

Appendix 4D

Half-year report

Rule 4.2A.3
Introduced 1/1/2003

Name of entity: Yowie Group Ltd

ABN: 98 084 370 669

1. Reporting period

("current period"): Half-year ended 31 December 2014

Previous corresponding period: Half-year ended 31 December 2013

2. Results for announcement to the market

\$A'000

- | | | | | | |
|-----|---|------|--------|----|-------|
| 2.1 | Revenue from ordinary activities | up | 2,107% | to | 554 |
| 2.2 | Loss from ordinary activities
after tax attributable to members | down | 47% | to | (996) |
| 2.3 | Net loss for the period
attributable to members | down | 47% | to | (996) |
| 2.4 | The directors recommend that no amount be paid by way of dividend. No dividend has been paid or declared since the start of the financial period. | | | | |
| 2.5 | Record date for determining entitlements to dividends: N/A | | | | |
| 2.6 | An explanation of the above figures is contained in the "Review of Operations" included within the attached directors' report. | | | | |

3. Net tangible assets

	Current Period cents	Previous Corresponding Period cents
Net tangible asset backing per ordinary share	9.15	6.89

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

N/A

5. Dividends

No dividends have been paid or declared during or since the beginning of the reporting period.

6. Dividend reinvestment plans

No dividend reinvestment plans are in operation.

7. Details of associates and joint venture entities

N/A

8. Accounting standards for foreign entities

The Group applied Australian Accounting Standards to all entities in the Group including its overseas subsidiaries.

9. Auditor's review report

The accounts were subject to a review by the auditor and the review report is attached as part of the interim report.

YOWIE GROUP LTD

ABN 98 084 370 669

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2014



CONTENTS

	Page
Company Directory	3
Directors' Report	4
Auditor's Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	19
Independent Auditor's Review Report	20

COMPANY DIRECTORY

DIRECTORS:

Mr Wayne Loxton
Mr Mark Avery
Ms Patricia Fields

**COMPANY
SECRETARY:**

Mr Neville Bassett

**REGISTERED AND
PRINCIPAL OFFICE:**

Level 45
108 St Georges Terrace
Perth WA 6000
Telephone: +61 8 9486 7066

AUDITORS:

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

SHARE REGISTRY:

Link Market Services Limited
Level 4
152 St Georges Terrace
Perth WA 6000
Telephone: 1300 554 474 or +61 2 8280 7111

ASX Code:

YOW

ABN:

98 084 370 669

DIRECTORS' REPORT

Your Directors submit their report for Yowie Group Ltd ("the Company") and the consolidated entity ("the Group") for the half-year ended 31 December 2014.

DIRECTORS

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

Mr Wayne Loxton
Mr Mark Avery
Ms Patricia Fields

OPERATING AND FINANCIAL REVIEW

During the half-year the Company progressed its objective of building a strong sales and distribution network in the United States.

Milestones achieved included:

Operations

- Appointed Salvador (Sal) Alvarez as CEO of Yowie North America (YNA), initially on a part-time basis as he has other business commitments to fulfil. He brings 32 years of experience in consumer sales and marketing and has a proven track record of leading high performance teams to achieve superior business results.
- Production at the Florida co-packer plant continues to operate efficiently and ahead of budget. The factory is capable of materially increasing capacity quickly to respond to our expected increase in product demand.
- As part of Yowie Group's commitment to quality, the Florida co-packer certified in the Global Food Safety Initiative (GSFI) Food Safety Program. Certification was granted on 5 January 2015.
- Completed an independent end-to-end supply chain review covering capsules and inclusions, chocolate, finished goods conversion, storage and distribution.
- Implemented software to assist in the global management of transportation, stock management, materials planning, procurement, accounting, customer data capture/management and manufacturing processes.

DIRECTORS' REPORT

Sales

- A successful trial of Yowie products in 50 Walmart stores in Texas led to the announcement in February 2015 that Yowie would launch nationally across the US into 1,507 Walmart stores. Walmart is the largest retailer in the world and the largest grocery retailer in the United States.
- Completed a 4-week trial across 234 stores of the large national convenience chain Valero Corner Store. Valero has 1,100 stores nationally and 1,900 including Canada. Sales averages met retailer expectations and channel norms but at a higher value price point than the majority of standard single serve confectionery lines, delivering new category revenue growth. A review for future ranging in all Valero stores is underway.
- Launched a 60-store trial of Yowie product with a second Tier 1 US retail chain. The trial was undertaken in the Philadelphia and New Jersey area of the pharmaceutical and convenience retail chain, with Yowie confectionery located on front end gondolas at end of aisle.
- Successfully participated in the ECRM conference, generating orders from new buyers.

Operating results and financial position

The Group's net loss for the half-year ended 31 December 2014 was \$996,186 (half-year ended 31 December 2013: \$1,862,856).

As at 31 December 2014 the Group's consolidated cash position was \$3,341,628 (30 June 2014: \$8,245,634).

EVENTS SUBSEQUENT TO BALANCE DATE

On 30 January 2015, the Company announced a \$10 million institutional placement of 20 million shares at \$0.50 per share to fund the continued rollout of the Yowie product in the US.

On 10 February 2015, the Company announced that the Yowie confectionery product would launch nationally across the US into 1,507 Walmart stores, as a result of a successful trial in Texas in 2014.

On 18 February 2015, the Company announced that the Yowie confectionery product would launch nationally across the US into 1,318 Safeway stores.

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 7 of the financial report.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read "Wayne Loxton", written in a cursive style.

Wayne Loxton
Chairman

27 February 2015



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY IAN SKELTON TO THE DIRECTORS OF YOWIE GROUP LTD

As lead auditor for the review of Yowie Group Ltd for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Yowie Group Ltd and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'Ian Skelton', is written over a light blue circular stamp.

Ian Skelton

Director

BDO Audit (WA) Pty Ltd

Perth, 27 February 2015

**CONSOLIDATED STATEMENT OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**



	Note	Consolidated	
		Half-Year Ended 31 Dec 2014 \$	Half-Year Ended 31 Dec 2013 \$
Sale of goods		345,331	-
Other revenue		208,807	25,113
Total revenue		554,138	25,113
Other income			
Foreign exchange gains		2,206,106	144,834
Expenses			
Cost of sales		(153,957)	-
Selling and distribution		(1,084,031)	(368,609)
Marketing		(40,238)	(157,225)
Administration		(2,390,519)	(1,082,175)
Finance		(2,526)	(982)
Write-off of product development costs		(85,159)	-
Manufacturing fixed costs in advance of production		-	(423,812)
Loss before income tax		(996,186)	(1,862,856)
Income tax expense		-	-
Loss after income tax for the year		(996,186)	(1,862,856)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Movement in foreign currency translation reserve		(986,875)	(45,626)
Total comprehensive loss for the half-year net of tax attributable to members of the Company		(1,983,061)	(1,908,482)
Loss per share attributable to members of the Company			
Basic loss per share (cents)	3	0.84	2.25
Diluted loss per share (cents)	3	0.84	2.25

This 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 31 DECEMBER 2014



	Note	Consolidated Dec 2014 \$	June 2014 \$
Current Assets			
Cash and cash equivalents		3,341,628	8,245,634
Trade and other receivables	4	240,945	73,869
Prepayments	5	641,984	1,185,739
Inventories	6	5,871,189	2,786,846
Total Current Assets		10,095,746	12,292,088
Non-Current Assets			
Plant and equipment	7	1,350,451	1,113,026
Intangible assets	8	499,149	239,301
Total Non-Current Assets		1,849,600	1,352,327
Total Assets		11,945,346	13,644,415
Current Liabilities			
Trade and other payables		646,017	934,299
Unearned income		14,559	-
Total Current Liabilities		660,576	934,299
Total Liabilities		660,576	934,299
Net Assets		11,284,770	12,710,116
Equity			
Contributed equity	9	19,057,993	19,041,398
Reserves		2,185,332	2,631,087
Accumulated losses		(9,958,555)	(8,962,369)
Total Equity		11,284,770	12,710,116

This consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014



	Contributed equity	Share- based payment reserve	Consolidated Foreign currency translation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2013	5,077,714	2,413,324	98	(2,525,240)	4,965,896
Loss for the half-year	-	-	-	(1,862,856)	(1,862,856)
Other comprehensive income					
Foreign currency translation	-	-	(45,626)	-	(45,626)
Total comprehensive Income/(loss) for the half-year	-	-	(45,626)	(1,862,856)	(1,908,482)
Transactions with owners recorded directly in equity					
Shares issued	5,407,418	-	-	-	5,407,418
Share issue transaction costs	(379,137)	-	-	-	(379,137)
Share-based payments	-	54,681	-	-	54,681
Balance as at 31 December 2013	10,105,995	2,468,005	(45,528)	(4,388,096)	8,140,376
Balance at 1 July 2014	19,041,398	2,536,888	94,199	(8,962,369)	12,710,116
Loss for the half-year	-	-	-	(996,186)	(996,186)
Other comprehensive income					
Foreign currency translation	-	-	(986,875)	-	(986,875)
Total comprehensive Income/(loss) for the half-year	-	-	(986,875)	(996,186)	(1,983,061)
Transactions with owners recorded directly in equity					
Shares issued on exercise of options	16,595	-	-	-	16,595
Share-based payments	-	541,120	-	-	541,120
Balance as at 31 December 2014	19,057,993	3,078,008	(892,676)	(9,958,555)	11,284,770

This consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014



	Consolidated	
	Half-Year Ended 31 Dec 2014 \$	Half-Year Ended 31 Dec 2013 \$
Cash flow from operating activities		
Receipts from customers	254,200	-
Other receipts	78,250	5,761
Payments to suppliers and employees	(5,333,761)	(2,837,913)
Interest received	81,848	18,931
Interest paid	-	(982)
Net cash flows used in operating activities	(4,919,463)	(2,814,203)
Cash flow from investing activities		
Payments for plant and equipment	(73,354)	(34,248)
Payments for intangible assets	(185,560)	(381,427)
Net cash flows used in investing activities	(258,914)	(415,675)
Cash flow from financing activities		
Proceeds from shares issued	-	5,407,419
Proceeds from exercise of options	16,595	-
Payment of share issue transaction costs	-	(375,038)
Net cash flows from financing activities	16,595	5,032,381
Net change in cash and cash equivalents	(5,161,782)	1,802,503
Cash and cash equivalents at beginning of period	8,245,634	3,222,041
Effect of foreign exchange movements	257,776	38,306
Cash and cash equivalents at end of period	3,341,628	5,062,850

This consolidated statement of cash flows should be read in conjunction
with the accompanying notes.

1. BASIS OF PREPARATION

These general purpose financial statements for the half-year reporting period ended 31 December 2014 have been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2014 and any public announcements made by Yowie Group Ltd during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

New and amended standards adopted by the Group

All new and amended Australian Accounting Standards and Interpretations effective from 1 July 2014 have been adopted, including:

- Interpretation 21 *Levies*
- AASB 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*

Neither of these standards had a material effect on the financial position or performance of the Group.

The Group has not elected to early adopt any new standards or amendments.

2. SEGMENT REPORTING

The Group has only one reportable segment, which relates to its confectionery business. All production and sales to 31 December 2014 have taken place in the United States.

The internal reports reviewed by the board separately present administration costs relating to the US, Australia and Hong Kong. All other income and expenses, the net result, assets and liabilities are reviewed by management on a consolidated basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014



2. SEGMENT REPORTING (continued)

Half-year to 31 December 2014	United States \$	Australia \$	Hong Kong \$	Unallocated \$	Total \$
Sale of goods	345,331	-	-	-	345,331
Cost of sales	(153,957)	-	-	-	(153,957)
Selling and distribution	(1,084,031)	-	-	-	(1,084,031)
Marketing	(40,238)	-	-	-	(40,238)
Administration costs	(479,736)	(1,846,139)	(64,644)	-	(2,390,519)
Other revenue	-	-	-	208,807	208,807
Foreign exchange gains	-	-	-	2,206,106	2,206,106
Finance costs	-	-	-	(2,526)	(2,526)
Write-offs	-	-	-	(85,159)	(85,159)
Loss after income tax					(996,186)

Half-year to 31 December 2013	United States \$	Australia \$	Hong Kong \$	Unallocated \$	Total \$
Selling and distribution	(368,609)	-	-	-	(368,609)
Marketing	(137,535)	(19,690)	-	-	(157,225)
Administration costs	(208,010)	(855,732)	(18,433)	-	(1,082,175)
Manufacturing fixed costs in advance of production	(423,812)	-	-	-	(423,812)
Other revenue	-	-	-	25,113	25,113
Foreign exchange losses	-	-	-	144,834	144,834
Finance costs	-	-	-	(982)	(982)
Loss after income tax					(1,862,856)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**



3. EARNINGS / (LOSS) PER SHARE

	Consolidated Half-Year Ended 31 Dec 2014 Number	Half-Year Ended 31 Dec 2013 Number
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	<u>117,897,224</u>	<u>82,832,638</u>
	\$	\$
Basic loss attributable to ordinary equity holders of the parent	<u>996,186</u>	<u>1,862,856</u>

This calculation does not include instruments that could potentially dilute basic earnings per share in the future as these instruments are anti-dilutive, since their inclusion would reduce the loss per share.

4. TRADE AND OTHER RECEIVABLES

	Consolidated 31 December 2014 \$	30 June 2014 \$
Current		
Trade debtors	119,444	2,935
Settlement income receivable	73,565	-
GST receivable	41,711	41,624
Royalties receivable	3,244	-
Accrued interest	2,981	29,310
	<u>240,945</u>	<u>73,869</u>

5. PREPAYMENTS

	Consolidated 31 December 2014 \$	30 June 2014 \$
Current		
Prepayments – raw materials	487,340	1,054,981
Other	154,644	130,758
	<u>641,984</u>	<u>1,185,739</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**



6. INVENTORIES

	Consolidated	
	31 December	30 June
	2014	2014
	\$	\$
Current		
Raw materials	887,557	672,106
Work in progress	401	706
Finished goods	4,983,231	2,114,034
	<u>5,871,189</u>	<u>2,786,846</u>

Inventories are valued at the lower of cost or net realisable value.

7. PLANT AND EQUIPMENT

	Consolidated	
	31 December	30 June
	2014	2014
	\$	\$
Manufacturing plant and equipment		
Cost	722,882	626,263
Accumulated depreciation	(24,582)	(10,680)
	<u>698,300</u>	<u>615,583</u>
Manufacturing plant and equipment under construction		
Cost	631,580	482,399
	<u>631,580</u>	<u>482,399</u>
Office equipment		
Cost	28,991	18,369
Accumulated depreciation	(8,420)	(3,325)
	<u>20,571</u>	<u>15,044</u>
Total plant and equipment	<u>1,350,451</u>	<u>1,113,026</u>

The movement in plant and equipment during the half-year is primarily due to the fall in the Australian dollar against the US dollar.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**



8. INTANGIBLE ASSETS

	Consolidated	
	31 December 2014	30 June 2014
	\$	\$
Rights and licenses	276,359	239,301
Software	222,790	-
	499,149	239,301

9. EQUITY SECURITIES ISSUED

	\$	Number
Issue of ordinary shares during the half-year		
As at 30 June 2013	5,077,714	70,594,871
Prospectus – August and September 2013	1,907,418	12,716,117
Prospectus – December 2013	3,500,000	20,588,235
Share issue costs	(379,137)	-
As at 31 December 2013	10,105,995	33,304,352
As at 30 June 2014	19,041,398	117,824,223
Exercise of options	16,595	82,976
As at 31 December 2014	19,057,993	117,907,199

10. FAIR VALUES OF FINANCIAL INSTRUMENTS

Recurring fair value measurements

The Group does not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

Fair values of financial instruments not measured at fair value

The following instruments are not measured at fair value in the statement of financial position. They had the following fair values at 31 December 2014:

	Carrying Amount \$	Fair Value \$
Current assets		
Trade and other receivables	240,945	240,945
Current liabilities		
Trade and other payables	646,018	646,018

Due to their short-term nature, the carrying amounts of current receivables and current trade and other payables is assumed to equal their fair value.

11. COMMITMENTS AND CONTINGENCIES

Commitments

Under a Patent and Technology License Agreement with Mr Henry Whetstone, the Group is committed to pay the minimum fees listed below to maintain its exclusive rights to use Whetstone's patents in the United States.

Date	Amount
31 December 2015	A\$1,103,482 (US\$900,000)
31 December 2016 - 2019	A\$1,679,745 (US\$1,370,000)

Contingencies

The Group had no contingent liabilities as at 31 December 2014.

12. SHARE-BASED PAYMENTS

Two tranches of unlisted options were issued to an employee on 15 October 2014 as incentive for future services. The fair value of the options was calculated using a binomial model and the following assumptions:

	Tranche 1	Tranche 2
Number of options	100,000	200,000
Exercise price (\$)	0.90	1.05
Expiry date	31 Dec 2017	31 Dec 2017
Dividend yield (%)	Nil	Nil
Expected volatility (%)	80%	80%
Risk-free interest rate (%)	2.62%	2.62%
Expected life (years)	2.4	2.4
Share price at grant date (\$)	0.60	0.60
Fair value per option (\$)	0.23	0.20

One million unlisted options each were issued to directors Wayne Loxton and Patricia Fields on 28 November 2014. The fair value of the options was calculated using a binomial model and the following assumptions:

Number of options	2,000,000
Exercise price (\$)	0.766
Expiry date	31 Dec 2017
Dividend yield (%)	Nil
Expected volatility (%)	80%
Risk-free interest rate (%)	2.40%
Expected life (years)	2.3
Share price at grant date (\$)	0.60
Fair value per option (\$)	0.24

The expected price volatility is based on historic volatility, adjusted for any changes to future volatility expected based on publicly available information.

13. EVENTS SUBSEQUENT TO BALANCE DATE

- On 30 January 2015, the Company announced a \$10 million institutional placement of 20 million shares at \$0.50 per share to fund the continued rollout of the Yowie product in the US.
- On 10 February 2015, the Company announced that the Yowie confectionery product would launch nationally across the US into 1,507 Walmart stores, as a result of a successful trial in Texas in 2014.
- On 18 February 2015, the Company announced that the Yowie confectionery product would launch nationally across the US into 1,318 Safeway stores.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Yowie Group Ltd, the directors of the company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in black ink, appearing to read "Wayne Loxton", written in a cursive style.

Wayne Loxton
Chairman

27 February 2015



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Yowie Group Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Yowie Group Ltd, which comprises the consolidated statement of financial position as at 31 December 2014, 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 half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Yowie Group Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Yowie Group Ltd, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Ian Skelton', is written over a faint, blue, stylized 'BDO' logo.

Ian Skelton

Director

Perth, 27 February 2015