2,127,520**	**603,827**	**2,731,347**

Other than the above, there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Company accounting policies.

(f) New accounting standards and interpretations issued not yet effective

The Directors have reviewed all Standards and Interpretations on issue but not yet adopted for the year ended 30 June 2020. As a result of this review the Directors have determined that there is no material impact, of the Standards and Interpretations on issue but not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(g) Foreign Currency Translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of WestStar Industrial Limited is Australian dollars.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit of loss.

(iii) Group entities
On consolidation, the assets and liabilities of foreign operations are translated into dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(h) Plant and Equipment

Plant and equipment
Plant and equipment is shown at fair value (refer Note 6), based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of plant and equipment are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

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

Depreciation
The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	*Depreciation Rate*
Plant and equipment	5% - 33.33 %
Motor Vehicles	6.67% - 12.5%
Leasehold improvements	2.5% - 10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

Derecognition
Plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the profit of loss.

(i) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.
The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(j) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

(k) Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

(l) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, it makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group and the asset's value in use cannot be estimated to be close to its fair value.

In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the profit of loss.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(m) Trade and Other Receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Assessments of the collectability of trade receivables, including contract retentions are made on an ongoing basis. An allowance account for impaired trade receivables is made when there is objective evidence that the Group will not be able to collect the amounts owed according to the original terms. When a trade receivable is deemed uncollectible for which an impairment allowance has been recognised, it is written off against the allowance account.

Intercompany loans are impaired based on the ability of the subsidiaries to generate future cash flows to repay the loans. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified

(n) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

If the effect of the time value of money is material, 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 where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Trade and other payables

Liabilities for trade creditors and other amounts are initially measured at fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group and subsequently measured at amortised cost using the effective interest rate method.

(q) Income Tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

WestStar Industrial Limited (the 'head entity') and its wholly-owned subsidiaries currently account for their own current and deferred tax amounts. The Company has formed a tax consolidated group which incorporates all entities in the Group. The tax disclosures in this report are prepared on a consolidated basis.

(r) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Revenue

Revenue Recognition
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest income
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Contract assets
Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract liabilities
Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

(t) Segment Reporting

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

(u) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share
Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

(v) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis and the GST component of investing and financing activities, which is receivable from or payable to the ATO, are disclosed as operating cash flows.

(w) Inventories

Inventories are measured at the lower of cost and net realisable value on weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(x) Investment in Associates

Associates are companies in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition whereby the Group's share of the net fair value of the associate exceeds the cost of investment is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised. Details of the Group's investments in associates are provided in notes.

(y) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial assets recognised by the Company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial liabilities classified as held-for-trading, contingent consideration payable by the Company for the acquisition of a business, and financial liabilities designated at fair value through profit and loss (FVtPL), are subsequently measured at fair value.

All other financial liabilities recognised by the Company are subsequently measured at amortised cost.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers and are normally settled within 30 days.

Consistent with both the company's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Impairment

The Company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- contract assets (eg amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the following approach to impairment, as applicable under AASB 9: *Financial Instruments*:

- the simplified approach

Simplified approach
The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: *Revenue from Contracts with Customers* and which do not contain a significant financing component

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Recognition of expected credit losses in financial statements
At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income. The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(z) Share based payment transactions

The Group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the Group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares ('equity settled transactions').

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of WestStar Industrial Limited ('market conditions'). The cost of the equity settled transactions is recognised, 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 employees become fully entitled to the award ('vesting date').

The cumulative expense recognised 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. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

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

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted. The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share.

(aa) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share based payment transactions
The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

Impairment assessment of goodwill and other intangibles
The Group tests annually whether its intangible assets have suffered any impairment. The recoverable amount of cash generating units (CGUs) have been determined based on value-in-use calculations. These calculations require the use of assumptions for each CGU. The determination of impairment involves the use of judgements and estimates that include, but are not limited to, the cause, timing and measurement of the impairment.

Management is required to make significant judgements concerning future cash flows, including changes in competitive positions, expectations of growth cost of capital and the determination of fair values when assessing the recoverable amounts of assets (or groups of assets). Inputs into these valuations require assumptions and estimates to be made about forecast earnings before interest and tax and related future cash flows, growth rates, applicable discount rates, useful lives and residual values.

The judgements, estimates and assumptions used in assessing impairment are management's best estimates based on current and forecast market conditions. Changes in economic and operating conditions impacting these assumptions could result in changes in the recognitions of impairment changes in future periods.

Additionally, management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made:

- trade and other receivables, refer note 2 (m);
- recovery of deferred taxes, refer note 2 (q); and
- revenue recognition, refer note 2 (s).

Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Estimation of useful lives of assets
The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances

Business combinations
As discussed in note 1(bb), business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Income tax
The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

(bb) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

(cc) Non-current assets (or disposal Groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal Group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales for such asset (or disposal Groups) and the sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a complete sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary, after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with AASB 139 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method.

Non-current assets (and disposal Groups) are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell.

(dd) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent nonconvertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(ee) Parent entity financial information

The financial information for the parent entity, WestStar Industrial Limited, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities
Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Share-based payments
The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

3. Segment Information

Management has determined the operating segments based on reports reviewed by the Board of Directors for making strategic decisions. The Board of Directors monitors the business based on operational and geographic factors and have determined that there is three relevant businesses segment being:

- Precast Australia, which provides prefabricated concrete construction services to the construction and resources sectors in Australia;
- SIMPEC, a construction contractor with specialist experience in both Structural Mechanical and Piping, Electrical and Instrumentation works;
- Alltype Engineering Pty Ltd leverages off its fabrication capability and provides complete project solutions including SMP and E&I site installation, construction and maintenance services, across almost every industry in Australia; and.
- Distinct Development, which addresses small to mid-size mixed-use property projects, a niche in the local market.

Segment reporting	Precast $	SIMPEC $	Alltype $	Distinct $	Group $
Year ended 30 June 2020					
Segment revenue	3,149,021	42,678,216	16,645,659	-	62,472,896
Segment expense	(4,458,417)	(37,598,834)	(15,149,733)	(2,550)	(57,209,534)
Segment operating profit (loss)	**(1,309,396)**	**5,079,382**	**1,495,926**	**(2,550)**	**5,263,362**
Other Income					188,643
Corporate & administration					(1,993,950)
Net operating Profit (Loss) after Tax					**3,458,055**
Year ended 30 June 2019					
Segment revenue	4,147,594	24,401,482	-	41,369	28,590,445
Segment expense	(5,608,489)	(21,472,162)	-	(43,068)	(27,123,719)
Segment operating profit (loss)	**(1,460,895)**	**2,929,320**	**-**	**(1,699)**	**1,466,726**
Other Income					352,595
Corporate & administration					(835,034)
Net operating Profit (Loss) after Tax					**984,287**

Year ended 30 June 2020					
Segment assets	419,606	15,533,812	16,604,750	750,781	33,308,949
Segment liabilities	(1,728,978)	(7,963,644)	(13,341,703)	-	(23,034,325)
Segment asset & liabilities	**(1,309,372)**	**7,570,168**	**3,263,047**	**750,781**	**10,274,624**
Cash and corporate assets					3,932,292
Corporate liabilities					(922,533)
Total asset & liabilities					**13,284,383**
Year ended 30 June 2019					
Segment assets	2,588,418	15,659,884	-	752,872	19,001,174
Segment liabilities	(2,812,594)	(17,633,049)	-	-	(20,445,643)
Segment asset & liabilities	**(224,176)**	**(1,973,165)**	**-**	**752,872**	**(1,444,469)**
Cash and corporate assets					5,521,904
Corporate liabilities					(1,346,088)
Total asset & liabilities					**2,731,347**

The Group is domiciled in Australia. All revenue from external customers is generated from Australia only.

4. Revenue and Other Income

	2020 $	2019 $
Revenue		
Sale of goods	62,472,896	28,549,076
	62,472,896	28,549,076
Other Income		
Interest Income	11,927	50,667
Sundry Income	76,716	9,866
ATO Cash boost payment	100,000	-
	188,643	**60,533**

5. Expenses

	2020 $	2019 $
Administrative expenses		
- Employee wages and salaries	3,590,980	2,559,135
- Professional services and consultant fees	409,408	782,996
- Insurance	551,764	313,110
- Motor vehicle costs	128,150	163,204
- ASX and Share registry fees	91,413	67,751
- General administrative costs	333,597	344,344
	5,105,312	**4,230,540**
Finance costs		
- Interest and associated borrowing costs to unrelated third parties	286,369	244,798
	286,369	**244,798**

6. Acquisition of Alltype Engineering Pty Ltd

On 28 January 2020, WestStar acquired 100% of the ordinary share capital and voting rights in Alltype Engineering Pty Ltd ("Alltype").

(i) Business Acquisition Consideration

The consideration for the acquisition comprised the issue to Alltype's shareholders of:

- 237.1 million fully paid ordinary shares on completion.
- Up to 243.4M Deferred Consideration Shares to be issued on achievement of EBITDA targets for Alltype's FY2020 performance.

As the EBITDA targets were not met, no Deferred Consideration Shares will be issued.

(ii) Fair value of consideration transferred

Under the principles of AASB 3 '*Business Combinations'*, the assets and liabilities of Alltype are measured at fair value on the date of acquisition.

(iii) Goodwill

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of Alltype. Details of the transaction are as follows:

	Fair Value $
Consideration	
237.1 million fully paid ordinary shares on completion	5,927,292
Total consideration	**5,927,292**
Fair value of assets and liabilities held at acquisition date:	
Cash	810,855
Trade and other receivables	3,935,062
Plant and equipment	4,135,665
Right of Use Asset	2,523,590
Inventories	427,699
Deferred Costs	7,230,282
Trade and other payables	(4,881,006)
Provisions	(536,434)
Right of Use Liability	(2,524,183)
Lease liabilities	(71,691)
Unearned Income	(8,638,465)
Fair value of identifiable assets and liabilities assumed	2,411,374
Goodwill - provisional	**3,515,918**

7. Acquisition of SIMPEC Pty Ltd

On 29 December 2017, WestStar Industrial Limited acquired 100% of the ordinary share capital and voting rights in SIMPEC Pty Ltd.

(i) Acquisition Consideration

The consideration for the acquisition comprised the issue to SIMPEC's shareholders of:

- 37.5 million fully paid ordinary shares on completion
- 37.5 million service based performance securities
- up to 25 million shares to be issued on the achievement of $500,000 of earnings before interest, taxation, depreciation and amortisation (EBITDA) within 18 calendar months of the Transaction completion date.

(ii) Fair value of consideration transferred

Under the principles of AASB 3, the assets and liabilities of SIMPEC Pty Ltd are measured at fair value on the date of acquisition.

(iii) Goodwill

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of SIMPEC Pty Ltd. Details of the transaction are as follows:

	Fair Value $
Consideration	
37.5 million fully paid ordinary shares on completion	937,500
37.5 million service based performance securities	-
25 million shares issued on the achievement of target EBITDA	-
Total consideration	937,500

Fair value of assets and liabilities held at acquisition date:	
Cash	79,633
Trade and other receivables	960,703
Plant and equipment	5,925
Trade and other payables	(179,431)
Provisions	(71,073)
Unearned Income	(850,455)
Fair value of identifiable assets and liabilities assumed	(54,698)
Goodwill – provisional	992,198
Less impairment of goodwill (recognised in prior period)	(992,198)
	-

(iv) Impairment assessment

If the initial accounting for a business acquisition is incomplete by the end of the reporting period in which the combination occurs, the consolidated entity reports provisional amounts for the items for which accounting is incomplete. The provisional amounts are adjusted during the measurement period on a retrospective basis by restating the comparative information presented in the financial statements. In December 2019, the Company reassessed the intangible asset value of SIMPEC as significantly above its carrying value and accordingly an impairment reversal to the value of $992,198 was recognised.

8. Income Tax

(a) Income tax expense

	2020 $	2019 $
Major component of tax expense for the year		
Current tax	-	-
Deferred tax	-	-
		-

(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable tax rate is as follows:

	2020 $	2019 $
Profit / (Loss) from continuing operations before income tax expense	3,458,055	984,287
Tax at the group rate of 30% (2019: 27.5%)	1,037,417	270,679
Other non-deductible expenses	451,988	186,199
Other non-assessable income	(72,184)	(91,694)
Net tax benefit/ (expense) not brought to account	(1,417,221)	(365,184)
Net tax benefit brought to account	-	-
Income tax expense	-	-

(c) Deferred tax

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable tax rate is as follows:

Liabilities		
Net deferred income	-	341,626
Plant and Equipment	223,369	-
Lease Liability	1,124	-
Deferred tax liability not recognised	224,493	341,626
Assets		
Losses available to offset against future taxable income	644,821	1,209,051
Provisions & accruals	472,507	344,810
Net deferred income	310,699	-
Capital raising costs	81,201	106,273
Borrowing costs	19,045	22,567
Deferred tax asset not recognised	1,528,273	1,682,701
Net deferred tax asset not recognised	**1,303,780**	**1,341,075**

The benefit for tax losses will only be obtained if:
(i) the Group derives future assessable income in Australia of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
(ii) the Group continues to comply with conditions for deductibility imposed by tax legislation in Australia; and
(iii) no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

9. Cash and Cash equivalents

	2020 $	2019 $
Cash at bank and on hand	6,642,063	10,068,300
	6,642,063	**10,068,300**

Reconciliation to Consolidated Statement of Cashflows:		
Balances as above	6,642,063	10,068,300
Bank overdraft	-	-
Balances per Statement of Cashflows	6,642,063	10,068,300

Reconciliation of profit after income tax to net cash inflow/(outflow) from operating activities	2020 $	2019 $
Profit after income tax	3,458,055	984,287
Non Cash Items		
Depreciation and amortisation expenses	586,978	157,867
Impairment expenses	-	(992,198)
Reversal of convertible note value	-	(333,431)
Share-based payments	1,167,690	637,499
Doubtful debts expense	90,119	642,012
Loss on sale of plant and equipment	67,940	-
(Decrease) / increase in working capital		
(Increase) / decrease in receivables	(995,529)	(4,541,671)
(Increase) / decrease in other assets	6,052,876	(4,345,549)
Increase / (decrease) in payables	(2,222,758)	6,482,002
Increase / (decrease) in other liabilities	(12,421,974)	6,181,593
Increase / (decrease) in provisions	189,174	1,076,431
Net cash inflow/(outflow) from operating activities	(4,027,428)	5,948,842

10. Trade and Other Receivables

Trade receivables (Current)	2020 $	2019 $
Trade receivables	9,209,699	5,898,577
Less Allowance for doubtful debts	(413,033)	(636,605)
	8,796,666	5,261,972
Retentions	1,233,588	625,461
Other receivables	138,901	2,100
Prepayments	91,396	192,226
	10,260,551	**6,081,759**

	2020 $	2019 $
<30 days	5,564,054	4,333,123
30-60 days	1,377,234	808,459
60-90 days	218,513	-
90+ days	1,636,865	120,390
Total	**8,796,666**	**5,261,972**

Trade receivables (Non-Current)	**2020 $**	**2019 $**
Retentions	844,418	-
	844,418	-

The consolidated entity has increased its monitoring of debt recovery as there is an increased probability of customers delaying payment or being unable to pay, due to the Coronavirus (COVID-19) pandemic.

11. Other Assets and Liabilities

The Company has adopted AASB 15 from 1 July 2018. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price.

The "Contract asset" value below represents costs deferred into the next period under AASB 15.

Other Assets	**2020 $**	**2019 $**
Contract assets	7,012,541	5,835,136
	7,012,541	**5,835,136**

The "Contract liabilities" value below represents income deferred into the next period under AASB 15.

Other Liabilities	**2020 $**	**2019 $**
Contract liabilities	5,867,141	9,650,651
	5,867,141	**9,650,651**

12. Investments

	2020 $	**2019 $**
Term deposit	-	151,380
	-	151,380

13. Property, Plant and Equipment

	2020 $	**2019 $**
Gross carrying value at cost	818,389	970,246
Accumulated depreciation	(372,211)	(616,332)
Net carrying value	**446,178**	**353,914**
Gross carrying value at valuation	4,097,665	-
Accumulated depreciation	(205,190)	-
Net carrying value	**3,892,475**	**-**
TOTAL	**4,338,653**	**353,914**

Gross carrying value at cost	Leasehold Improvements $	Plant & Equipment $	Motor Vehicles $	Total $
1 July 2019	256,129	714,117	-	970,246
Additions	-	199,287	86,913	286,200
Disposals	(56,129)	(381,928)	-	(438,057)
At 30 June 2020	200,000	531,476	86,913	818,389
Accumulated depreciation				
At 1 July 2019	(136,292)	(480,040)	-	(616,332)
Disposals	42,257	313,205	-	355,462
Depreciation	(25,565)	(82,198)	(3,578)	(111,341)
At 30 June 2020	(119,600)	(249,033)	(3,578)	(372,211)

Gross carrying value at valuation	Leasehold Improvements $	Plant & Equipment $	Motor Vehicles $	Total $
1 July 2019	-	-	-	-
Additions (Note 6)	-	3,843,665	292,000	4,135,665
Disposals	-	-	(38,000)	(38,000)
At 30 June 2020	-	3,843,665	254,000	4,097,665
Accumulated depreciation				
At 1 July 2019	-	-	-	-
Disposals	-	-	1,980	1,980
Depreciation	-	(194,707)	(12,463)	(207,170)
At 30 June 2020	**-**	**(194,707)**	**(10,483)**	**(205,190)**

14. Right of Use Asset and Liability

The Group has adopted AASB 16 from 1 July 2019. This calculation was done as part of the acquisition of Alltype as disclosed in Note 6.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Right of Use Asset	2020 $	2019 $
Lease asset	2,899,444	-
Accumulated depreciation	(644,321)	
	2,255,123	**-**

15. Loan Receivable

In 2018, as part of a property development contract, WestStar subsidiary Distinct Developments Pty Ltd ("Distinct") made a working capital facility (the "Facility") of $750,000 available to 24 Prowse Street Pty Ltd (the "Owner"), for the purposes of assisting with property settlement and other costs. The Facility was provided with an interest rate of 10% per annum payable to Distinct with a 36 months' maturity period and is secured with a mortgage over the property.

The Group has since been advised by the Owner that the property under development has been put on the market for sale. The Group understands that the Owner is testing the market and if these efforts are successful, the Owner may or may not proceed with its development plans. The Group continues to act for the Owner under the Contract. Further funds were advanced during the period with the balance owing of $908,903 at year end.

16. Intangible assets

	2020	2019
	$	$
Goodwill - Alltype Engineering Pty Ltd (Note 6)	3,515,918	-
Goodwill - SIMPEC (Note 7)	992,198	992,198
	4,508,116	**992,198**

17. Trade and Other Payables

	2020	2019
	$	$
Trade payables	8,454,453	7,617,598
Other creditors and accruals	5,501,459	3,367,755
	13,955,912	**10,985,353**

18. Provisions

	2020	2019
	$	$
Annual Leave - Current	745,931	209,526
Long Service Leave - Current	216,399	64,190
	962,330	**273,716**
Long Service Leave – Non-Current	23,276	-
	23,276	**273,716**

19. Borrowings

	2020	2019
	$	$
Loan from related parties(i)	-	232,011
Financing Facility (ii)	650,000	650,000
Other Facility (iii)	140,000	-
	790,000	**882,011**

(I) On 24 April 2017, the Company entered into a Convertible Note agreement with WestStar Precast Pte Ltd, an entity associated with Director, Mr Lay Ann Ong in satisfaction of the outstanding loan amount. During the current year, the Convertible Notes lapsed unexercised and as a result, the borrowing amount has been forgiven by mutual agreement.

(ii) On 12 December 2018, the Group advised that it had received commitments for an unsecured working capital facility of up to $1 million. As at year end, the facility had been drawn down to $650,000. The facility bears interest at 10% p.a.

(iii) This relates to a short term Westpac financing facility replacing a bank guarantee facility. This was repaid in July 2020.

20. Lease Liabilities

	2020	2019
	$	$
Right of Use Lease liability - Current	638,796	-
Other lease liabilities - Current	21,329	
	660,125	**-**

	2020	2019
	$	$
Right of Use Lease liability – Non-Current	1,612,580	-
Other lease liabilities – Non-Current	85,494	
	1,698,074	**-**

21. Related Party Disclosures

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

	2020 $	2019 $
Short term employee benefits	711,038	578,396
Post-employment benefits	59,259	48,856
Share based payments	125,000	318,750
	895,297	**946,002**

22. Related Party Transactions

The consolidated financial statements include the financial statements of the Group and the subsidiaries listed in the following table:

Name	Country of Incorporation	Principal Activities	% Equity Interest 2020	% Equity Interest 2019
Precast Australia Pty Ltd	Australia	Prefabricated concrete	100%	100%
Icon Gold Pty Ltd	Australia	Mineral exploration	100%	100%
SIMPEC Pty Ltd	Australia	Construction contracting	100%	100%
Distinct Developments Pty Ltd	Australia	Property development	100%	100%
Alltype Engineering Pty Ltd	Australia	Fabrication & Construction	100%	-

(a) Transactions with related parties

Regency Corporate Pty Limited
Regency Corporate (and its nominees), a company of which Mr Philip Re is a director, provided the Company with a fully serviced office including administration and information technology support and reimbursement of payments for financial accounting fees, corporate secretarial, bookkeeping, CFO and corporate advisory services of $144,360 (2019: $268,650) plus GST in the period.

Regency Partners Pty Limited
Regency Partners, a company of which Mr Philip Re is a shareholder, provided the Company with accounting and bookkeeping services of $715 plus GST (2019: $650 plus GST) in the period.

24 Prowse Street Pty Ltd
On 12 June 2018, WestStar announced that Distinct Developments Pty Ltd ("Distinct") has secured a management contract (the "Contract") for the design and construction of a commercial mixed-use building (the "Project") in West Perth, Western Australia. To fast-track the development, Distinct made a working capital facility ("Facility") of $750,000 available to the owner, 24 Prowse Street Pty Ltd, for the purposes of assisting with the property settlement, design consultants, development approvals, rates and taxes. The Facility is provided with an interest rate of 10% per annum payable to Distinct with a 36 months' maturity period. Mr Mark Dimasi is a director of 24 Prowse Street Pty Ltd. During the year, a further $128,379 was advanced to 24 Prowse Street Pty Ltd by the Company.

Dimasi Family Trust
During the year, The Dimasi Family Trust, an entity related to Mr Mark Dimasi, was paid $70,945 (2019: $65,458) in relation to provision of administrative services for the Group.

Indomain Enterprises Pty Ltd
Indomain Enterprises, a company of which Mr Bert Mondello is a director, provided the Company with corporate advisory services of $Nil plus GST (2019: $48,000 plus GST) in the period.

WestStar Precast Pte Ltd
On 24 April 2017, the Company entered into a Convertible Note agreement with WestStar Precast Pte Ltd, an entity associated with Director, Mr Lay Ann Ong in satisfaction of the outstanding loan amount. During the current year, the Convertible Notes lapsed unexercised and as a result, the borrowing amount has been forgiven by mutual agreement.

(b) Outstanding balances with related parties

	2020 $	2019 $
WestStar Precast Pte Ltd	80,000	254,669
Indomain Enterprises Pty Ltd	71,500	14,300
Regency Corporate Pty Ltd	41,313	43,780
Regency Partners Pty Ltd	12,964	1,210
Robert Spadanuda [1]	10,553	-
	216,330	**313,959**

1.The balance includes amounts for reimbursement of out-of-pocket expenses incurred for the benefit of the entity or any of its subsidiaries.

23. Parent Entity Information

The following detailed information related to the parent entity, WestStar Industrial Limited, at 30 June 2020. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2020 $	2019 $
Current Assets	324,884	684,417
Non-current Assets	7,885,537	1,742,868
Total Assets	8,210,421	2,427,285
Current Liabilities	2,192,632	1,470,101
Non-current Liabilities	70,898	-
Total Liabilities	2,263,530	1,470,101
Contributed equity	39,628,136	32,820,844
Reserves	2,384,249	2,096,559
Accumulated Losses	(36,065,494)	(33,960,219)
Total Equity	5,946,891	957,184
Total Comprehensive Profit / (Loss) for the Year	(2,105,275)	(1,186,965)

24. Auditor's Remuneration

The auditor of WestStar Industrial Limited is Criterion Audit Pty Ltd.

	2020 $	2019 $
Auditor of the Company		
Auditing or reviewing the financial report	62,450	47,000
	62,450	47,000

25. Issued Capital

(a) Issued and paid up capital

	2020 $	2019 $
Ordinary shares fully paid	19,811,669	13,004,376

(b) Movements in shares on issue

	Year to 30 June 2020	
	No.	$
Movements in ordinary shares on issue		
Opening balance	615,754,616	13,004,376
Details of the Company shares issued during the period:		
Shares issued – Acquisition of Alltype Engineering Pty Ltd (i)	237,091,680	5,927,292
SIMPEC earn out (ii)	25,000,000	550,000
Regency Corporate Advisory fee (iii)	15,000,000	330,000
Acuity Capital Collateral shares (iv)	44,000,000	-
	321,091,680	6,807,293
Closing balance	936,846,296	19,811,669

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(i) On 28 January 2020, WestStar acquired 100% of the ordinary share capital and voting rights in Alltype Engineering Pty Ltd ("Alltype"). The consideration for the acquisition comprised the issue to Alltype's shareholders of 237.1 million fully paid ordinary shares on completion

(ii) On 29 November 2019, Shareholders approved the issue of 25,000,000 Shares to the vendors of SIMPEC Pty Ltd (and their nominees). on the terms and conditions in the Explanatory Statement.

(iii) On 29 November 2019 Shareholders approved the Company to grant 15,000,000 Shares to Regency Corporate Pty Ltd (or its nominees).

(iv) On 29 April 2020 the Company placed 44,000,000 fully paid ordinary shares at Nil consideration to Acuity Capital (Collateral shares).

	Year to 30 June 2019	
	No.	**$**
Movements in ordinary shares on issue		
Opening balance	458,254,616	10,162,478
Details of the Company shares issued during the period:		
Rights conversion for acquisition of SIMPEC (Note 27)	37,500,000	637,499
Placement to sophisticated investors (i)	120,000,000	2,204,399
	157,500,000	2,841,898
Closing balance	615,754,616	13,004,376

(i) On 17 April 2019, 120,000,000 shares were issued to sophisticated and professional investors at a price of $0.02 per share.

(c) Share options

On 29 November 2019 shareholders approved the issue of 30,000,000 unlisted Options. 15,000,000 Options to Hartleys Ltd (or their nominee) and 15,000,000 Options to ECK Investments Pty Ltd (or their nominee). The options have an exercise price of $0.04 per option and an expiry 3 years from issue date exercisable by 29 November 2022.

(d) Performance shares

Nil performance shares were issued during the period.

26. Reserves

The share-based payment reserve is used to record the value of share based payments provided to directors and employees, including Key Management Personnel and suppliers which are not recorded directly in equity.

	2020 $	2019 $
Share based payments reserve	772,495	484,805
	772,495	**484,805**

Movement in reserves		
Share based payments reserve		
Opening balance	484,805	821,045
Options issued (i)	287,690	-
Transfer of expired options value (ii)	-	(336,240)
	772,495	**484,805**

(i) On 29 November 2019 shareholders approved the issue of 30,000,000 Options. 15,000,000 Options to Hartley's Ltd (or their nominee) and 15,000,000 Options to ECK Investments Pty Ltd (or their nominee).

(ii) During 2019, 191,833,333 listed options expired out of the money. The value recognised for options issued in this expired class was transferred to accumulated losses ($336,240)

27. Share Based Payments

During the year, the following share-based payments were made and recognised in equity and the share based payments reserve.

	2020 $	2019 $
Grant of shares on conversion of performance rights (v)	-	637,499
Lapse of Convertible Note Obligation (iv)	-	(333,431)
SIMPEC Pty Ltd earn out (i)	550,000	-
Regency Corporate Advisory fee (ii)	330,000	-
Grant of unlisted options to advisors (iii)	287,690	-
	1,167,690	304,068

(i) On 29 November 2019, Shareholders approved the issue of 25,000,000 Shares to the vendors of SIMPEC Pty Ltd (and their nominees) on the terms and conditions in the Explanatory Statement.
(ii) On 29 November 2019 Shareholders approved the Company to grant 15,000,000 Shares to Regency Corporate Pty Ltd (or its nominees).
(iii) On 29 November 2019 shareholders approved the issue of 30,000,000 Options. 15,000,000 Options to Hartley's Ltd (or their nominee) and 15,000,000 Options to ECK Investments Pty Ltd (or their nominee).
(iv) Represents the reversal of an expense recognised by the Company on the grant of convertible notes. The convertible notes lapsed unexercised during the period (Refer note 19).
(v) On 2 August 2018, the Company announced that the 37,500,000 service-based performance rights issued as part of the SIMPEC consideration had vested and as a result were converted to 37,500,000 fully paid ordinary shares. The vesting of these securities is recognised as a share-based payment expense of $637,499 being the value of the granted shares at the date of the grant. Half of these securities were granted to KMP Mr Mark Dimasi ($318,750).

28. Reconciliation of Earnings / (Loss) Used in Calculating Earnings / (Loss) Per Share

	2020 $	2019 $
Earnings / (Loss) attributable to owners of the Company	3,458,055	984,287
	Number of Shares	**Number of Shares**
Weighted average number of ordinary shares for the purposes of basic Earnings / (loss) per share	747,264,810	516,853,517

Of the Company's options on issue, there were no in-the-money options as at 30 June 2020. Therefore, no options have been included in the calculation of diluted earnings per share.

29. Contingent Liabilities & Commitments

Operating lease commitments
Non-cancellable operating lease contracted for but not capitalised in the financial statements and are payable:

	2020 $	2019 $
Within one year	-	185,795
After one year but not more than five years	-	-
	-	**185,795**

30. Investment in an Associate

The Group holds a 25% interest in Olympic Domain Pty Ltd ("Olympic Domain"). Olympic Domain was the holder of mining tenements in the prospective Olympic Domain district of South Australia. Olympic Domain's tenements are currently the subject of a farm-in joint venture with Cohiba Minerals Limited (ASX:CHK).

31. Financial Risk Management

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments. The Group uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills, leases, preference shares and derivatives. The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	2020 $	2019 $
Financial assets – Current		
Cash and cash equivalents	6,642,063	10,068,300
Trade and other receivables	10,169,155	5,889,533
Other assets	7,012,541	5,835,136
	23,823,759	21,792,969

	2020 $	2019 $
Financial assets – Non-Current		
Investments	-	151,380
Trade and other receivables	844,419	-
	844,419	151,380

	2020 $	2019 $
Financial liabilities – Current		
Trade and other payables	13,942,191	10,985,353
Borrowings	790,000	882,011
Lease Liabilities	660,125	-
Other liabilities	5,867,141	9,650,651
	21,259,457	21,518,015

	2020 $	2019 $
Financial liabilities – Non-Current		
Lease Liabilities	1,698,074	-
	1,698,074	21,518,015

(a) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short-term investments. The responsibility for liquidity risk management rests with the Board of Directors. Alternatives for sourcing future capital needs include the issue of equity instruments. These alternatives are evaluated to determine the optimal mix of capital resources for the Group's capital needs. We expect that, absent a material adverse change in a combination of the Group's sources of liquidity, present levels of liquidity along with future capital raising will be adequate to meet the Group's expected capital needs.

Maturity analysis for financial liabilities

Financial liabilities of the Group comprise trade and other payables and short-term borrowings. The following table discloses the contractual maturity analysis at the reporting date:

2020	Up to 6 months $	6 months to 1 year $	Over 1 to 5 years $	More than 5 years $	Total $
Financial assets					
Cash and cash equivalents	6,642,063	-	-	-	6,642,063
Trade and other receivables	10,169,155	844,419	-	-	11,013,574
Investments	-	-	-	-	-
Other assets	7,012,541	-	-	-	7,012,541
	23,823,759	844,419	-	-	24,668,178
Financial liabilities					
Trade and other payables	13,942,191	-	-	-	13,942,191
Borrowings	790,000	-	-	-	790,000
Lease Liabilities	320,719	339,406	1,698,074		2,358,199
Other liabilities	5,867,141	-	-	-	5,867,141
	20,920,051	339,406	1,698,074	-	22,957,531

2019	Up to 6 months $	6 months to 1 year $	Over 1 to 5 years $	More than 5 years $	Total $
Financial assets					
Cash and cash equivalents	10,068,300	-	-	-	10,068,300
Trade and other receivables	5,889,533	-	-	-	5,889,533
Investments	-	151,380	-	-	151,380
Other assets	5,835,136	-	-	-	5,835,136
	21,792,969	151,380	-	-	21,944,349
Financial liabilities					
Trade and other payables	10,985,353	-	-	-	10,985,353
Borrowings	882,011	-	-	-	882,011
Other liabilities	9,650,651	-	-	-	9,650,651
	21,518,015	-	-	-	21,518,015

(b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.
The following table sets out the carrying amount of the financial instruments exposed to interest rate risk:

	2020 $	2019 $
Financial assets		
Interest bearing		
Cash and cash equivalents	6,642,063	10,068,300
Weighted average interest rate	0.05%	0.25%

The following table summarises the sensitivity of financial assets held at balance date to interest rate risk, following a movement of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below.

Consolidated Post-tax gain (loss)/ equity increase (decrease)

	2020 $	2019 $
+1% (100 basis points)	66,421	100,683

(c) Credit Risk Exposures

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligations resulting in the Group incurring a financial loss. This usually occurs when debtors or counterparties to derivative contracts fail to settle their obligations owing to the Group.

There is no concentration of credit risk with respect to current and non-current receivables as the Group has a number of large customers which are Australian listed as well as internationally dispersed. Group policy is that sales are only made to customers that are credit worthy. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The carrying amount of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk. The Group holds financial instruments with credit worthy third parties.

(d) Carrying Value of Financial Instruments

At 30 June 2020, the carrying value of all financial assets and liabilities is considered to approximate their fair values. The held for trading assets are recognised at fair value and have been classified as level 1 financial assets based on quoted prices in active markets. There were no transfers between levels during the year.

32. Company details

The registered office of the business is:

Suite 1, 437 Roberts Road, Subiaco WA 6008

The principal place of business is:

52 Hope Valley Road, Naval Base, WA 6035

33. Events after Reporting Date

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Following shareholder approval, at a General Meeting held on 6 August 2020 it was resolved to issue to directors the following shares at a price of $0.0175 per share in settlement of outstanding directors fees:

- Mr Phillip Re 2,649,861 ordinary shares equivalent to $46,372
- Mr Bert Mondello 3,268,571 ordinary shares equivalent to $57,200
- Mr Lay Ann Ong 3,200,000 ordinary shares equivalent to $56,000

There were no other matters or circumstances arising since the end of the reporting period that have significantly affected, or may significantly affect the operations of the Company and the results of those operations or the state of the affairs of the Company in the financial period subsequent to 30 June 2020.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of WestStar Industrial Limited, I state that:

1. In the Directors' opinion, the financial statements and accompanying notes set out on pages 13 to 39 are in accordance with the Corporations Act 2001 and:

   a. comply with Accounting Standards and the Corporations Regulations 2001; and

   b. give a true and fair view of the group's financial position as at 30 June 2020 and of its performance for the year ended on that date;

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

3. The remuneration disclosures included in pages 8 to 11 of the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2020, comply with section 300A of the Corporations Act 2001; and

4. The Directors have been given the declarations by the Chief Executive Officer (or equivalent) and Chief Financial Officer required by section 295A of the Corporations Act 2001.

On behalf of the Board

Philip Re
Non-Executive Chairman
Perth, Western Australia
30 September 2020

INDEPENDENT AUDITORS REPORT

CRITERION AUDIT

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 2138 SUBIACO WA 6904

Suite 1 GF, 437 Roberts Road
SUBIACO WA 6008

Phone: 6380 2555 Fax: 9381 1122

Independent Auditor's Report

To the Members of WestStar Industrial Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of WestStar Industrial Limited ("the Company") and Controlled Entities ("the Consolidated Entity") , which comprises the consolidated statement of financial position as at 30 June 2020, and 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.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

   ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our 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 (including Independence Standards)* (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 trustee, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Accounting for Business Combination The acquisition of Alltype Engineering Pty Ltd as disclosed in Note 6 of the consolidated financial statements is a key audit matter due to the size of the acquisition (purchase consideration of $5,927,292) and complexities inherent in a business acquisition. Management completed a process to allocate the purchase consideration to tangible assets, goodwill and separately identifiable intangible assets. This process involved estimation and judgement of future performance of the business and discount rates applied to future cash flows forecasted.	Procedures performed as part of our assessment of the transaction to determine if the appropriate accounting treatment was applied, included: • Reviewing the acquisition agreement to understand the key terms and conditions, and confirming our understanding of the transaction with management; • Assessing the deemed consideration with the terms of the acquisition agreement; • Reviewing the acquisition date balance sheet to acquisition agreement and underlying supporting documentation; • Assessing the fair value of assets and liabilities acquired to the fair value assessment conducted by management, which included an estimation of the fair value of intangibles recorded at the date of acquisition; • We assessed the appropriateness of disclosures in the financial statements.
Application of AASB 15 Revenue from Contracts with Customers The Consolidated Entity earns revenue by providing products and services to its customers. Revenue was considered a key audit matter because it is the most significant account balances in the consolidated statement of profit or loss and other comprehensive income and the process of revenue recognition is complex due to the multiple revenue streams for products and services rendered. The revenue recognition of each revenue stream is subject to a high degree of management judgement and estimation including: • the determination of the Consolidated Entity's accounting policy in relation to each revenue stream; • the determination that revenue is recognised at an amount reflecting the consideration to which the Consolidated Entity is expected to be entitles in exchange for transferring goods or services to a customer.	Procedures performed as part of our assessment in relation to the recognition of revenue, included: • Assessing the appropriateness of the adopted revenue recognition policy developed by management upon application of AASB 15. • Reviewing the impact of the adoption of AASB 15 prepared by management with effect on 1 July 2018; • Discussing with management the rationale and basis on the revenue recognition criteria adopted for each of the revenue streams • Obtaining a detailed understanding of each of the revenue streams and the process for calculating and recording revenue; • Assessing whether the revenue recognition policies are in compliance with Australian Accounting Standards; • Performing substantive testing on each revenue stream on a sample basis. The substantive testing included agreeing transactions to approved contracts, approved variations and pricing, and agreeing the delivery of products and services to source documentation; • Reviewing the revenue recognition calculation for revenue that has not yet been invoiced; • Performing sample testing of project costs incurred

	to supporting documents; • Evaluating management's assessment of any expected losses for contracts in progress at the reporting date; • Evaluating the effectiveness of management's processes for evaluating the cost to complete projects; • Reviewing the sales transactions before and after balance date to ensure proper cut-off of revenue recognition; • Reviewing the appropriateness of disclosures in the financial statements.
Impairment of Goodwill The Consolidated Entity has goodwill of $3,515,918 relating to the acquisition of Alltype Engineering Pty Ltd and goodwill of $992,198 relating to the acquisition of SIMPEC Pty Ltd in a prior year as disclosed in Note 16. Management performs an annual impairment test on the recoverability of the goodwill as required by Australian Accounting Standards. We determined this to be a key audit matter due to the size of the goodwill balance and because the directors' assessment of the "value in use" of the cash generating unit ("CGU") involves judgement about the probability of future contracts to be secured, their profit margin and the discount rates applied to them.	Procedures performed as part of our assessment in relation to the impairment of goodwill, included: • Assessing management's determination that the goodwill should be allocated to a single CGU based on the nature of the Consolidated Entity's business and the manner in which results are monitored and reported; • Assessing the valuation methodology used; • Reviewing the reasonableness of key assumptions, including the cash flow projections, expected revenue growth rates, the discount rate, and sensitivities used; • Checking the mathematical accuracy of the value in use model and considering the reasonableness of the input data; • Reviewing the appropriateness of disclosure in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 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 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 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 express an opinion on the financial report based on our audit. 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 the 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among 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.

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

Responsibilities

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 express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Criterion Audit

CRITERION AUDIT PTY LTD

Watts

CHRIS WATTS CA
Director

DATED at PERTH this 30th day of September 2020

ADDITIONAL ASX INFORMATION

Additional information required by the Australian Stock Exchange and not shown elsewhere in this report is as follows. This information is prepared as at 31 August 2020.

	Ordinary Shares		
Distribution of Shareholders	**Number of Holders**	**Number of Shares**	**% Issued Share Capital**
1 – 1,000	88	19,732	0.00%
1,001 – 5,000	18	43,803	0.00%
5,001 – 10,000	5	32,113	0.00%
10,001 – 100,000	262	15,513,576	1.70%
100,001 – and over	425	921,237,072	98.33%
Total	**798**	**936,846,296**	**100.00%**

Assuming a price of $0.018 there were 132 holders of ordinary shares holding less than a marketable parcel.

On-Market Buy Back
There is no current on-market buy back.

Voting Rights
All fully paid ordinary shares carry one vote per share without restriction.

Substantial Shareholders as at 31 August 2020
The names of substantial shareholders the Company is aware of from the register, or who have notified the Company in accordance with Section 671B of the Corporations Act are:

Substantial Shareholder	Holding	% held
Mr Colin Stanley Heitman <The C & D Heitman A/C>	110,330,240	11.78%
Econ (WA) Pty Ltd <Rechichi Family A/C>	75,635,465	8.07%
Mr Lay Ann Ong and associated entities	74,343,686	7.53%
Mr Kelvin Geoffrey Andrijich <LCS A/C>	64,359,320	6.87%

Top twenty shareholders of ordinary shares:

1	COLIN STANLEY HEITMAN <THE C & D HEITMAN A/C>	110,330,240	11.78%
2	MR KELVIN GEOFFREY ANDRIJICH <LCS A/C>	64,359,320	6.87%
3	WESTSTAR PRECAST PTE LTD	60,000,000	6.40%
4	ECON (WA) PTY LTD <RECHICHI FAMILY A/C>	47,510,465	5.07%
5	ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD <ACUITY CAPITAL HOLDINGS A/C>	44,000,000	4.70%
6	FRANK JOHAN GRAN <THE F&C GRAN A/C>	36,776,760	3.93%
7	ECON (WA) PTY LTD <RECHICHI FAMILY A/C>	28,125,000	3.00%
8	SIMPEC PTY LTD	25,000,000	2.67%
9	PASSPA PTY LTD <THE PS UNIT A/C>	20,000,000	2.13%
10	MR JOHN ANDREW <INEFFABLE A/C>	18,388,360	1.96%
11	MR JON PAUL RE <J P RE FAMILY A/C>	16,620,213	1.77%
12	ZENIX NOMINEES PTY LTD	15,000,000	1.60%
13	TYRRHENIAN HOLDINGS PTY LTD <TYRRHENIAN A/C>	14,813,564	1.58%
14	LAY ANN ONG	14,343,686	1.53%
15	ECK INVESTMENTS PTY LTD	12,500,000	1.33%
15	DAVID DIMASI <DAVID DIMASI FAMILY A/C>	12,500,000	1.33%
16	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	10,000,000	1.07%
16	TWO TOPS PTY LTD	10,000,000	1.07%
16	MR DAMIEN TERENCE MICHAEL RHODES	10,000,000	1.07%
17	MR MARK DIMASI & MRS JULIANNE DIMASI <THE DIMASI FAMILY A/C>	9,375,000	1.00%
18	BOLT CONSULTING PTY LTD	9,321,395	0.99%
19	ST KILDA LAND PTY LTD	8,000,000	0.85%
20	MR NATHAN CARATTI	7,500,000	0.80%
	Total	**604,464,003**	**64.52%**
	Total issued capital - selected security class(es)	**936,846,296**	**100.00%**