

**Precast Australia Pty Ltd**

**ACN 602 022 837**

Financial report

For the period ended 30 June 2015

## TABLE OF CONTENTS

Director's report .....	1 - 2
Auditor's independence declaration .....	3
Financial report	
Statement of comprehensive income .....	4
Statement of financial position .....	5
Statement of changes in equity .....	6
Statement of cash flows .....	7
Notes to financial statements .....	8 - 15
Director's declaration .....	16
Independent auditor's report .....	17 - 18

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**DIRECTOR'S REPORT**

The directors present this report together with the financial report of Precast Australia Pty Ltd for the period ended 30 June 2015 and auditor's report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

**Directors names**

The name of the director in office at any time during or since the end of the period is:

Lay Ann Ong (appointed 25 September 2014 and resigned 9 September 2015)

Francesco Licciardello (appointed 25 September 2014 and resigned 9 May 2015)

Ian Meares (appointed 9 September 2015)

Lay Loon Ong (appointed 9 September 2015)

The directors have been in office since the start of the period to the date of this report unless otherwise stated above.

**Results**

The loss of the Company for the period after providing for income tax amounted to \$621,649.

**Review of operations**

The Company was incorporated on 25 September 2014.

The Company commenced operations in its principal activity, the results of which are disclosed in the attached financial statements.

**Principal activities**

The principal activity of the Company during the period was the supply of various precast concrete products as a result of the acquisition of certain business assets and liabilities and personnel from Conspect Constructions Pty Ltd (administrators appointed) on or about the 14 of October 2014.

No significant change in the nature of these activities occurred during the period.

**After balance date events**

No matters or circumstances have arisen since the end of the financial period 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.

## DIRECTOR'S REPORT

### Going Concern

The Company expects to maintain the present status and level of operations.

The company has incurred a net loss after tax for the period ended 30 June 2015 of \$621,649, and a net cash outflow from operations of \$328,244 and a net liability position of \$621,529.

The financial statements have been prepared on the basis that the Company will continue to meet their commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. In arriving at this position, the directors have obtained a Letter of Financial Support from Weststar Resources Pte Ltd, a company incorporated and domiciled in Singapore. The directors believe that as at the date of signing the financial report there are reasonable grounds to believe that Weststar Resources Pte Ltd will continue to provide sufficient funds to enable the Company to meet all its obligations as and when they fall due and to carry on its business.

### Environmental regulation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### Dividends paid, recommended and declared

No dividends were paid or declared since the start of the period. No recommendation for payment of dividends has been made at the date of this report.

### Indemnification of officers

The company has procured and paid for Management Liability Insurance on behalf of the directors and officers during and since the end of the period, for any person who is or has been an officer of the Company.

### Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the Company.

### Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial period is provided with this report.



Ian Meares  
Director

6 October 2015

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTOR OF PRECAST AUSTRALIA PTY LTD**

In relation to the independent audit for the period ended 30 June 2015, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

*Pitcher Partners BA & A PTY LTD*

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN  
Executive Director  
Perth, WA  
6 October 2015

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 JUNE 2015**

	Note	2015 \$
<b>Revenue and other income</b>		
Sales revenue	2	2,470,425
Other revenue	2	<u>19,747</u>
	2	<u>2,490,172</u>
<b>Less: expenses</b>		
Cost of sales		(1,559,783)
Administration expenses		(933,805)
Distribution expenses		(168)
Marketing expenses		(2,151)
Occupancy expenses		(305,824)
Borrowing costs	3	(35,728)
Other expenses		<u>(274,362)</u>
		<u>(3,111,821)</u>
<b>Loss before income tax expense</b>		(621,649)
<b>Other comprehensive income for the period</b>		<u>-</u>
<b>Total comprehensive income</b>		<u>(621,649)</u>

The accompanying notes form part of these financial statements.

PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2015

	Note	2015 \$
<b>Current assets</b>		
Cash and cash equivalents	4	404,849
Receivables	5	674,399
Other assets	8	<u>258,327</u>
<b>Total current assets</b>		<u>1,337,575</u>
<b>Non-current assets</b>		
Intangible assets	7	28,795
Property, plant and equipment	6	<u>316,684</u>
<b>Total non-current assets</b>		<u>345,479</u>
<b>Total assets</b>		<u>1,683,054</u>
<b>Current liabilities</b>		
Payables	9	1,083,170
Provisions	11	<u>53,967</u>
<b>Total current liabilities</b>		<u>1,137,137</u>
<b>Non-current liabilities</b>		
Borrowings	10	1,078,304
Provisions	11	<u>89,142</u>
<b>Total non-current liabilities</b>		<u>1,167,446</u>
<b>Total liabilities</b>		<u>2,304,583</u>
<b>Net assets</b>		<u>(621,529)</u>
<b>Equity</b>		
Share capital	12	120
Retained earnings	13	<u>(621,649)</u>
<b>Total equity</b>		<u>(621,529)</u>

The accompanying notes form part of these financial statements.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 JUNE 2015**

	Contributed equity \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2014</b>	-	-	-
Loss for the period	-	(621,649)	(621,649)
<b>Total comprehensive income for the period</b>	-	(621,649)	(621,649)
<b>Transactions with owners in their capacity as owners:</b>			
Contributions	120	-	120
<b>Total transactions with owners in their capacity as owners</b>	120	-	120
<b>Balance as at 30 June 2015</b>	120	(621,649)	(621,529)

The accompanying notes form part of these financial statements.



**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2015**

	Note	2015 \$
<b>Cash flow from operating activities</b>		
Receipts from customers		1,661,991
Payments to suppliers and employees		(2,118,914)
Interest received		<u>2,443</u>
<b>Net cash used in operating activities</b>	14(b)	<u>(454,480)</u>
<b>Cash flow from investing activities</b>		
Payment for property, plant and equipment		<u>(103,107)</u>
<b>Net cash used in investing activities</b>		<u>(103,107)</u>
<b>Cash flow from financing activities</b>		
Proceeds from share issue		120
Proceeds from borrowings		<u>836,080</u>
<b>Net cash provided by financing activities</b>		<u>836,200</u>
<b>Reconciliation of cash</b>		
Net increase in cash held		<u>278,613</u>
<b>Cash at end of period</b>	14(a)	<u><u>278,613</u></u>

The accompanying notes form part of these financial statements.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared for use by the directors and members of the Company. The directors have determined that the Company is not a reporting entity. Precast Australia Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the director's report.

The financial report has been prepared in accordance with the requirements of the *Corporations Act 2001*, the recognition and measurement requirements specified by all applicable Accounting Standards and interpretation, and the disclosure requirements of:

AASB 101:	Presentation of Financial Statements
AASB 107:	Cash Flow Statements
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048:	Interpretation and Application of Standards
AASB 1054:	Australian Additional Disclosures

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

*Period*

The Company was incorporated on 25 September 2014. The financial statements cover the period from that date to 30 June 2015.

**(b) Going concern**

The financial report has been prepared on a going concern basis.

The Company incurred a loss from ordinary activities of \$621,649 during the year ended 30 June 2015, and as at that date the Company's total liabilities exceeded total assets by \$621,529.

The financial statements have been prepared on the basis that the Company will continue to meet their commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. In arriving at this position, the directors have obtained a Letter of Financial Support from Weststar Resources Pte Ltd. The directors believe that as at the date of signing the financial report there are reasonable grounds to believe that Weststar Resources Pte Ltd will continue to provide sufficient funds to enable the Company to meet all its obligations as and when they fall due and to carry on its business.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Revenue**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

**(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**(e) Property, plant and equipment**

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

*Plant and equipment*

Plant and equipment is measured on a cost basis.

*Depreciation*

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of property, plant and equipment is not depreciated.

<b>Class of fixed asset</b>	<b>Depreciation rates</b>	<b>Depreciation basis</b>
Plant and equipment at cost	~20%	Diminishing value

**(f) Intangibles**

*Other intangible assets*

Other intangible assets relate to permits and intellectual property rights as part of the asset acquisition made during the year. These are recognised at cost.

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(g) 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.

**(h) Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

*Operating leases*

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(i) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

*(ii) Long-term employee benefit obligations*

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Employee benefit obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(j) Goods and services tax (GST)**

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

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

**(k) Asset acquisition**

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their fair values in an asset purchase transaction. No goodwill will arise on the acquisition.

2015  
\$

**NOTE 2: REVENUE AND OTHER INCOME**

Sale of goods	2,470,425
Interest income	2,443
Other revenue	17,304
	<u>2,490,172</u>

**NOTE 3: OPERATING PROFIT**

Loss before income tax has been determined after:

Cost of sales	
- Purchases/Materials used	529,359
- Other cost of goods sold	101,711
- Direct labour costs	1,461
- Manufacturing costs	<u>927,252</u>
	<u>1,559,783</u>
Finance costs	
- associated companies	35,707
- other	<u>21</u>
	<u>35,728</u>
Depreciation	<u>57,413</u>
Rental expense on operating leases	<u>6,359</u>

PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015

2015  
\$

**NOTE 3: OPERATING PROFIT (CONTINUED)**

Employee benefits:

- Other employee benefits

631,559

**NOTE 4: CASH AND CASH EQUIVALENTS**

Cash on hand

120

Cash on deposit

403,893

Other cash

836

404,849

**NOTE 5: RECEIVABLES**

CURRENT

Trade debtors

674,399

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT**

**Plant and equipment**

Plant and equipment at cost

374,097

Accumulated depreciation

(57,413)

Total property, plant and equipment

316,684

**NOTE 7: INTANGIBLE ASSETS**

Permits and intellectual property at cost

28,795

**NOTE 8: OTHER ASSETS**

CURRENT

Accrued income

258,327

PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015

2015  
\$

**NOTE 9: PAYABLES**

CURRENT

*Unsecured liabilities*

Trade creditors	946,210
Operating lease liability	109,740
Sundry creditors and accruals	<u>27,220</u>
	<u>1,083,170</u>

**NOTE 10: BORROWINGS**

NON CURRENT

*Unsecured liabilities*

Amounts payable to:

- ultimate parent entity	1,015,032
- management	<u>63,272</u>
	<u>1,078,304</u>

**NOTE 11: PROVISIONS**

CURRENT

Employee benefits	<u>53,967</u>
-------------------	---------------

NON CURRENT

Employee benefits	<u>89,142</u>
-------------------	---------------

**NOTE 12: SHARE CAPITAL**

Issued and paid-up capital

- 120 Fully paid ordinary shares	<u>120</u>
----------------------------------	------------

**NOTE 13: RETAINED EARNINGS**

Net loss	<u>(621,649)</u>
----------	------------------

PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015

2015  
\$

**NOTE 14: CASH FLOW INFORMATION**

**(a) Reconciliation of cash**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:

Cash on hand	120
At call deposits with financial institutions	403,893
Other short-term facilities	836
	<u>404,849</u>

**(b) Reconciliation of cash flow from operations with profit after income tax**

Profit / (loss) from ordinary activities after income tax	(621,649)
---	-----------

**Adjustments and non-cash items**

Depreciation	57,413
--------------	--------

**Changes in operating assets and liabilities**

(Increase) / decrease in receivables	(708,881)
(Increase) / decrease in other assets	(258,327)
Increase / (decrease) in payables	1,021,018
Increase / (decrease) in provisions	55,946
Cash flows from operating activities	<u>(454,480)</u>

**NOTE 15: ASSET ACQUISITION**

On 16 October 2014, the Company acquired the net assets of both Conspect Construction Pty Ltd (Subject to Deed of Company Arrangement) and Conspect Investments Pty Ltd through the execution of an Asset Purchase Agreement. The consideration payable in relation to the acquisition totaled \$178,124. It is considered that the acquisition is not a business combination, but rather an acquisition of assets.

The fair value of the identifiable assets and liabilities as at the date of acquisition are:

**Conspect Construction**

Property, Plant & Equipment	171,205
Permits & Intellectual Property	28,795
Provision for Long Service Leave	(87,163)
Total Net Assets	<u>112,837</u>
Consideration	<u>112,837</u>



PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015

2015  
\$

**NOTE 15: ASSET ACQUISITION (CONTINUED)**

**Conspect Investments**

Property, Plant & Equipment	65,827
Consideration	65,827
Total Consideration	178,124

**NOTE 16: COMMITMENTS AND CONTINGENT LIABILITIES**

Operating Lease Commitments

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

Within one year	461,040
After one year but not more than five years	1,575,220
	2,036,260

**NOTE 17: EVENTS SUBSEQUENT TO REPORTING DATE**

Financial Support - Weststar Resources Pte Ltd

The Company advised that it had received additional financial support from its ultimate parent and controlling entity, Weststar Resources Pte Ltd, in the form of multiple capital injections of up to \$687,635. These injections are subject to the same terms as exists with the existing facility as at 30 June 2015.

**NOTE 18: COMPANY DETAILS**

The registered office of the Company is:

Precast Australia Pty Ltd  
GW Capital Group Pty Ltd  
A1  
118 Railway Street  
WEST PERTH WA 6005

The ultimate parent and controlling entity is Weststar Resources Pte Ltd, A COMPANY incorporated in Singapore.

PRECAST AUSTRALIA PTY LTD  
ACN 602 022 837

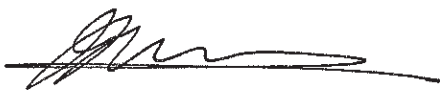
DIRECTOR'S DECLARATION

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

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 - 15, are in accordance with the *Corporations Act 2001*: and
  - (a) comply with Accounting Standards in Australia as detailed in Note 1 to the financial statements and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the financial position as at 30 June 2015 and performance for the period ended on that date of the company in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Ian Meares  
Director

6 October 2015

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PRECAST AUSTRALIA PTY LTD**

We have audited the accompanying financial report, being a special purpose financial report of Precast Australia Pty Ltd, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Director's 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 and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and to meet the needs of the members.

The director's responsibility also includes such internal control as the director determines 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 director, 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PRECAST AUSTRALIA PTY LTD**

*Independence*

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

*Opinion*

In our opinion, the financial report of Precast Australia Pty Ltd 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 period ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

*Emphasis of Matter*

Without further modifying our opinion, we draw attention to Note 1(b) to the special purpose financial report which indicates that the Company incurred a net loss of \$621,649 during the period ended 30 June 2015, and as of that date, the Company's net current assets of \$200,438 and net liability of \$621,529. These conditions, along with other matters set forth in Note 1(b), indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

*Basis of Accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



Paul Mulligan  
Executive Director  
Perth, WA  
6 October 2015

**Precast Australia Pty Ltd**

**ACN 602 022 837**

Financial report

For the 6 months ended 31 December 2015

## TABLE OF CONTENTS

Director's report .....	3 – 5
Auditor's independence declaration .....	6
Financial report	
Statement of comprehensive income .....	7
Statement of financial position .....	8
Statement of changes in equity .....	9
Statement of cash flows .....	10
Notes to financial statements .....	11 – 20
Director's declaration .....	21
Independent auditor's report .....	22 - 23

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**DIRECTOR'S REPORT**

The directors present this report together with the financial report of Precast Australia Pty Ltd for the 6 month period ended 31 December 2015 and auditor's report thereon.

**Directors names**

The name of the directors in office at any time during or since the end of the period is:

Ian Meares (appointed 9 September 2015)

Lay Loon Ong (appointed 9 September 2015)

Lay Ann Ong (resigned 9 September 2015)

The directors have been in office since the start of the period to the date of this report unless otherwise stated above.

**Results**

The profit of the Company for the period after providing for income tax amounted to \$133,264 (30 June 2015: \$621,649).

**Review of operations**

During the reporting period the Company's principle activity was the supply and manufacture of various precast concrete products to various Western Australian customers with projects in both local and regional area of Western Australia. Results have improved since last year as the Company was successful in winning a number of tenders with large customers that required same period supply. Major contracts were secured and delivered with Lange O'Rourke Australia, Aggreko, Cockram and other well known large global contracting companies.

We expect this trend to continue in the next 6 months and as at the date of this report a further circa \$2.3M of contracts have been secured by the Company for delivery till end of June 2016. This is in addition to the order book as at 31 December 2015 being valued at approximately \$2.0M.

On 29 December 2015, the Company entered into an agreement with Antares Mining Limited ("Antares"), a company listed on the ASX. Antares is to acquire 100% of the shares in Precast Australia Pty Ltd for the following consideration:

- 80 million fully paid ordinary shares in the capital of the Antares (Shares);
- 20 million options to acquire Shares, exercisable at \$0.10 each on or before the date falling 3 years after their issue date; and
- up to 80 million performance shares which, subject to satisfaction of certain milestones relating to Precast's EBITDA over the 2016, 2017 and 2018 financial years in aggregate, will convert into Shares (or will otherwise lapse) (Performance Shares),

in each case, on a post-consolidation basis (as further described below).

Completion of the transaction is conditional on certain conditions being satisfied or waived by no later than 30 May 2016, including (without limitation):

- the completion of due diligence by each party in respect of the other;

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**DIRECTOR'S REPORT**

- Antares' shareholders approving the transaction and related resolutions in General Meeting;
- Antares' shareholders approving the issue of Shares upon conversion of the \$1 million in Convertible Notes held by Director, Lay Ann Ong;
- Antares completing a consolidation of its issued Share capital on a 1 for 50 basis (Consolidation);
- Antares making an offer of Shares at \$0.05 each (on a post-Consolidation basis) under a prospectus (Offer) and raising a minimum of \$3 million under the Offer;
- the Company receiving all necessary approvals, waivers and consents required to complete the Acquisition, including without limitation a waiver of ASX Listing Rule 2.1 (condition 2) and approval of the Performance Share terms in accordance with ASX Listing Rule 6.2; and
- ASX confirming that it will reinstate the Antares' Shares to trading on ASX, subject only to the satisfaction of customary terms and conditions which are acceptable to Antares, acting reasonably.

**Principal activities**

The principal activity of the Company during the period was the supply of various precast concrete products.

**Significant Changes in the state of affairs**

During the period 40 shares were issued to Passpa Pty Ltd for consideration of \$40. No other significant changes in the Company's state of affairs occurred during the period.

**After balance date events**

No matters or circumstances have arisen since the end of the financial period 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.

**Likely developments and expected results of operations**

Likely developments in the operations of the Company and the expected results of those operation in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

**Environmental regulation**

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Dividends paid, recommended and declared**

No dividends were paid or declared since the start of the period. No recommendation for payment of dividends has been made at the date of this report.

**Options**

No options over issued shares or interest in the Company were granted during or since the end of the period. There are no options over issued shares or interests outstanding as at the date of the report.



**DIRECTOR'S REPORT**

**Indemnification of officers**

The company has procured and paid for Management Liability Insurance on behalf of the directors and officers during and since the end of the period, for any person who is or has been an officer of the Company.

**Proceedings on behalf of the Company**

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

**Auditor's independence declaration**

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial period is provided with this report.



Mr Ian Meares  
Director

29 February 2016

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Precast Australia Pty Limited for the period ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia  
29 February 2016

**D I Buckley**  
Partner

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Note	6 months to 31 December 2015 \$	25 September 2014 to 30 June 2015 \$
<b>Revenue and other income</b>			
Sales revenue	2	4,977,828	2,470,425
Other revenue	2	20,578	19,747
		4,998,406	2,490,172
<b>Less: expenses</b>			
Cost of sales		(3,852,069)	(1,559,783)
Administration expenses		(756,216)	(1,208,167)
Distribution expenses		(139)	(168)
Marketing expenses		-	(2,151)
Occupancy expenses		(210,084)	(305,824)
Borrowing costs	3	(46,634)	(35,728)
		(4,865,142)	(3,111,821)
<b>Profit/(loss) before income tax expense</b>		133,264	(621,649)
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive income/(loss) attributable to the members of the entity</b>		133,264	(621,649)

The accompanying notes form part of these financial statements.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	31 December 2015 \$	30 June 2015 \$
<b>Current assets</b>			
Cash and cash equivalents	4	483,972	404,849
Receivables	5	1,235,388	674,399
Other assets	8	196,004	258,327
<b>Total current assets</b>		1,915,364	1,337,575
<b>Non-current assets</b>			
Intangible assets	7	28,795	28,795
Property, plant and equipment	6	327,816	316,684
<b>Total non-current assets</b>		356,611	345,479
<b>Total assets</b>		2,271,975	1,683,054
<b>Current liabilities</b>			
Payables	9	1,423,333	1,137,137
Provisions	11	93,725	89,142
Borrowings	10	1,243,142	-
<b>Total current liabilities</b>		2,760,200	1,226,279
<b>Non-current liabilities</b>			
Borrowings	10	-	1,078,304
<b>Total non-current liabilities</b>		-	1,078,304
<b>Total liabilities</b>		2,760,200	2,304,583
<b>Net assets/(liabilities)</b>		(488,225)	(621,529)
<b>Equity</b>			
Share capital	12	160	120
Accumulate losses	13	(488,385)	(621,649)
<b>Total equity/(deficiency)</b>		(488,225)	(621,529)

The accompanying notes form part of these financial statements.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Share capital \$	Accumulated losses \$	Total equity \$
<b>Balance as at 1 July 2015</b>	120	(621,649)	(621,529)
Profit for the period	-	133,264	133,264
<b>Total comprehensive income for the period</b>	-	133,264	133,264
<b>Transactions with owners in their capacity as owners:</b>			
Contributions	40	-	40
<b>Total transactions with owners in their capacity as owners</b>	40	-	40
<b>Balance as at 31 December 2015</b>	160	(488,385)	(488,225)
<b>Balance as at 25 September 2014</b>	-	-	-
Loss for the period	-	(621,649)	(621,649)
<b>Total comprehensive loss for the period</b>	-	(621,649)	(621,649)
<b>Transactions with owners in their capacity as owners:</b>			
Contributions	120	-	120
<b>Total transactions with owners in their capacity as owners</b>	120	-	120
<b>Balance as at 30 June 2015</b>	120	(621,649)	(621,529)

The accompanying notes form part of these financial statements.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 December 2015**

	Note	31 December 2015 \$	25 September 2014 to 30 June 2015 \$
<b>Cash flow from operating activities</b>			
Receipts from customers		4,552,889	1,661,991
Payments to suppliers and employees		(4,615,470)	(2,118,914)
Interest received		1,928	2,443
Interest paid		(12,466)	-
<b>Net cash used in operating activities</b>	14(b)	(73,119)	(454,480)
<b>Cash flow from investing activities</b>			
Payment for property, plant and equipment		(48,344)	(103,107)
<b>Net cash used in investing activities</b>		(48,344)	(103,107)
<b>Cash flow from financing activities</b>			
Proceeds from share issue		40	120
Proceeds from borrowings		280,546	962,316
Repayments of borrowings		(80,000)	-
<b>Net cash provided by financing activities</b>		200,586	962,436
<b>Reconciliation of cash</b>			
Cash at beginning of period		404,849	-
Net increase in cash held		79,123	404,849
<b>Cash at end of period</b>	14(a)	483,972	404,849

The accompanying notes form part of these financial statements.

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared for use by the directors and members of the Company. The directors have determined that the Company is not a reporting entity because there are no users dependent on general purpose financial statements. Precast Australia Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the director's report.

The financial report has been prepared in accordance with mandatory Australian Accounting Standards applying to entities reporting under the *Corporations Act 2001* and the significant accounting policies described below, which the directors have determined are appropriate to meet the needs of members

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies

**(b) Going concern**

Notwithstanding the fact that the Company has a working capital deficiency of \$844,836 and a deficiency in net assets of \$488,225 at balance date, notwithstanding, the financial report has been prepared on a going concern basis for the following reasons.

On 29 December 2015, the Company entered into an agreement with Antares Mining Limited ("Antares"), a company listed on the ASX. Antares is to acquire 100% of the shares in Precast Australia Pty Ltd for the following consideration:

- 80 million fully paid ordinary shares in the capital of the Antares (Shares);
- 20 million options to acquire Shares, exercisable at \$0.10 each on or before the date falling 3 years after their issue date; and
- up to 80 million performance shares which, subject to satisfaction of certain milestones relating to Precast's EBITDA over the 2016, 2017 and 2018 financial years in aggregate, will convert into Shares (or will otherwise lapse) (Performance Shares),

in each case, on a post-consolidation basis (as further described below).

Completion of the transaction is conditional on certain conditions being satisfied or waived by no later than 30 May 2016, including (without limitation):

- the completion of due diligence by each party in respect of the other;
- Antares' shareholders approving the transaction and related resolutions in General Meeting;
- Antares' shareholders approving the issue of Shares upon conversion of the \$1 million in Convertible Notes held by Director, Lay Ann Ong;
- Antares completing a consolidation of its issued Share capital on a 1 for 50 basis (Consolidation);

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- Antares making an offer of Shares at \$0.05 each (on a post-Consolidation basis) under a prospectus (Offer) and raising a minimum of \$3 million under the Offer;
- the Company receiving all necessary approvals, waivers and consents required to complete the Acquisition, including without limitation a waiver of ASX Listing Rule 2.1 (condition 2) and approval of the Performance Share terms in accordance with ASX Listing Rule 6.2; and
- ASX confirming that it will reinstate the Antares' Shares to trading on ASX, subject only to the satisfaction of customary terms and conditions which are acceptable to Antares, acting reasonably.

Additionally, included in the Company's liabilities are borrowings of \$1,243,142 and interest payable of \$82,342 to Weststar Resources Pte Ltd ("Weststar"), the Company's majority shareholder. Weststar have confirmed that it will not call for repayment of the above liabilities in circumstances where the Company would be unable to meet its other liabilities as and when they fall due, and will continue to offer financial support should the need arise to enable the Company to continue as a going concern.

Should Antares fail to successfully complete the acquisition of Precast, or the ongoing support of Weststar is not provided to a level which would enable the Company to meet its financial commitments, there is a material uncertainty that may cast significant doubt on whether the Company will continue as a going concern and, therefore, whether it will realise its assets 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 relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary if the Company does not continue as a going concern.

**(c) Revenue**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

**(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**(e) Property, plant and equipment**

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

*Plant and equipment*

Plant and equipment is measured on a cost basis.



NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2015

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Depreciation*

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of property, plant and equipment is not depreciated.

<b>Class of fixed asset</b>	<b>Depreciation rates</b>	<b>Depreciation basis</b>
Plant and equipment at cost	~20%	Diminishing value

**(f) Intangibles**

*Other intangible assets*

Other intangible assets relate to permits and intellectual property rights as part of the asset acquisition made during the year. These are recognised at cost.

**(g) 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.

**(h) Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

*Operating leases*

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(i) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is accrued. All other short-term employee benefit obligations are presented as payables.

NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2015

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(ii) Long-term employee benefit obligations*

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Employee benefit obligations are presented as current liabilities if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

**(j) Goods and services tax (GST)**

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

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

**(k) Asset acquisition**

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their fair values in an asset purchase transaction. No goodwill will arise on the acquisition.

**(l) Borrowings**

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

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

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

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(m) Comparatives**

Comparative information relates to the period from incorporation on 25 September 2014 to 30 June 2015. Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial period.

	<b>31 December 2015 \$</b>	<b>30 June 2015 \$</b>
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
Sale of goods	4,977,828	2,470,425
Interest income	1,928	2,443
Other revenue	18,650	17,304
	<hr/> 4,998,406	<hr/> 2,490,172

**NOTE 3: OPERATING PROFIT**

Loss before income tax has been determined after:

Cost of sales		
- Purchases/Materials used	1,045,115	529,359
- Other cost of goods sold	156,638	101,711
- Direct labour costs	-	1,461
- Manufacturing costs	2,650,316	927,252
	<hr/> 3,852,069	<hr/> 1,559,783
Finance costs		
- associated companies	46,634	35,707
- other	-	21
	<hr/> 46,634	<hr/> 35,728
Depreciation	37,212	57,413
Rental expense on operating leases	<hr/> 27,405	<hr/> 6,359
Employee benefits:		
- Other employee benefits	<hr/> 385,348	<hr/> 631,559

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	<b>31 December 2015 \$</b>	<b>30 June 2015 \$</b>
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	286	120
At call deposits with financial institutions	343,686	403,893
Term deposits	140,000	836
	<u>483,972</u>	<u>404,849</u>
<b>NOTE 5: RECEIVABLES</b>		
CURRENT		
Trade debtors	<u>1,235,388</u>	<u>674,399</u>
<b>NOTE 6: PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Plant and equipment</b>		
Plant and equipment at cost	422,442	374,097
Accumulated depreciation	(94,626)	(57,413)
Total property, plant and equipment	<u>327,816</u>	<u>316,684</u>
<b>NOTE 7: INTANGIBLE ASSETS</b>		
Permits and intellectual property at cost	<u>28,795</u>	<u>28,795</u>
<b>NOTE 8: OTHER ASSETS</b>		
CURRENT		
Accrued income	140,927	258,327
Prepayments	55,078	-
	<u>196,004</u>	<u>258,327</u>

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	31 December 2015 \$	30 June 2015 \$
<b>NOTE 9: PAYABLES</b>		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	1,069,344	946,210
Operating lease liability	97,317	109,740
Sundry creditors and accruals	256,672	81,187
	1,423,333	1,137,137
<b>NOTE 10: BORROWINGS</b>		
<i>Unsecured liabilities</i>		
CURRENT		
Amounts payable to:		
- ultimate parent entity	1,243,142	-
	1,243,142	-
NON CURRENT		
Amounts payable to:		
- ultimate parent entity	-	1,015,032
- management	-	63,272
	-	1,078,304
<b>NOTE 11: PROVISIONS</b>		
CURRENT		
Employee benefits	93,725	89,142
<b>NOTE 12: SHARE CAPITAL</b>		
Issued and paid-up capital		
160 Fully paid ordinary shares (30 June 2015: 120 Fully paid ordinary shares)	160	120
<b>NOTE 13: ACCUMULATED LOSSES</b>		
Accumulated losses	(488,385)	(621,649)

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	<b>31 December</b>	<b>30 June</b>
	<b>2015</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>

**NOTE 14: CASH FLOW INFORMATION**

**(a) Reconciliation of cash**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:

Cash on hand	286	120
At call deposits with financial institutions	343,686	403,893
Term deposits	140,000	836
	483,972	404,849

**(b) Reconciliation of cash flow from operations with profit after income tax**

Profit / (loss) from ordinary activities after income tax	133,264	(621,649)
---	---------	-----------

**Adjustments and non-cash items**

Depreciation	37,212	57,413
--------------	--------	--------

**Changes in operating assets and liabilities**

(Increase) / decrease in receivables	(560,989)	(708,881)
(Increase) / decrease in other assets	62,323	(258,327)
Increase / (decrease) in payables	250,488	1,021,018
Increase / (decrease) in provisions	4,583	55,946
Cash flows from operating activities	(73,119)	(454,480)

**NOTE 15: ASSET ACQUISITION**

On 16 October 2014, the Company acquired the net assets of both Conspect Construction Pty Ltd (Subject to Deed of Company Arrangement) and Conspect Investments Pty Ltd through the execution of an Asset Purchase Agreement. The consideration payable in relation to the acquisition totalled \$178,124. It is considered that the acquisition is not a business combination, but rather an acquisition of assets.

The fair value of the identifiable assets and liabilities as at the date of acquisition are:

**Conspect Construction**

Property, Plant & Equipment	171,205
Permits & Intellectual Property	28,795
Provision for Long Service Leave	(87,163)
Total Net Assets	112,837
Consideration	112,837

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	31 December 2015 \$	30 June 2015 \$
--	---------------------------	-----------------------

**NOTE 15: ASSET ACQUISITION (CONTINUED)**

**Conspect Investments**

Property, Plant & Equipment		65,827
		65,827
Consideration		65,827
		65,827
Total Consideration		178,124

**NOTE 16: COMMITMENTS AND CONTINGENT LIABILITIES**

Operating Lease Commitments

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

Within one year	440,000	461,040
After one year but not more than five years	1,537,200	1,575,220
	1,977,200	2,036,260

**NOTE 17: EVENTS SUBSEQUENT TO REPORTING DATE**

No matters or circumstances have arisen since the end of the financial period 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.

**NOTE 18: INCOME TAX EXPENSE**

**(a) Income Tax Expense**

The major components of tax expense are:

The prima facie income tax expense on pre-tax accounting result from operations reconciles to the income tax expense in the financial statements as follows:

Accounting profit/(loss) before tax from continuing operations	133,260	(621,645)
Income tax expense/(benefit) calculated at 30%	39,978	(186,494)

**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	<b>31 December</b>	<b>30 June</b>
	<b>2015</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Income Tax Expense (continued)</b>		
Non-deductible expenses	60	176
Other deferred tax assets and tax liabilities not recognised	(40,038)	186,318
Income tax expense/(benefit) reported in the income statement	<u>-</u>	<u>-</u>
<b>(b) Unrecognised deferred tax balances</b>		
The following deferred tax assets and (liabilities) have not been brought to account:		
Deferred tax assets comprise:		
Losses available for offset against future taxable income - revenue	59,834	116,893
Accrued expenses and liabilities	86,445	69,425
	<u>146,279</u>	<u>186,318</u>
Deferred tax liabilities comprise:		
Prepayments	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>(c) Income tax expense not recognised direct in equity:</b>		
Share-issue costs	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**NOTE 19: COMPANY DETAILS**

The registered office of the Company is:

Precast Australia Pty Ltd  
15 Wavell Road  
DALKEITH WA 6009

The ultimate parent and controlling entity is Weststar Resources Pte Ltd, A COMPANY incorporated in Singapore



**PRECAST AUSTRALIA PTY LTD**  
**ACN 602 022 837**

**DIRECTOR'S DECLARATION**

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

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the *Corporations Act 2001*: and
  - (a) comply with Australian Accounting Standards as detailed in Note 1 to the financial statements and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the Company's financial position as at 31 December 2015 and performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the director's 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.



I G Meares  
Director

29 February 2016

## **INDEPENDENT AUDITOR'S REPORT**

To the members of Precast Australia Pty Ltd

### **Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Precast Australia Pty Ltd ("the Company"), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, the statement of changes in equity and the 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that 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 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 and fair presentation of the financial report 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 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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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*.

**Auditor's opinion**

In our opinion, the financial report of Precast Australia Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

**Emphasis of matter - Material Uncertainty Related to Going Concern**

Without modifying our opinion, we draw attention to Note 1(b) to the financial report which discloses that the Company is dependent on, Antares Mining Limited successfully completing the acquisition of Precast Australia Pty Ltd, or the ongoing support of its shareholder and lender Weststar Resources Pte Ltd in order to continue as a going concern. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, whether it will be unable to realise its assets and discharge its liabilities in the normal course of business.

**Emphasis of matter - Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.



**HLB Mann Judd**  
Chartered Accountants



**D I Buckley**  
Partner

**Perth, Western Australia**  
**29 February 2016**