



## **ALT RESOURCES LIMITED**

### **ACN 168 928 416**

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## **SEVENTH SUPPLEMENTARY PROSPECTUS**

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### **IMPORTANT INFORMATION**

This is a seventh supplementary prospectus (**Seventh Supplementary Prospectus**) intended to be read with the sixth supplementary Prospectus dated 11 September 2015 (**Sixth Supplementary Prospectus**), fifth supplementary prospectus dated 30 July 2015 (**Fifth Supplementary Prospectus**), fourth supplementary prospectus dated 14 May 2015 (**Fourth Supplementary Prospectus**), the third supplementary prospectus dated 25 March 2015 (**Third Supplementary Prospectus**), the second supplementary prospectus dated 3 February 2015 (**Second Supplementary Prospectus**) the first supplementary prospectus dated 21 January 2015 (**First Supplementary Prospectus**) and the prospectus dated 24 December 2014 (**Prospectus**), issued by ALT Resources Limited (ACN 168 928 416) (**Company**).

This Seventh Supplementary Prospectus is dated 9 October 2015 and was lodged with ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Seventh Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus, the First Supplementary Prospectus, the Second Supplementary Prospectus, the Third Supplementary Prospectus, the Fourth Supplementary Prospectus, the Fifth Supplementary Prospectus and the Sixth Supplementary Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Seventh Supplementary Prospectus. If there is a conflict between the Prospectus, the First Supplementary Prospectus, the Second Supplementary Prospectus, the Third Supplementary Prospectus, the Fourth Supplementary Prospectus, the Fifth Supplementary Prospectus, the Sixth Supplementary Prospectus and the Seventh Supplementary Prospectus, this Seventh Supplementary Prospectus will prevail.

This Seventh Supplementary Prospectus will be issued with the Prospectus, the First Supplementary Prospectus, the Second Supplementary Prospectus, the Third Supplementary Prospectus, the Fourth Supplementary Prospectus, the Fifth Supplementary Prospectus and the Sixth Supplementary as an electronic prospectus and may be accessed on the Internet at <http://www.asx.com.au/asx/statistics/announcements.do> under the Company's ASX ticker code ARS.

The Company will send a copy of this Seventh Supplementary Prospectus to all Applicants who have subscribed for Securities in the Prospectus to the date of this Seventh Supplementary Prospectus.

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**This Seventh Supplementary Prospectus is intended to be read with the Sixth Supplementary Prospectus dated 11 September 2015, Fifth Supplementary Prospectus dated 30 July 2015, Fourth Supplementary Prospectus dated 14 May 2015, Third Supplementary Prospectus dated 25 March 2015, the Second Supplementary Prospectus dated 3 February 2015, the First Supplementary Prospectus dated 21 January 2015 and the Prospectus dated 24 December 2014 issued by ALT Resources Limited (ACN 168 928 416).**

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

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## 1. EXECUTIVE SUMMARY

Alt Resources Limited (the **Company**) is currently undertaking an IPO to raise funds to continue exploration drilling at its Paupong and Myalla copper-gold projects. These are detailed in the Company Prospectus documents lodged with ASX and are available on the Company website [www.altresources.com.au](http://www.altresources.com.au).

The Company is pleased to announce that applications for the Minimum Subscription amount of \$1,750,000 have been received. To date, the Company has received applications totalling \$1,900,000 pursuant to the Offer.

The Board has resolved to extend the Closing Date of the Offer to enable the Company's share registry to process outstanding applications.

The Company has issued this Seventh Supplementary Prospectus in order to:

- (a) extend the Closing Date under the Offer to 23 October 2015;
- (b) provide audited financial accounts for the year ended 30 June 2015;
- (c) provide an updated unreviewed pro forma statement of financial position;
- (d) advise that, at the date of this Supplementary Prospectus, the Company's Shares have not become admitted to quotation on ASX.

The Company is obliged to announce all material information via a supplementary prospectus. Contained in this, the Seventh Supplementary Prospectus, is information the Company considers to be material as follows:

- (a) The Board has resolved to issue 400,000 Shares to key employees of the Company none of whom are related parties. The agreement to grant the Shares was reached by the Board as part of the remuneration packages for the key employees.
- (b) The Board has resolved to issue 1,000,000 Shares to the Company's Chief Executive Officer, Mr James Anderson. The agreement to grant the Shares was reached by the Board as part of the remuneration package for Mr Anderson. Mr Anderson is a related party of the Company and the Board considers the issue of Shares to Mr Anderson reasonable remuneration in the circumstances and was negotiated on an arm's length basis.
- (c) The Board have resolved to adopt an employee incentive scheme (**Employee Incentive Scheme**). The objective of the Employee Incentive Scheme is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Employee Incentive Scheme and the future issue of Shares under the Employee Incentive Scheme will provide selected employees with the opportunity to participate in the future growth of the Company.

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Following the admission to the Official List, any future issues of Shares under the Employee Incentive Scheme to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Employee Incentive Scheme is set out in Schedule 3. In addition, a copy of the Employee Incentive Scheme is available for review by Shareholders at the registered office of the Company. A copy of the Employee Incentive Scheme can also be sent to investors upon request to the Company Secretary (+61 02 6451 4600). Investors are invited to contact the Company if they have any queries or concerns.

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## 2. ASIC MODIFICATION

The Company was granted on 20 March 2015, pursuant to section 741(1)(b) of the *Corporations Act* 2001 (Cth) (**Act**), a modification to sections 723(3)(b), 724(1)(a) and 724(1)(b)(ii) of the Act to extend the period:

- (a) within which the Company must satisfy the minimum subscription condition by four (4) months (Minimum Subscription Condition); and
- (b) within which the shares offered under the Prospectus must be admitted to quotation, by three (3) months (3 Month Quotation Condition),

commencing on the date of this Seventh Supplementary Prospectus (**Relief**).

The purpose of the Relief is to provide the Company more time by which to satisfy the Minimum Subscription Condition and the 3 Month Quotation Condition so that the Company may complete the Offer and successfully facilitate the Company's application for admission to the Official List of the ASX.

Pursuant to the granting of the Relief the Company provides investors with the following information:

- (a) applications for the Minimum Subscription amount of \$1,750,000 have been received;
- (b) to date, the Company has received application monies totalling \$1,900,000 from 181 applicants pursuant to the Offer;
- (c) Applications have been received pursuant to the Prospectus, First Supplementary Prospectus, Second Supplementary Prospectus, Third Supplementary Prospectus, Fourth Supplementary Prospectus, Fifth Supplementary Prospectus and Sixth Supplementary Prospectus however no applications have been processed and no Securities have been issued; and
- (d) the Securities have not been admitted to quotation.

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### 3. APPLICATIONS

#### 3.1 Withdrawal of previous Applications

In accordance with Section 724(2) of the Corporations Act, if you applied for Shares under the Prospectus before the date of this Seventh Supplementary Prospectus, you may withdraw your Application and be repaid your Application Monies, provided you give the Company written notice of your wish to do so within one month of the date of this Seventh Supplementary Prospectus.

Any repayments made by the Company pursuant to an Applicant exercising their right to withdraw their application will be made in full without interest.

An Applicant who wishes to withdraw their application and obtain a refund must submit a written request to the Company at the address set out below so that it is received by the Company within one month of the date of this Seventh Supplementary Prospectus:

**ALT Resources Limited  
C/- Boardroom Pty Limited  
GPO Box 3993  
SYDNEY NSW 2001**

The details for the payment of the refund cheque and address to which it should be sent as set out in the written request must correspond to the details contained in the Application Form lodged by that Applicant. **If you do not wish to withdraw your Application, you do not need to take any action.**

#### 3.2 New Applications

Applications by new investors **must** be made using the Application Form that is attached to or accompanying this Seventh Supplementary Prospectus. The Application Form contains detailed instructions on how it is to be completed. Applications **must not** be made on the Application Form attached to or accompanying the Prospectus, First Supplementary Prospectus, Second Supplementary Prospectus, Third Supplementary Prospectus, Fourth Supplementary Prospectus, Fifth Supplementary Prospectus or Sixth Supplementary Prospectus.

#### 3.3 Issue of Shares

Subject to ASX granting conditional approval for the Company to be admitted to the Official List, issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to the Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

## 4. AMENDMENTS TO THE PROSPECTUS

### 4.1 Extension of Closing date

The Closing Date for the Offer has been extended to 5:00pm (WST) on **23 October 2015**. The remaining dates in the indicative timetable set out in section 3.10 of the Prospectus are amended as follows:

Event	Date*
Closing Date of the Offer	23 October 2015
Despatch of holding statements	30 October 2015
Expected date for quotation on ASX	6 November 2015

\* The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without notice.

### 4.2 Revised Capital Structure

The Company's capital structure on completion of the Offer has changed pursuant to the issue of additional Shares since the date of the Prospectus including the proposed issue of Shares to key employees including the Company's Chief Executive Officer, Mr James Anderson.

The original capital structure tables set out in section 3.13 of the Prospectus are to be replaced with the following:

#### **Shares**

	Minimum Subscription (\$1,750,000)	Full Subscription (\$4,000,000)	Over Subscription (\$5,000,000)
Shares issued to pre IPO seed investors <sup>1</sup>	35,512,550	35,512,550	35,512,550
Shares issued to key management personnel (KMP) <sup>2</sup>	11,041,000	11,041,000	11,041,000
Proposed issued of Shares to Mr James Anderson <sup>3</sup>	1,000,000	1,000,000	1,000,000
Proposed issued of Shares to key employees <sup>4</sup>	400,000	400,000	400,000
Shares to be issued in lieu of cash payment to contractors and suppliers <sup>5</sup>	2,302,500	2,302,500	2,302,500
Shares to be issued pursuant to the Purchase Agreement <sup>6</sup>	12,000,000	12,000,000	12,000,000
Shares to be issued pursuant to the Offer	8,750,000	20,000,000	25,000,000
<b>Total Shares on completion of the Offer</b>	<b>71,006,050</b>	<b>82,256,050</b>	<b>87,256,050</b>

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## NOTES

1. Shares currently on issue were issued between April 2014 and 8 September 2015 to seed capital investors to fund the IPO, exploration activities of the JV and for working Capital of the Company.
2. Shares issued pursuant to Executive Service and Director Agreements and are summarized in Section 13 of the Prospectus (Material Contracts).
3. The Board has resolved to issue 1,000,000 Shares to the Company's Chief Executive Officer, Mr James Anderson who is a related party of the Company.
4. The Board has resolved to issue 400,000 Shares to key employees of the Company, none of whom are related parties of the Company.
5. Shares issued to contractors and suppliers who have elected to take shares in lieu of cash payment for services provided to the Company.
6. Shares issued pursuant to the Purchase Agreement, as amended, which is summarized in Section 13 (Material Contracts) of this Prospectus.

## Performance Shares

	Minimum Subscription (\$1,750,000)	Full Subscription (\$4,000,000)	Over Subscription (\$5,000,000)
Performance Shares to be issued pursuant to the Purchase Agreement	12,000,000	12,000,000	12,000,000
<b>Total Performance Shares on completion of the Offer</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>

### 4.3 Audited Accounts

The Company has prepared updated audited financial accounts for the year end 30 June 2015 in the form and context set out in Schedule 1 (**Audited Financial Accounts**). The Audited Financial Accounts have been prepared by Hardwicks.

### 4.4 Pro Forma Statement of Financial Position

The Company has prepared an updated unreviewed pro forma statement of financial position on the form and context set out in Schedule 2.

A reviewed pro forma statement of financial position together with the review will be provided to ASX prior to the Company's admission to the Official List.

### 4.5 Interests of Experts and Advisers

Hardwicks will receive professional fees of \$6,500 (plus GST) for preparation of the Audited Financial Accounts. During the 24 months preceding lodgement of this Prospectus with the ASIC, Hardwicks has received fees of \$5,000 (excluding GST) from the Company for other services.

### 4.6 Consents

Hardwicks has given its written consent to the inclusion of the Audited Financial Accounts in the form and context in which the information is set out in Schedule 1. Hardwicks has not withdrawn its consent prior to lodgement of this Seventh Supplementary Prospectus with the ASIC.

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**5. DIRECTORS' AUTHORISATION**

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

A handwritten signature in black ink, appearing to be 'W. Ellis', with a large, stylized loop at the end.

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**William Ellis**  
**Director and Chairman**  
**For and on behalf of**  
**ALT Resources Limited**

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**SCHEDULE 1 – AUDITED ACCOUNTS AS AT 30 JUNE 2015**

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# **Alt Resources Limited**

**ABN:57 168 928 416**

## **Financial Statements**

**For the Year Ended 30 June 2015**

# **Alt Resources Limited**

ABN:57 168 928 416

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**For the period from 30 June 2015**

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## **Directors' Report**

### **For the period from 30 June 2015**

The directors present their report on Alt Resources Limited for the Period from 1 July 2014 to 30 June 2015.

#### **1. General information**

##### **Directors**

The names of the directors in office at any time during, or since the end of, the year are:

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
William Hugh Ellis	Executive Director & Chairman	Appointed : 11 April 2014
Clive Napier Buckland	Executive Director & Company Secretary	Appointed : 11 April 2014
Neva Collings	Non Executive Director	Appointed : 11 April 2014
Barbara Jane Barron	Non Executive Director	Appointed : 23 June 2014
Russell John Fountain	Non Executive Director	Appointed : 23 June 2014

Directors have been in office since the start of the Year to the date of this report unless otherwise stated.

##### **Principal activities**

The principal activity of Alt Resources Limited during the financial year was to pursue a joint venture agreement with GFM Exploration Pty Ltd with a view to facilitating the development of gold mining activity.

No significant changes in the nature of the Company's activity occurred during the financial year.

The company has earned a 19% interest in the Joint Venture at 30 June 2015.

#### **2. Operating results and review of operations for the year**

##### **Operating results**

The deficit of the Company after providing for income tax amounted to \$ (781,969) (2014: \$ (397,662)).

##### **Review of operations**

A review of the operations of the Company during the year and the results of those operations show a loss of \$(781,969) incurred in becoming operational and negotiating arrangements to generate revenue in future periods.

#### **3. Other items**

##### **Significant changes in state of affairs**

The following significant changes in the state of affairs of the Company occurred during the financial year:

- i) An additional \$1,224,031 after transaction costs has been raised in share capital during the year to fund operations.

##### **Matters or circumstances arising after the end of the year**

Since the end of the financial year the company has proceeded with additional capital raising through a public offer. The company had a minimum take up requirement of \$1,750,000.

## **Directors' Report**

**For the period from 30 June 2015**

### **3. Other items continued**

As this figure has been reached the company continues to seek listing on the Australian Stock Exchange.

#### **Future developments and results**

The Company is continuing to raise working capital and has issued a prospectus with a view to progressing to ASX listing.

#### **Environmental matters**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory other than the environmental assessment requirements prescribed by the Environmental Planning and Assessment Act NSW pursuant to the exploration licence requirements

#### **Company secretary**

The following person held the position of Company secretary at the end of the financial year:

Mr Clive Buckland was appointed as Company secretary on 11 April 2014.

#### **Meetings of directors**

During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	<b>Directors' Meetings</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
Neva Collings	20	18
Clive Napier Buckland	20	20
Barbara Jane Barron	20	20
Russell John Fountain	20	20
William Hugh Ellis	20	19

#### **Indemnification and insurance of officers and auditors**

No indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of Alt Resources Limited.

The company maintains a policy of insurance to cover the risk related to directors and officers liability.

#### **Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2015 has been received and can be found on page 4 of the financial report.

**Alt Resources Limited**

ABN:57 168 928 416

**Directors' Report**

**For the period from 30 June 2015**

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



Director:

Neva Collings



Director:

William Hugh Ellis

Dated 7 October 2015

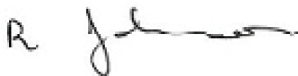
## **Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Directors of Alt Resources Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hardwickes

Hardwickes Chartered Accountants



Robert Johnson  
Partner

7 October 2015

Canberra

## **Statement of Profit or Loss and Other Comprehensive Income**

**For the period from 30 June 2015**

		<b>2015</b>	<b>2014</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Income	2	4,494	-
Depreciation and amortisation expense	8(a)	(7,194)	-
Employee benefits expense		(444,372)	(317,261)
Exploration expenditure		(78,665)	-
Finance costs		(1,837)	-
Other expenses		(254,396)	(80,401)
<b>Loss before income tax</b>		<b>(781,970)</b>	<b>(397,662)</b>
Tax expense	4	-	-
<b>Net loss for the year</b>		<b>(781,970)</b>	<b>(397,662)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(781,970)</b>	<b>(397,662)</b>

**Alt Resources Limited**

ABN:57 168 928 416

**Statement of Financial Position****As At 30 June 2015**

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	262,309	394,975
Trade and other receivables	6	34,296	406,685
Prepayments		32,000	-
TOTAL CURRENT ASSETS		328,605	801,660
NON-CURRENT ASSETS			
Investment in joint ventures	17	530,060	-
Financial assets	7	380,065	30,000
Plant and equipment	8	22,084	-
TOTAL NON-CURRENT ASSETS		932,209	30,000
TOTAL ASSETS		1,260,814	831,660
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	87,404	111,982
Employee benefits	10	4,223	-
TOTAL CURRENT LIABILITIES		91,627	111,982
NON-CURRENT LIABILITIES			
Employee benefits	10	7,447	-
TOTAL NON-CURRENT LIABILITIES		7,447	-
TOTAL LIABILITIES		99,074	111,982
NET ASSETS		1,161,740	719,678
<b>EQUITY</b>			
Issued capital	11	2,341,371	1,117,340
Accumulated losses		(1,179,631)	(397,662)
TOTAL EQUITY		1,161,740	719,678

The accompanying notes form part of these financial statements.



**Alt Resources Limited**

ABN:57 168 928 416

**Statement of Changes in Equity****For the period from 30 June 2015****2015**

	<b>Note</b>	<b>Ordinary Shares \$</b>	<b>Accumulated losses \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2014</b>		<b>1,117,340</b>	<b>(397,662)</b>	<b>719,678</b>
Deficit attributable to members of the entity	12	-	(781,970)	(781,970)
Shares issued during the year	11	1,722,950	-	1,722,950
Transaction cost on share issued	11	(498,919)	-	(498,919)
<b>Balance at 30 June 2015</b>		<b>2,341,371</b>	<b>(1,179,632)</b>	<b>1,161,739</b>

**2014**

	<b>Note</b>	<b>Ordinary Shares \$</b>	<b>Accumulated losses \$</b>	<b>Total \$</b>
<b>Balance at 11 April 2014</b>		-	-	-
Deficit attributable to members of the entity	12	-	(397,662)	(397,662)
Shares issued during the year	11	1,256,460	-	1,256,460
Transaction cost on share issued	11	(139,120)	-	(139,120)
<b>Balance at 30 June 2014</b>		<b>1,117,340</b>	<b>(397,662)</b>	<b>719,678</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

For the period from 30 June 2015

		2015	2014
	Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Payments to suppliers and employees		(827,787)	13,634
Interest received		4,494	-
Net cash provided by (used in) operating activities	20	(823,293)	13,634
Purchase of plant and equipment	8(a)	(29,278)	-
Purchase of equity-accounted investments		(530,060)	-
Increase in Loan receivables		(350,065)	(30,000)
Net cash used by investing activities		(909,403)	(30,000)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issue of shares		1,600,031	411,340
Net cash used by financing activities		1,600,031	411,340
Net increase (decrease) in cash and cash equivalents held		(132,665)	394,974
Cash and cash equivalents at beginning of year		394,974	-
Cash and cash equivalents at end of financial year	5	262,309	394,974

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

The financial report covers Alt Resources Limited as an individual entity. Alt Resources Limited is a for profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Alt Resources Limited is Australian dollars.

The financial statements were authorised for issue on 7 October 2015 by the directors of the company.

### **1 Summary of Significant Accounting Policies**

#### **(a) Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

#### **(b) Interests in Joint Arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Investments in joint ventures are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the company's share of net assets of the joint ventures. In addition, the company's share of the profit or loss of the joint ventures is included in the company's profit or loss.

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

When the company's share of losses in an joint ventures equals or exceeds its interest in the joint ventures, the company discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures. When the joint ventures subsequently makes profits, the company will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

#### **(c) Going concern**

This report has been prepared on 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 Company has incurred a loss of \$(781,969) (2014: \$ (397,662) funded by raising share capital.

The ability of Company to continue as a going concern is dependent on:

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **(c) Going concern continued**

- i) the completion of the capital raising program;
- ii) the ability to meet projected revenue levels; and
- iii) the retention of overheads at budgeted levels.

The directors have reviewed the Company's financial position and cash flow forecasts for the next twelve months, which shows that the Company will be able to meet its debts as and when they fall due and payable and are, therefore, of the opinion that the use of the going concern basis of accounting is appropriate. This is based on belief that on the completion of capital raising program, Company will meet projected revenue from its mining activity, and that the Company will be able to retain overheads at budgeted levels.

Should the company not achieve the matters set above, there is uncertainty whether the Company will continue as a going concern and therefore whether it will realise its asset and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments to assets and liabilities that may be necessary if the Company is unable to continue as going concern.

#### **(d) Income Tax**

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **(d) Income Tax continued**

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

#### **(e) Revenue and other income**

##### **Interest revenue**

Interest is recognised using the effective interest method.

#### **(f) Comparative Figures**

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

#### **(g) Fair Value of Assets and Liabilities**

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **(g) Fair Value of Assets and Liabilities continued**

such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

#### **(h) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### **(i) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to for further discussion on the determination of impairment losses.

#### **(j) Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to for details of impairment).

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

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

**(j) Plant and Equipment continued**

as expenses in profit or loss during the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Motor Vehicles	22.5%
Computer Equipment and Software	50%-66.67%
Leasehold Improvements	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(k) Financial instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to 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 (ie trade date accounting is adopted).

Financial instruments 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.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **Initial recognition and measurement continued**

predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The company does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments..

#### **(i) Financial assets at fair value through profit or loss**

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a company of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

#### **(ii) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### **(iii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### **(iv) Available-for-sale investments**

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

#### **(iv) Financial liabilities**

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.



## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **Initial recognition and measurement continued**

##### **Impairment**

A financial asset (or a company of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a company of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (include: loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

##### **Derecognition**

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### **(I) Impairment of non-financial assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **(l) Impairment of non-financial assets continued**

recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

#### **(m) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

#### **(n) Employee benefits**

##### **(i) Short-term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

##### **(ii) Other long-term employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

#### **(o) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **(p) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### **(q) Exploration and development expenditure**

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

#### **(r) Critical accounting estimates and judgments**

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

##### **Key estimates**

##### **(i) Impairment – general**

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

##### **Key judgements**

##### **(i) Issuing of Shares**

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **1 Summary of Significant Accounting Policies continued**

#### **(r) Critical accounting estimates and judgments continued**

The company's Board of Directors resolved to issue fully paid shares with a discounted issue price of 5 cents per share.

The issue price of the pre-IPO shares were discounted to this price in light of the significant additional investment risk associated with the possible failure to complete a successful IPO.

#### **(ii) Exploration and evaluation expenditure**

The company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at \$nil million.

#### **(s) New Accounting Standards and Interpretations**

Accounting Standards and Interpretations issued by the AASB that are not yet mandatory applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

## Notes to the Financial Statements

For the period from 30 June 2015

### 2 Revenue and Other Income

	2015	2014
	\$	\$
Other Income		
Interest received	4,494	-

### 3 Profit for the Year

Profit before income tax from continuing operations includes the following specific expenses:

	2015	2014
	\$	\$
Interest paid	1,837	-
Employee benefit expenses	444,372	317,261
Depreciation expenses (a)	7,194	-
Superannuation contributions	35,325	-
Rent paid	33,000	-
Exploration expenditure	78,665	-

### 4 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

Income tax is payable on that proportion of the income less expenses. The aggregate amount of income tax attributable to the financial year differs from the amount prima facie payable on the operating profit. The difference is reconciled as follows:

	2015	2014
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2014: 30%)	(234,851)	(119,299)
Add:		
Tax effect of:		
- non-deductible expense	3,951	1,500
	(230,900)	(117,799)
Less:		
Tax effect of:		
- Other deductible expenses capital raising	38,282	8,347
Tax losses not brought to account	(269,182)	(126,146)
Income tax expense	-	-

## Notes to the Financial Statements

For the period from 30 June 2015

### 4 Income Tax Expense continued

(b) Deferred Tax Asset not brought to accounts

The amounts of deductible temporary difference and unused tax losses for which no deferred tax assets have been brought to account:

	2015	2014
	\$	\\$
- deductible temporary difference	5,451	1,500
- tax losses - operating in nature	395,328	126,146
	<u>400,779</u>	<u>127,646</u>

The benefits of above temporary differences and unused tax losses will be realised when the conditions for deductibility set out in Note 1(d) occur. These amounts have no expiry date.

### 5 Cash and cash equivalents

	2015	2014
	\$	\$
Cash on hand	10	10
Cash at bank	262,299	394,965
	<u>262,309</u>	<u>394,975</u>

#### Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2015	2014
	\$	\$
Cash and cash equivalents	262,309	394,975
<b>Balance as per statement of cash flows</b>	<u>262,309</u>	<u>394,975</u>

### 6 Trade and other receivables

	2015	2014
	\$	\$
CURRENT		
GST receivable	4,296	685
Other receivables	30,000	406,000
<b>Total current trade and other receivables</b>	<u>34,296</u>	<u>406,685</u>

## Notes to the Financial Statements

For the period from 30 June 2015

### 7 Other financial assets

#### Loans receivable

	2015	2014
	\$	\$
Loans to GFM Exploration Pty Ltd	380,065	30,000

No repayment terms have been determined for the above loan. No interest has been charged.

### 8 Plant and equipment

	2015	2014
	\$	\$
Computer equipment and software		
At cost	11,023	-
Accumulated depreciation	(5,478)	-
Total plant and equipment	5,545	-

	2015	2014
	\$	\$
Motor vehicles		
At cost	17,140	-
Accumulated depreciation	(1,617)	-
Total motor vehicles	15,523	-

	2015	2014
	\$	\$
Leasehold Improvements		
At cost	1,115	-
Accumulated depreciation	(99)	-
Total office equipment	1,016	-
<b>Total property, plant and equipment</b>	<b>22,084</b>	<b>-</b>

#### (a) Movements in carrying amounts of plant and equipment

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

## Notes to the Financial Statements

For the period from 30 June 2015

### 8 Plant and equipment continued

#### (a) Movements in carrying amounts of plant and equipment continued

	Computer Equipment and Software	Motor Vehicles	Leasehold Improvements	Total
	\$	\$	\$	\$
<b>Year ended 30 June 2015</b>				
Balance at the beginning of year	-	-	-	-
Additions	11,023	17,140	1,115	29,278
Depreciation expense	(5,478)	(1,617)	(99)	(7,194)
<b>Balance at the end of the year</b>	<b>5,545</b>	<b>15,523</b>	<b>1,016</b>	<b>22,084</b>

### 9 Trade and other payables

	2015	2014
	\$	\$
CURRENT		
Trade payables	57,416	89,721
Other payables	-	17,261
Audit Fee accrual	6,500	5,000
Superannuation payable	23,488	-
	<b>87,404</b>	<b>111,982</b>

#### (a) Financial liabilities at amortised cost classified as trade and other payables

	2015	2014
	\$	\$
Trade and other payables:		
- total current	87,402	111,982
Financial liabilities as trade and other payables	<b>87,402</b>	<b>111,982</b>

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### 10 Employee Benefits

	2015	2014
	\$	\$
Non-current liabilities		
Long service leave	7,447	-
	<b>7,447</b>	<b>-</b>
	2015	2014
	\$	\$
Current liabilities		
Annual leave provision	4,223	-
	<b>4,223</b>	<b>-</b>



## Notes to the Financial Statements

For the period from 30 June 2015

### 11 Issued Capital

	2015	2014
	\$	\$
34,999,000 (2014: 25,129,000) Ordinary shares of \$0.05 each	1,749,950	1,256,450
12,294,500 (2014: ) Ordinary shares of \$0.10 each	1,229,450	-
50 (2014: 50) Ordinary shares of \$.20 each	10	10
Transaction cost on share issued	(638,039)	(139,120)
<b>Total</b>	<b>2,341,371</b>	<b>1,117,340</b>

#### (a) Ordinary shares

	2015	2014
	No.	No.
At the beginning of the reporting period	25,129,050	-
Shares issued during the year	-	50
Ordinary shares of \$0.20 each	9,870,000	25,129,000
Ordinary shares of \$0.05 each	12,294,500	-
Ordinary shares of \$0.10 each		
At the end of the reporting period	<b>47,293,550</b>	<b>25,129,050</b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

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

### 12 Reserves

	2015	2014
	\$	\$
<b>Accumulated losses</b>		
Opening balance	(397,662)	-
Loss for the year	(781,970)	397,662
	<b>(1,179,632)</b>	<b>397,662</b>

## Notes to the Financial Statements

For the period from 30 June 2015

### 13 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans receivable and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies to these financial statements, are as follows:

		2015	2014
		\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	5	262,309	394,975
Loan receivables	7	380,065	30,000
Trade and other receivables	6	34,296	406,685
<b>Total financial assets</b>		<b>676,670</b>	<b>831,660</b>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
- Trade and other payables	9	87,402	111,982
<b>Total financial liabilities</b>		<b>87,402</b>	<b>111,982</b>

#### Financial risk management policies

The Board of Directors monitors the company's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk.

Mitigation strategies for specific risks faced are described below:

#### Specific financial risk exposures and management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, and other price risk (commodity and equity price risk). There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

##### (a) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;

## **Notes to the Financial Statements**

**For the period from 30 June 2015**

### **13 Financial Risk Management continued**

#### **(a) Liquidity risk continued**

- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The company's policy is to ensure no more than 30% of borrowings should mature in any 12-month period.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Bank overdrafts have been deducted in the analysis as management does not consider there is any material risk the bank will terminate such facilities. The bank does however maintain the right to terminate the facilities without notice and therefore the balances of overdrafts outstanding at year-end could become repayable within 12 months. Financial guarantee liabilities are treated as payable on demand since the company has no control over the timing of any potential settlement of the liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

# Alt Resources Limited

ABN:57 168 928 416

## Notes to the Financial Statements

For the period from 30 June 2015

### 13 Financial Risk Management continued

#### *Financial liability and financial asset maturity analysis*

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade and other payables (excluding estimated annual leave)	(87,404)	(111,982)	-	-	-	-	(87,404)	(111,982)
	(87,404)	(111,982)	-	-	-	-	(87,404)	(111,982)
Total expected outflows	(87,404)	(111,982)	-	-	-	-	(87,404)	(111,982)
<b>Financial assets – cash flows realisable</b>								
Cash and cash equivalents	262,309	394,975	-	-	-	-	262,309	394,975
Trade and other receivables	34,296	406,685	-	-	-	-	34,296	406,685
Loan receivables	380,065	30,000	-	-	-	-	380,065	30,000
Total anticipated inflows	676,670	831,660	-	-	-	-	676,670	831,660
Net (outflow)/inflow on financial instruments	589,266	719,678	-	-	-	-	589,266	719,678

## Notes to the Financial Statements

For the period from 30 June 2015

### 13 Financial Risk Management continued

**(b) Interest rate risk**

The Company is not exposed to any significant interest rate risk.

**(c) Market risk**

*(i) Interest rate risk*

The financial instruments that primarily expose the company to interest rate risk are borrowings and cash and cash equivalents.

**(d) Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed in Note 6.

Credit risk related to balances with banks and other financial institutions is managed by the FOC in accordance with approved board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

The following table details the Company's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Past due but not impaired (days overdue)						Within initial trade terms
	Gross amount \$	Past due and impaired \$	< 30 \$	31-60 \$	61-90 \$	> 90 \$	
<b>2015</b>							
Other receivables	34,295	-	-	-	-	-	34,295
Total	34,295	-	-	-	-	-	34,295
<b>2014</b>							
Trade and term receivables	406,685	-	-	-	-	-	406,685
Total	406,685	-	-	-	-	-	406,685

The Company does not hold any financial assets with terms that have been renegotiated, but which would otherwise

## Notes to the Financial Statements

For the period from 30 June 2015

### 13 Financial Risk Management continued

be past due or impaired.

The other classes of receivables do not contain impaired assets.

#### Sensitivity analysis - Interest rate risk

##### Interest rate risk sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates, exchange rates and commodity and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	2015	2014
	\$	\$
Change in profit		
- Increase in interest rate by 1%	<b>\$2,623</b>	\$3,950
- Decrease in interest rate by 1%	<b>\$(2,623)</b>	\$(3,950)
Change in equity		
- Increase in interest rate by 1%	<b>\$2,623</b>	\$3,950
- Decrease in interest rate by 1%	<b>\$(2,623)</b>	\$(3,950)

### 14 Capital Management

The directors control the capital of Alt Resources Limited in order to maintain a debt to equity ratio, provide the shareholders with adequate returns and ensure the company can fund its operations and continue as a going concern.

The Company's debt and capital includes ordinary share capital and financial liabilities supported by financial assets.

The directors effectively manage Alt Resources Limited's capital by assessing the Company's financial risks and adjusting the capital structure in response to changes in these risks. The responses include the management of debt levels, distributions to shareholders and share issues.

The gearing ratio for the year ended 30 June 2015 and 30 June 2014 are as follows:

	2015	2014
	\$	\$
Trade and other payables	9 <b>87,404</b>	111,982
Less Cash and cash equivalents	5 <b>(262,309)</b>	(394,975)
Net (asset)/debt	<b>(174,905)</b>	(282,993)
Equity	11 <b>2,341,371</b>	1,117,340
Total capital	<b>2,166,466</b>	834,347
Gearing ratio	<b>(8.00)%</b>	(34.00)%

## Notes to the Financial Statements

For the period from 30 June 2015

### 15 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Alt Resources Limited during the year are as follows:

	2015	2014
	\$	\$
Short-term employee benefits	294,904	17,261
Share-based payments	195,200	386,950
	<b>490,104</b>	<b>404,211</b>

#### Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

#### Post-employment benefits

These amounts are the current-year's estimated cost of providing for the company's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

#### Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

#### Share-based payments

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, rights and shares granted on grant date.

Further information in relation to KMP remuneration can be found in the directors' report.

#### Key management personnel shareholdings

The number of ordinary shares in Alt Resources Limited held by each key management person of Alt Resources Limited during the financial year is as follows:

	Balance at beginning of year	Shares Issued	On exercise of options	Other changes during the year	Balance at end of year
<b>30 June 2015</b>					
<b>Directors</b>					
William Hugh Ellis	1,869,500	1,101,000	-	(2,270,500)	700,000
Clive Napier Buckland	500,000	150,000	-	(60,000)	590,000
Neva Collings	1,500,000	200,000	-	-	1,700,000
Russell John Fountain	500,000	-	-	-	500,000
Barbara Jane Barron	500,000	-	-	-	500,000
<b>Other KMP</b>					
Phillip James Anderson	2,869,500	1,901,000	-	(579,990)	4,190,510
	<b>7,739,000</b>	<b>3,352,000</b>	<b>-</b>	<b>(2,910,490)</b>	<b>8,180,510</b>

## Notes to the Financial Statements

For the period from 30 June 2015

### 15 Key Management Personnel Disclosures continued

#### Key management personnel shareholdings continued

	Balance at beginning of year	Shares Issued	On exercise of options	Other changes during the year	Balance at end of year
<b>30 June 2014</b>					
<b>Directors</b>					
Bill Ellis	-	-	1,869,500	-	1,869,500
Clive Buckland	-	-	500,000	-	500,000
Neva Collings	-	-	1,500,000	-	1,500,000
Russel Fountain	-	-	500,000	-	500,000
Jane Barron	-	-	500,000	-	500,000
<b>Other KMP</b>					
Phillip James Anderson	-	-	2,869,500	-	2,869,500
	-	-	9,608,500	-	7,739,000

#### Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 19: Related Party Transactions.

### 16 Remuneration of Auditors

	2015 \$	2014 \$
Remuneration of the auditor of the Company, Hardwicks Chartered Accountants, for:		
- auditing or reviewing the financial report	6,500	5,000

### 17 Joint Arrangements

#### Joint Ventures

Reconciliation of carrying amount of interest in joint venture to summarised financial information for joint ventures accounted for using the equity method:

	2015 \$	2014 \$
<b>Joint Venture with GFM</b>		
Opening balance	-	-
19% share in Joint Venture at cost	530,060	-
Carrying amount	530,060	-



## Notes to the Financial Statements

For the period from 30 June 2015

### 17 Joint Arrangements continued

#### Risks associated with the interests in joint ventures

The recoverability of the carrying amount of the exploration development expenditure is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

Name	Classification	Place of Business/	Participating Share 2015 %	Measurement Method 2015	Carrying Amount
Joint Venture with GFM Exploration Pty Ltd	Joint Venture	New South Wales	19%	Equity Method	<u>\$ 530,060</u>

Alt Resources Limited holds a 19% interest in an unincorporated Joint Venture, a strategic joint arrangement structured between the Company and GFM Exploration Pty Ltd (GFM). The principal place of business of the Joint Venture is New South Wales and the primary purpose of the joint venture is the discovery, location and delineation of Gold and all activities as are necessary or expedient for the purpose of exploring the Joint Venture Area and includes conducting a feasibility studies and all activities to produce the same and all activities as are necessarily or desirable in order to implement and give to facilitate exploration, mining and sale of Gold on behalf of the joint operators.

The Joint Venture is not created as a partnership. The rights, interests, liabilities and obligations of the Parties respectively under the Joint Venture is individual and separate and will not be joint or collective and each party is responsible for its own obligations and will be liable only for its own proportionate share of any property and assets of the Joint Venture. The rights and obligation of the parties is several and neither joint nor joint and several.

### 18 Fair Value Measurement

#### Net Fair Values

##### *Fair value estimation*

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

	2015		2014	
	Net Carrying Value	Net Fair value	Net Carrying Value	Net Fair value
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	262,309	262,309	394,975	394,975
Trade and other receivables	34,296	34,296	406,685	406,685

## Notes to the Financial Statements

For the period from 30 June 2015

### 18 Fair Value Measurement continued

#### Net Fair Values continued

	2015		2014	
	Net Carrying Value	Net Fair value	Net Carrying Value	Net Fair value
	\$	\$	\$	\$
Loan Receivables	380,065	380,065	30,000	30,000
<b>Total financial assets</b>	<b>676,670</b>	<b>676,670</b>	831,660	831,660
<b>Financial liabilities</b>				
Trade and other payables	87,404	87,404	111,982	111,982
<b>Total financial liabilities</b>	<b>87,404</b>	<b>87,404</b>	111,982	111,982

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave and income received in advance which are not considered to be financial instruments.

(ii) Discounted cash flow models are used to determine the fair values of loans and advances. Discount rates used on the calculations are based on interest rates existing at reporting date for similar types of loans and advances. Differences between fair values and carrying values largely represent movements in the effective interest rate determined on initial recognition and current market rates.

### 19 Related Parties

#### Related Parties

The Company's main related parties are as follows:

#### (a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 15: Key Management Personnel Compensation.

#### (b) Other related parties

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

## Notes to the Financial Statements

For the period from 30 June 2015

### (c) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

		\$
Orange Door Legal	Legal Fees	35,712
Anderson Consulting	Monthly retainer fees per agreement	30,000
James Anderson	Capital raising commission payments	124,905
James Anderson	CEO Incentive payment per agreement	25,000
William Hugh Ellis	Capital raising commission payments	124,905

## 20 Cash Flow Information

### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2015	2014
	\$	\$
Profit for the year	(781,969)	(397,662)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	7,194	-
- In kind services for shares	-	300,000
Changes in assets and liabilities,		
- (increase)/decrease in trade and other receivables	(3,610)	(685)
- (increase)/decrease in prepayments	(32,000)	-
- increase/(decrease) in trade and other payables	(24,578)	111,981
- increase/(decrease) in employee benefits	11,670	-
Cashflow from operations	<u>(823,293)</u>	<u>13,634</u>

**Notes to the Financial Statements****For the period from 30 June 2015****21 Share-based Payments**

During the year 1 July 2014 to 30 June 2015 the following number of shares were granted to key management personnel (KMP), employees, consultants and suppliers as share-based payments.

	<b>Shares</b>
KMPs	<b>2,702,000</b>
Other Employees	<b>600,000</b>
Consultants	<b>382,500</b>
Other Suppliers	<b>120,000</b>
<b>Total</b>	<b>3,804,500</b>

The weighted average fair value of those equity instruments, determined by management was \$0.0669.

Included under expenses in the statement of profit and loss is \$83,500 which relates to equity settled share-based payment transactions.

Included under transaction cost on the share issue in the statement of Changes in Equity is \$170,200 which relates to equity settled share-based payment transactions.

**22 Events Occurring After the Reporting Date**

The financial report was authorised for issue on 7 October 2015 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

**23 Company Details**

The registered office of the company is:

Alt Resources Limited  
101 Beaumont Street  
Hamilton NSW 2303

The principal places of business are:

4 Gippsland Street  
Jindabyne NSW 2627

**24 Joint Venture Details**

The registered office and principal place of business of the Company is 101 Beaumont Street, Hamilton, NSW, 2303. Its principal activity is described in note 17.

## Alt Resources Limited

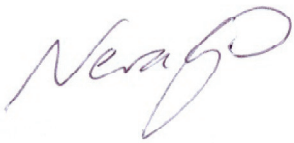
ABN:57 168 928 416

### Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2015 are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - b. give a true and fair view of the financial position and performance of the Company;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Director

Neva Collings



Director

William Hugh Ellis

Dated 7 October 2015

## Independent Audit Report to the members of Alt Resources Limited

### Report on the Financial Report

We have audited the accompanying financial report of Alt Resources Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### *Independence*

In conducting our audit, 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 Alt Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



## Independent Audit Report to the members of Alt Resources Limited

### Opinion

In our opinion the financial report of Alt Resources Limited is in accordance with the *Corporations Act 2001*, including:

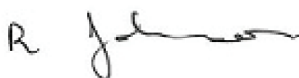
- (a) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Material Uncertainty Regarding Going Continuation as Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of matter described in Note 1(c) : "Going concern basis of accounting" to the financial statements there is significant uncertainty whether the entity will be able to continue as going concern, and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

Hardwickes

Hardwickes  
Chartered Accountants



Robert Johnson  
Partner

Canberra

7 October 2015

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## **SCHEDULE 2 – UNREVIEWED PRO FORMA STATEMENT OF FINANCIAL POSITION**

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This Seventh Supplementary Prospectus is intended to be read with the Sixth Supplementary Prospectus dated 11 September 2015, Fifth Supplementary Prospectus dated 30 July 2015, Fourth Supplementary Prospectus dated 14 May 2015, Third Supplementary Prospectus dated 25 March 2015, the Second Supplementary Prospectus dated 3 February 2015, the First Supplementary Prospectus dated 21 January 2015 and the Prospectus dated 24 December 2014 issued by ALT Resources Limited (ACN 168 928 416).



# Alt Resources Limited

ABN 57 168 928 416

## Statement of Comprehensive Income for the Period from 1 July 2014 to 30 June 2015 and Pro-forma Income Statement for that Period

	2014	2015	2015 Un-reviewed Pro-forma	2015 Un-reviewed Pro-forma	2015 Un-reviewed Pro-forma
	Audited Historical \$	Audited Historical \$	(\$1.75 million) \$	(\$4 million) \$	(\$5 million) \$
<b><u>Income</u></b>					
Interest received	0	4,494	4,494	4,494	4,494
Total income	0	4,494	4,494	4,494	4,494
<b><u>Expenses</u></b>					
Accountancy	6,500	67,553	67,553	67,553	67,553
Advertising and promotion		16,435	16,435	16,435	16,435
ASX Fees		0	0	0	0
Audit fees	5,000	6,500	6,500	6,500	6,500
Bank Fees And Charges	1	229	229	229	229
Brokerage Fees & Registry Service		5,879	5,879	5,879	5,879
Computer expenses & Equipment		2,313	2,313	2,313	2,313
Depreciation - plant		5,478	5,478	5,478	5,478
Depreciation - leasehold improvements		99	99	99	99
Directors fees	7,261	121,904	121,904	121,904	121,904
<b><u>Directors payments</u></b>					
Incentive Payments to Directors	100,000				
Performance Payments to Directors	100,000				
Directors Salaries	5,000	113,000	113,000	113,000	113,000
Consultants Fees	46,550	39,402	39,402	39,402	39,402
Fees & charges		44	44	44	44
Filing Fees		7,013	7,013	7,013	7,013
Remuneration Incentive Payments to Management	100,000		160,000	160,000	160,000
Insurance		6,204	6,204	6,204	6,204
Interest - Australia		1,837	1,837	1,837	1,837
Investor Seminar Expenses		1,983	1,983	1,983	1,983
Legal fees	22,350	53,945	53,945	53,945	53,945
Motor Vehicle Depreciation		1,617	1,617	1,617	1,617
Motor Vehicle costs	0	93	93	93	93
Postage		61	61	61	61
Printing & stationery		2,447	2,447	2,447	2,447
Rent on land & buildings		33,000	33,000	33,000	33,000
Repairs & maintenance		264	264	264	264
Salaries - ordinary	5,000	116,250	116,250	116,250	116,250
Remuneration Incentive Payments to Staff		55,000	119,000	119,000	119,000
Staff amenities		23	23	23	23
Staff training		2,869	2,869	2,869	2,869
Subscriptions		2,441	2,441	2,441	2,441
Superannuation		35,325	35,325	35,325	35,325
Telephone & internet		2,612	2,612	2,612	2,612
Travel, accom & conference		5,978	5,978	5,978	5,978
Exploration Expenses		78,665	78,665	78,665	78,665
Total expenses	397,662	786,463	1,010,463	1,010,463	1,010,463
<b>Profit (Loss) from Ordinary Activities before income tax</b>	<b>(397,662)</b>	<b>(781,969)</b>	<b>(1,005,969)</b>	<b>(1,005,969)</b>	<b>(1,005,969)</b>
Income Tax Expense	0	0	0	0	0
<b>Deficit for the period</b>	<b>(397,662)</b>	<b>(781,969)</b>	<b>(1,005,969)</b>	<b>(1,005,969)</b>	<b>(1,005,969)</b>
Other comprehensive income, net of income tax	0	0	0	0	0
<b>Total Comprehensive income for the year</b>	<b>(397,662)</b>	<b>(781,969)</b>	<b>(1,005,969)</b>	<b>(1,005,969)</b>	<b>(1,005,969)</b>

# Alt Resources Limited

ABN 57 168 928 416

## Statement of Financial Position as at 30 June 2015 and Pro-forma Statement of Financial Position as at that Date

	2014	2015	2015	2015	2015
			Un-reviewed Pro-forma	Un-reviewed Pro-forma	Un-reviewed Pro-forma
	Audited Historical \$	Audited Historical \$	(\$1.75 million) \$	(\$4 million) \$	(\$5 million) \$
<b>Current Assets</b>					
<b>Cash Assets</b>					
Total Cash Assets	394,974	294,309	1,863,184	2,968,964	3,903,014
<b>Trade and Other Receivables</b>					
GST Receivable	685	4,296	4,296	4,296	4,296
Receivables from Pre-IPO shareholders	406,000	30,000	0	0	0
<b>Total Trade and Other Receivables</b>	<b>406,685</b>	<b>34,296</b>	<b>4,296</b>	<b>4,296</b>	<b>4,296</b>
<b>Total Current Assets</b>	<b>801,659</b>	<b>328,605</b>	<b>1,867,480</b>	<b>2,973,260</b>	<b>3,907,310</b>
<b>Non-Current Assets</b>					
Exploration and Evaluation Expenditure	30,000	917,365	1,300,000	2,300,000	2,300,000
Other Financial Assets and Investments	0	80,000	2,180,000	2,180,000	2,180,000
<b>Property, Plant and Equipment</b>					
Exploration Plant & Equipment - at cost	0	0	300,000	300,000	300,000
Leasehold Improvements - at WDV	0	1,016	1,016	1,016	1,016
Plant & equipment - at WDV	0	5,544	5,544	5,544	5,544
Motor vehicles - at WDV	0	15,523	15,523	15,523	15,523
Total Property, Plant & Equipment	0	22,083	322,083	322,083	322,083
<b>Total Non-Current Assets</b>	<b>30,000</b>	<b>1,019,448</b>	<b>3,802,083</b>	<b>4,802,083</b>	<b>4,802,083</b>
<b>Total Assets</b>	<b>831,659</b>	<b>1,348,053</b>	<b>5,669,563</b>	<b>7,775,343</b>	<b>8,709,393</b>
<b>Current Liabilities</b>					
<b>Payables</b>					
Trade creditors	89,720	57,415	57,415	57,415	57,415
Other creditors / accruals	17,261	0	0	0	0
<b>Total Payable</b>	<b>106,981</b>	<b>57,415</b>	<b>57,415</b>	<b>57,415</b>	<b>57,415</b>
<b>Current Tax Liabilities</b>					
Amounts withheld from salary and wages	0	13,909	13,909	13,909	13,909
<b>Provisions</b>					
Employee entitlements Super Payable	0	9,579	9,579	9,579	9,579
Sundry provisions	5,000	6,500	6,500	6,500	6,500
<b>Total Provisions</b>	<b>5,000</b>	<b>16,079</b>	<b>16,079</b>	<b>16,079</b>	<b>16,079</b>
<b>Total Current Liabilities</b>	<b>111,981</b>	<b>87,403</b>	<b>87,403</b>	<b>87,403</b>	<b>87,403</b>
<b>Non-Current Liabilities</b>					
<b>Financial Liabilities</b>					
Joint Venture Working Loan	0	87,240	87,240	87,240	87,240
<b>Provisions</b>					
Accrued Employee Annual Leave	0	4,223	4,223	4,223	4,223
Accrued Employee Long Service Leave	0	7,447	7,447	7,447	7,447
<b>Total Provisions</b>	<b>0</b>	<b>11,670</b>	<b>11,670</b>	<b>11,670</b>	<b>11,670</b>
<b>Total Non-Current Liabilities</b>	<b>0</b>	<b>98,910</b>	<b>98,910</b>	<b>98,910</b>	<b>98,910</b>
<b>Total Liabilities</b>	<b>111,981</b>	<b>186,313</b>	<b>186,313</b>	<b>186,313</b>	<b>186,313</b>
<b>Net Assets</b>	<b>719,678</b>	<b>1,161,740</b>	<b>5,483,250</b>	<b>7,589,030</b>	<b>8,523,080</b>
<b>Equity</b>					
<b>Issued Capital</b>					
Issued & paid up capital	1,256,460	2,979,410	7,603,410	9,853,410	10,853,410
Transaction cost on share issue	(139,120)	(638,039)	(716,529)	(860,749)	(926,699)
Retained profits / (accumulated losses)	(397,662)	(1,179,631)	(1,403,631)	(1,403,631)	(1,403,631)
<b>Total Equity</b>	<b>719,678</b>	<b>1,161,740</b>	<b>5,483,250</b>	<b>7,589,030</b>	<b>8,523,080</b>

# Alt Resources Limited

ABN 57 168 928 416

## Detailed Statement of Movements in Equity as at 30 June 2015 and Pro-forma Statement of Movements in Equity as at that Date

	Number of shares issued	Number of shares issued	Number of shares issued	Un-reviewed Pro-forma	Un-reviewed Pro-forma	Un-reviewed Pro-forma
	(minimum)	(full)	(maximum)	(\$1.75 million)	(\$4 million)	(\$5 million)
<b>Shares on issue as at 30 June 14</b>	<b>25,129,050</b>	<b>25,129,050</b>	<b>25,129,050</b>	<b>\$1,256,460</b>	<b>\$1,256,460</b>	<b>\$1,256,460</b>
<b><u>Shares issued during 2014/15</u></b>						
Share based payments to KMPs @ 5 cents per share	1,100,000	1,100,000	1,100,000	\$55,000	\$55,000	\$55,000
Share based payments to KMPs @ 10 cents per share	1,202,000	1,202,000	1,202,000	\$120,200	\$120,200	\$120,200
Finder Fee share issues @ 5 cents per share	1,000,000	1,000,000	1,000,000	\$50,000	\$50,000	\$50,000
Share based payments to consultants in leu of cash @ 5 cents per share	2,220,000	2,220,000	2,220,000	\$111,000	\$111,000	\$111,000
Share based payments to consultants in leu of cash @ 10 cents per share	82,500	82,500	82,500	\$8,250	\$8,250	\$8,250
Pre-IPO share issues @ 5 cents per share	3,550,000	3,550,000	3,550,000	\$177,500	\$177,500	\$177,500
Pre-IPO share issues @ 10 cents per share	11,010,000	11,010,000	11,010,000	\$1,101,000	\$1,101,000	\$1,101,000
Novus Mandate Pre-IPO shares @ 5 cents per share	2,000,000	2,000,000	2,000,000	\$100,000	\$100,000	\$100,000
<b>Shares on issue as at 30 June 15</b>	<b>47,293,550</b>	<b>47,293,550</b>	<b>47,293,550</b>	<b>\$2,979,410</b>	<b>\$2,979,410</b>	<b>\$2,979,410</b>
Shares to be issued to GFM Exploaration Pty Ltd for acquisition of joint venture @ 20 cents per share	10,500,000	10,500,000	10,500,000	\$2,100,000	\$2,100,000	\$2,100,000
Shares to be issued to GFM Exploaration Pty Ltd for acquisition of exploration plant & equipment @ 20 cents per share	1,500,000	1,500,000	1,500,000	\$300,000	\$300,000	\$300,000
Pre-IPO share issues @ 16 cents per share	1,562,500	1,562,500	1,562,500	\$250,000	\$250,000	\$250,000
Share based payments to KMPs & staff @ 16 cents per share	1,400,000	1,400,000	1,400,000	\$224,000	\$224,000	\$224,000
Minimum Fund Raising on IPO @ 20 cents per share	8,750,000			\$1,750,000		
Full Fund Raising on IPO @ 20 cents per share		20,000,000			\$4,000,000	
Maximum Fund Raising on IPO @ 20 cents per share			25,000,000			\$5,000,000
<b>Projected Total on Listing</b>	<b>71,006,050</b>	<b>82,256,050</b>	<b>87,256,050</b>	<b>\$7,603,410</b>	<b>\$9,853,410</b>	<b>\$10,853,410</b>

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## SCHEDULE 3 – KEY TERMS AND CONDITIONS OF THE EMPLOYEE INCENTIVE PLAN

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Outlined below is a summary of the key terms of the Company's Employee Incentive Plan.

- (a) **Eligibility:** Eligible Employees include Directors (both executive and non-executive), full time and part time employees and casual employees and contractors of the Company (to the extent permitted by ASIC Class Order 14/1000). Subject to the Board's consent, an Eligible Employee may nominate another person to participate in the Plan in their place.
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Eligible Employees will be offered Awards under the Plan.
- (c) **Invitation:** The Board may issue an invitation to an Eligible Employee to participate in the Plan (**Invitation**). The Invitation will specify:
  - (i) the number and type of Awards (being Options, Performance Rights and/or incentive Shares) specified in the Invitation;
  - (ii) any vesting conditions, performance hurdles, performance period, exercise conditions and/or restriction conditions attaching to the Awards;
  - (iii) the issue price or exercise price of the Awards (as applicable);
  - (iv) an acceptance period;
  - (v) any other terms and conditions attaching to the Awards; and
  - (vi) any other information required by ASIC Class Order 14/1000, the Listing Rules or any law to be included in the invitation.
- (d) **Issue and exercise price:**
  - (i) Options shall be issued for nil cash consideration, and the Board may determine the exercise price in its absolute discretion (including whether to offer the Eligible Employee a cashless exercise facility);
  - (ii) Performance Rights shall be issued for nil cash consideration, and Shares issued upon the conversion of Performance Rights shall be issued for nil cash consideration;
  - (iii) The Board shall determine the issue price of any Shares issued under the Plan, which may be nil.
- (e) **Quotation on ASX:** The Company will apply for Shares issued under the Plan and upon the exercise of Options and Performance Rights to be admitted to trading on ASX upon issue of the Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares. Options and Performance Rights issued under the Plan shall not be quoted.

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This Seventh Supplementary Prospectus is intended to be read with the Sixth Supplementary Prospectus dated 11 September 2015, Fifth Supplementary Prospectus dated 30 July 2015, Fourth Supplementary Prospectus dated 14 May 2015, Third Supplementary Prospectus dated 25 March 2015, the Second Supplementary Prospectus dated 3 February 2015, the First Supplementary Prospectus dated 21 January 2015 and the Prospectus dated 24 December 2014 issued by ALT Resources Limited (ACN 168 928 416).

- (f) **Rights attaching to Shares:** Each Share issued under the Plan or on the exercise of an Award shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date. The holder of a Share issued under the Plan shall be entitled to receive notice of, and attend and vote at, shareholder meetings, and to receive any dividends declared by the Company.
- (g) **Rights attaching to Options and Performance Rights:** Subject to the terms of the Plan, the Board may determine the rights attaching the Options and Performance Rights issued under the Plan. The holder of an Option or Performance Right issued under the Plan shall not be entitled to receive notice of, and attend and vote at, shareholder meetings, nor to receive any dividends declared by the Company.
- (h) **Restriction Conditions:** Shares may be subject to restriction conditions (such as a period of employment or a performance hurdle) which must be satisfied before the Shares can be sold, transferred, or encumbered (**Restriction Condition**). The Board may waive Restriction Conditions in its absolute discretion, including where a holder dies or is a good leaver. The Company is authorised to impose a holding lock on the Shares to implement these restrictions.
- (i) **Forfeiture of Shares:** Where a Restriction Condition in relation to Shares is not satisfied by the due date, or becomes incapable of satisfaction (as determined by the Board in its reasonable opinion), and is not waived by the Board, the holder of those Shares forfeits its right, entitlement and interest in and to the Shares and the Company must, unless the Restriction Condition is waived by the Board, either:
- (i) arrange to buy back and cancel the relevant Shares within 6 months of the date the Restriction Condition was not satisfied (or became incapable of satisfaction) under the Corporations Act at a price equal to the cash consideration paid by the holder for the Shares; or
  - (ii) arrange to sell the Shares on behalf of the holder (using a power of attorney) as soon as reasonably practicable after the Restriction Condition was not satisfied (or became incapable of satisfaction) on the ASX or to an investor who falls within an exemption under Section 708 of the Corporations Act (provided that the sale must be at a price that is no less than 80% of the volume weighted average price of Shares on ASX over the 10 trading days before the sale date), and apply the sale proceeds in the following priority:
    - (A) firstly, to use towards repaying any cash consideration paid by the holder for the Shares; and
    - (B) secondly, any remainder to the Company to cover its costs of managing the Plan.
- (j) **Power of Attorney:** The holder irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the buy back or sale of the holder's Shares in accordance with the Plan.

- (k) **Ceasing to be an Eligible Executive:** If an Eligible Employee ceases to be an employee or director of the Company and:
- (i) at that time there are unfulfilled Restriction Conditions in relation to Shares under the Plan held by the Eligible Employee or his or her nominee, the Shares are forfeited and the Company must either buy back or sell the Shares in accordance with the Plan;
  - (ii) the termination of employment is due to wilful misconduct, gross negligence or material breach of employment contract (**Misconduct**), then unvested Awards shall lapse and the Board may determine that vested Awards that have not been exercised shall also lapse; and
  - (iii) the termination of employment is not due to Misconduct, then vested awards may be exercised within 3 months from the date of termination of employment, and the Board may in its discretion determine whether to waive any vesting conditions, exercise conditions or restriction conditions to permit the Eligible Employee to exercise Awards or sell or retain Plan Shares.
- (l) **Change of control events:** Unvested Awards shall become exercisable if:
- (i) (**Takeover**) a takeover bid for the Company's issued Shares is declared unconditional;
  - (ii) (**Compromise or Arrangement**): a court approves under Section 411(4)(b) of the Corporations Act a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) (**Sale of Main Business**): the Company enters into an agreement to sell its main business undertaking or principal assets and that agreement becomes unconditional.
- (m) **Plan limit:** The Company must take reasonable steps to ensure that the number of Shares to be received on the exercise of Awards, when aggregated with:
- (i) the number of Shares that would be issued if each outstanding offer made or Award granted under the Plan or any other employee incentive scheme of the Company were to be exercised or accepted; and
  - (ii) the number of Shares issued during the previous 3 years under the Plan (or any other employee share scheme extended only to eligible employees),

does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or Awards that can be disregarded in accordance with relevant ASIC Class Orders).

# Supplementary Prospectus Application Form

This is an Application Form for Shares in Alt Resources Limited (**Company**) on the terms set out in the Prospectus dated 24 December 2014, the First Supplementary Prospectus dated 21 January 2015, the Second Supplementary Prospectus dated 3 February 2015 and the Third Supplementary Prospectus dated 25 March 2015 and the Fourth Supplementary Prospectus dated 14 May 2015, the Fifth Supplementary Prospectus dated 30 July 2015, the Sixth Supplementary Prospectus dated 11 September 2015 and the Seventh Supplementary Prospectus dated 9 October 2015. Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 500 Shares thereafter. This Application Form and your cheque or bank draft must be received by **5.00pm (WST) on 23 October 2015**.

**This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Seventh Supplementary Prospectus dated 9 October 2015 contains information relevant to a decision to invest in the Securities of the Company and you should read the entire Supplementary Prospectus together with the original Prospectus, the First Supplementary Prospectus, the Second Supplementary Prospectus, the Third Supplementary Prospectus, the Fourth Supplementary Prospectus, the Fifth Supplementary Prospectus, the Sixth Supplementary Prospectus and the Seventh Supplementary Prospectus carefully before applying for Securities.**

The Company's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on our website [www.altresources.com.au](http://www.altresources.com.au) To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Prospectus, the First Supplementary Prospectus, the Second Supplementary Prospectus, the Third Supplementary Prospectus, the Fourth Supplementary Prospectus, the Fifth Supplementary Prospectus, the Sixth Supplementary Prospectus and the Seventh Supplementary Prospectus. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus and all Supplementary Prospectus. The Company will send you a free paper copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy before the Prospectus expires on 24 January 2016.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

<b>A Number of Shares you are applying for</b> <div style="border: 1px solid black; height: 20px; width: 300px; margin: 5px 0;"></div> <div style="text-align: center; margin: 5px 0;">x \$0.20 per Share =</div> <div style="border: 1px solid black; height: 20px; width: 300px; margin: 5px 0;"></div> <p style="font-size: small; text-align: center;">Minimum of 10,000 Shares to be applied for and thereafter in multiples of 500 Shares</p>	<b>B Total amount payable</b> <div style="border: 1px solid black; height: 20px; width: 100px; margin: 5px 0;"></div> <div style="text-align: center; margin: 5px 0;">\$</div> <div style="border: 1px solid black; height: 20px; width: 100px; margin: 5px 0;"></div>
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**C Write the name(s) you wish to register the Securities in (see reverse for instructions)**  
 Applicant #1  
 Name of Applicant #2 or <Account Designation>  
 Name of Applicant #3 or <Account Designation>

**D Write your postal address here**  
 Number/Street  

Suburb/Town

State

Postcode

**E CHESS participant – Holder Identification Number (HIN)**  

X

**F Enter your Tax File Number(s), ABN, or exemption category**  

Applicant #1  
 Applicant #3

Applicant #2

**G Cheque payment details – \$ PIN CHEQUE(S) HERE**  

Please enter details of the cheque(s) that accompany this application.

Name of drawer of cheque

Cheque no.

BSB no.

Account no.

Cheque Amount A\$

**H Contact telephone number (daytime/work/mobile)**

**I Email address**

**Important please note** if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Securities issued as a result of your Application will be held on the Issuer Sponsored subregister.

Alternatively you can apply online and pay by BPAY at [www.boardroomlimited.com.au/altresources](http://www.boardroomlimited.com.au/altresources)

Declaration

✓

have read the Prospectus & Supplementary Prospectus in full;

✓

have read the Privacy Policy (available at [www.altresources.com.au](http://www.altresources.com.au) in full);

✓

have received a copy of the electronic Prospectus & Supplementary Prospectus or a print out of it;

✓

have this Application Form in accordance with the Supplementary Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;

✓

agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at [www.altresources.com.au](http://www.altresources.com.au));

✓

where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;

✓

acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;

✓

apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus & Supplementary Prospectus);

✓

acknowledge that my/our application may be rejected by the Company in consultation with the Lead Manager in its absolute discretion;

✓

authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Securities to be allocated to me/us;

✓

am/are over 18 years of age;

✓

agree to be bound by the constitution of the Company;

✓

acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Securities, , nor do they guarantee the repayment of capital;

✓

represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and

✓

represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Securities may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Prospectus, the Securities or the Offer.

By submitting this Application Form with your Application Amount, I/we declare that I/we:

## Guide to the Application Form

**YOU SHOULD READ THE PROSPECTUS & SUPPLEMENTARY PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.**

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

### Instructions

- A**

If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares and then in multiples of 500 Shares). Multiply by A\$0.20 to calculate the total Application Amount for Shares and enter the **A\$amount** at Item **B**.

**C**

Write your **full name**. Initials are not acceptable for first names.

**D**

Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

**E**

If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- F**

Enter your Australian **tax file number** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.

**G**

Complete **cheque details** as requested. Make your cheque payable to **Alt Resources Ltd Share Offer**. Cross it and mark it 'Note negotiable'. Cheques must be in Australian currency, and cheques must be drawn on an Australian bank. **Alternatively you can apply online and pay by BPAY at [www.boardroomlimited.com.au/altresources](http://www.boardroomlimited.com.au/altresources)**

**H**

Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.

**I**

Enter your **email address** so we may contact you regarding your Application Form or Application Amount or other correspondence.

### Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

### Lodgment

Mail your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

<b>Mailing address:</b>	<b>Delivery address:</b>
Alt Resources Limited	Alt Resources Limited
C/-Boardroom Pty Limited	C/-Boardroom Pty Limited
GPO Box 3993	Level 12, 225 George Street
SYDNEY NSW 2001	SYDNEY NSW 2000

**The Offer closes at 5.00pm (WST) 23 October 2015**

It is not necessary to sign or otherwise execute the Application Form.

**If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and + 61 2 9290 9600 outside Australia.**

### Privacy Statement

Alt Resources Limited advises that Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.altresources.com.au>).

The Corporations Act requires some of this information to be included in the Company's Shareholder holder register, which will be accessible by the public. The Company will collect, use, hold, and disclose your personal information in accordance with the Privacy Policy. For more detail on how the Company collects, stores, uses and discloses your information, please refer to our Privacy Policy. Alternatively contact the Company and the Company will send you a copy. It is recommended that you obtain a copy of the Privacy Policy and read it carefully.