Wollongong Coal Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Wollongong Coal Limited
ABN:	28 111 244 896
Reporting period:	For the year ended 31 March 2015
Previous period:	For the year ended 31 March 2014

2. Results for announcement to the market

				$'000
Revenues from ordinary activities	down	87.7%	to	8,500
Loss from ordinary activities after tax attributable to the owners of Wollongong Coal Limited	up	17.6%	to	(199,216)
Loss for the year attributable to the owners of Wollongong Coal Limited	up	17.6%	to	(199,216)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $199,216,000 (31 March 2014: $169,379,000).

Additional Appendix 4E disclosure requirements can be found in the directors' report under review of operations.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	2.37	8.26

The previous period net tangible assets per ordinary security has been restated (previously 10.83 cents) in line with the restatement of comparatives as detailed in note 5 to the Financial Statements.

4. Control gained over entities

Name of entities (or group of entities)	Enviro Waste Gas Pty Ltd
Date control gained	10 November 2014

	$'000
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material)	-
Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material)	-

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
Name of associate / joint venture	**Reporting period %**	**Previous period %**	**Reporting period $'000**	**Previous period $'000**
Cethana Project (JV)	90.00%	90.00%	-	-
Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)				
Profit/(loss) from ordinary activities before income tax			-	-
Income tax on operating activities			-	-

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued which includes an emphasis of matter regarding going concern.

11. Attachments

Details of attachments (if any):

The Annual Report of Wollongong Coal Limited for the year ended 31 March 2015 is attached.

Wollongong Coal Limited

ABN 28 111 244 896

Annual Report - 31 March 2015

Contents

Directors	Mr Ashish Kumar (Chairman) Dr Andrew E. Firek Mr Maurice Anghie Mr Azad Bhura
Company secretary	Mr Sanjay Sharma
Registered office	Lot 31 7 Princes Highway, corner of Bellambi Lane Corrimal, NSW 2518 Ph: +61 (02) 4223 6836 Fx: +61 (02) 4283 7449
Principal place of business	Lot 31 7 Princes Highway, corner of Bellambi Lane Corrimal, NSW 2518
Share register	Boardroom Pty Limited Level 12 225 George Street Sydney, NSW 2000 Ph: 1300 737 760 Fx: 1300 653 459
Auditor	Ernst & Young Level 33, Ernst & Young Centre World Square 680 George Street Sydney, NSW 2000
Bankers	State Bank of India, Sydney Branch Term Lenders: State Bank of India, Export Import Bank of India, Bank of Baroda - UK, Union Bank of India, UCO Bank, AfraAsia Bank, Axis Bank Limited, DBS Bank Limited, Canara Bank, Punjab National Bank, Punjab National Bank (International) Ltd, SBM Bank (Mauritius) Ltd, SBI (Mauritius) Ltd, Mauritius Commercial Bank.
Stock exchange listing	Wollongong Coal Limited shares are listed on the Australian Securities Exchange (ASX code: WLC)
Website	www.wollongongcoal.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Wollongong Coal Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 March 2015.

Directors
The following persons were the directors of Wollongong Coal Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Ashish Kumar (appointed as Chairman and Non-Executive Director on 16 June 2015)
Dr Andrew E. Firek
Mr Maurice Anghie
Mr Azad Bhura (appointed Non-Executive Director on 22 May 2015)
Mr Jasbir Singh (resigned as Chief Executive Officer on 8 May 2015 and resigned as Non-Executive Director on 22 May 2015)

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of:
- expanding and developing Russell Vale colliery;
- mining and producing coal; and
- selling and exporting coal.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $199,216,000 (31 March 2014: $169,379,000).

During the financial year the consolidated entity's total production of ROM coal from both the collieries was just over 180,000 tonnes compared to approximately 850,000 tonnes for the previous financial year.

The loss includes an impairment charge of $48,173,000 (2014: $5,881,000) and unrealised net foreign exchange losses of $80,085,000 (2014: $44,562,000) relating to the movement in exchange rate between the US dollar and Australian dollar.

Net current liabilities of $657,067,000 (2014: $536,362,000) includes borrowings and working capital facilities of $587,824,000 (2014: $464,689,000) which have been entirely classified as current liabilities to comply with Accounting Standards AASB 101 'Presentation of Financial Statements', due to breach of financial covenants. The expected principal repayment due on borrowings for the year ending 31 March 2016 is $115,541,000.

The current adverse performance of the consolidated entity was primarily due to:
- Lower coking coal prices during the financial year;
- No longwall production at Russell Vale colliery due to delays in receiving mining permits from authorities; and
- Wongawilli colliery having been put under care and maintenance.

Significant changes in the state of affairs
Over $105 million raised during the financial year
The consolidated entity successfully raised over $105 million from three accelerated pro-rata renounceable rights issues, which were mainly supported by the majority shareholder Jindal Steel & Power (Mauritius) Limited (JSPML). Funds raised were used in accordance with disclosures made in prospectuses.

$75 million facility agreement (cash advances)
To assist the consolidated entity with its cash flow, JSPML had initially provided $50 million cash advances facility, which was in August 2014 increased to $75 million with interest rate reduced from 15% to 5%. Later in June 2015, this facility was further increased to $100 million. The facility has also been renewed until 31 March 2016.

As of 31 March 2015, the consolidated entity had drawn down $56.0 million on this facility. No interest payments have been made to date.

Coal Sector Jobs Package
The consolidated entity successfully reinstated its coal sector job package, which was cancelled earlier, and received a total payment of $10.6 million from the Department of Industry.

Termination of Coal Purchase Agreement
The Company and its subsidiary Wongawilli Coal Pty Ltd have terminated their respective coal purchase agreements with Gujarat NRE Coke Limited on the basis of breaches by Gujarat NRE Coke Limited under the agreements for non-payments. The Company and Wongawilli Coal Pty Ltd have lodged a claim in the Supreme Court of NSW for the recovery of US$63.59 million for unpaid coal shipments.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Update on litigations and legal matters

•Winding up proceedings - dismissed
The winding-up proceedings, initiated in Oct 2013 by RUS Mining, later substituted by UIL (Singapore) Pte Ltd and eventually substituted by PCL (Shipping) Pte Ltd over an alleged debt of approximately US$3.2 million, against the consolidated entity were dismissed by the Supreme Court of New South Wales in September 2014.

PCL (Shipping) Pte Ltd was given leave to discontinue its application to be substituted as plaintiff in winding-up proceedings and ordered to pay the consolidated entity's costs of its substitution application. Arun Kumar Jagatramka and NRE Resources Pty Ltd's applied to have these proceedings adjourned to allow them to file a substitution application, and under s459R of the Corporations Act 2001 to extend time for the winding-up application to be concluded, were dismissed too.

•Statutory demands
The statutory demand from Gujarat NRE India Pty Limited (GNIL) for $6.57 million relating to alleged unpaid loan was set aside on 16 March 2015. However, in May 2015 the Company has received an indemnity/restitution claim based on implied terms for $12 million for damages plus $12 million for indemnity plus other costs. The claim is based over the loss of 150,000,000 shares (of the Company) provided by GNIL as security against US $20 million advance taken by the Company from UIL (Singapore) Pte Ltd in March 2013, when the Company was also part of Gujarat NRE Group. The claim also includes aforesaid $6.57 million alleged unpaid loan.

The Statutory demand from PCL (Shipping) Pte Ltd for US$3.29 million in relation to alleged liability under a charter party has been set aside on 16 February 2015.

The consolidated entity was issued with a statutory demand from Bellpac Pty Limited (Receivers & Managers appointed) (in Liquidation) for an alleged debt over an early redemption of convertible bonds with a face value of $2 million plus $0.98 million interest accrued. The matter has now been settled and payment plan agreed upon to pay the settlement amount.

The consolidated entity and its wholly owned subsidiary were both issued with statutory demands from the NSW Department of Trade and Investment for a total debt of approximately $3.46 million. These demands were issued due to breach of payment plan agreed. However, the consolidated entity has subsequently reached an agreement with addendum deed being prepared and finalised.

The consolidated entity has received statutory demands from Cougar Stratajacks Pty Ltd for an alleged debt of $264,400 and Cougar Mining Group Pty Ltd for an alleged debt of $313,554. Wongawilli Coal Pty Ltd has received statutory demand from Cougar Mining Group Pty Ltd for an alleged debt of $187,201. These demands are being disputed by the consolidated entity and Wongawilli Coal and applications made in Court to set them aside.

All other statutory demands that were served have been either settled (paid), withdrawn or the parties have agreed upon a payment plan.

•Statement of claims
The statement of claim from a shipping company British Marine PLC for an alleged debt of approximately US$2.5 million has been dismissed and British Marine has been ordered to pay the consolidated entity's legal costs of proceedings. British Marine has filed an appeal and matter will be listed for hearing sometime in November 2015.

The consolidated entity was defending an alleged claim of US $1.9 million approximately from Sino East Minerals Ltd for quality issues with coal supplied. The consolidated entity has reached an agreement to settle this matter for US $0.65 million and a payment plan has been agreed upon.

The statement of claim filed by Gujarat NRE Coke Limited, which is part of Gujarat Group, the consolidated entity's previous largest shareholder, for the amount of around US$86.03 million and AUD$18.83 million as claim for damages relating to unpaid guarantee commission debit notes and coal quality debit notes was struck out. However, the consolidated entity has received another claim for US$39.74 million and AUD$18.83 million. The claim is being defended by the consolidated entity.

The consolidated entity has filed a claim against NRE Resources Pty Ltd, part of Gujarat Group, for the recovery of $3.6 million. NRE Resources in response has claimed $6.75 million for Cash Security Deposit and corporate guarantee commission, which the consolidated entity is denying and defending.

Proceedings have been commenced against the Company by Mr Singh, former Chairman and Director, in relation to his remuneration entitlement. The claim is being defended by the Company.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

Approvals for Longwall operations
The consolidated entity has completed extracting around 218,000 tonnes coal from 365 meters of longwall-6 block at Russell Vale Colliery, which was approved by the Departments. However, approval for remaining portion of longwall 6 and other longwall blocks 7, 9, 10 and 11 (around 4.7 million tonnes) remains under consideration.

US $630 million foreign currency term loan
The consolidated entity with the support of JSPML is currently working with its existing consortium of banks (Lenders) to obtain a Foreign Currency Term Loan of US $630 million to replace the current debt and part finance capital expenditures.

Appointments and resignations of Key Management Personnel
On 8 May 2015, Mr Jasbir Singh, nominee of Jindal Steel & Power (Mauritius) Limited (JSPML), resigned from his position of Executive Chairman and Chief Executive Officer, but remained on the board as a Non-Executive Director. On 22 May 2015, Mr Singh further resigned as Non-Executive Director.

Mr Azad Bhura was appointed as a Non-Executive Director on 22 May 2015 and Mr Ashish Kumar was appointed as a Non-Executive Director and Chairman of the board of directors on 16 June 2015. Both Mr Bhura and Mr Kumar are nominees of JSPML.

Chief Operating Officer Mr David Stone resigned and finished his employment with the consolidated entity on 9 June 2015.

Chief Financial Controller Mr Richard Hutton finished his employment with the consolidated entity on 3 July 2015.

Mr Milind Oza has been appointed as the Chief Executive Officer effective from 31 July 2015.

Workforce Redundancies & Restructuring
While the consolidated entity continues to phase through difficult market conditions, continuous delay in obtaining approvals have forced the consolidated entity to reduce its cost further. Consequently, a further 79 employees were made redundant in the month of May and June 2015 The consolidated entity remains in negotiation with remaining workforce to explore options of job-sharing and leave-taking to avoid further redundancies or putting the Russell Vale colliery under care-maintenance while it waits for approval.

Settlement of convertible bonds
The consolidated entity was issued with a statutory demand from Bellpac Pty Limited (Receivers & Managers appointed) (in Liquidation) for an alleged debt over an early redemption of convertible bonds with face value of $2 million plus $0.98 million interest accrued. The matter has now been settled and payment plan agreed upon to pay the settlement amount.

Statutory demands
The consolidated entity and its wholly owned subsidiary were both issued with statutory demands from the NSW Department of Trade and Investment for a total debt of approximately $3.46 million. These demands were issued due to breach of payment plan agreed. However, the consolidated entity has subsequently reached an agreement with addendum deed being prepared and finalised.

Claims
Proceedings have been commenced against the Company by Mr Singh, former Chairman and Director, in relation to his remuneration entitlement.

No other matter or circumstance has arisen since 31 March 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Likely developments and expected results have been included throughout this report, where relevant. Specific details on the collieries are as follows:

Longwall operations at Russell Vale Colliery
While the approvals for remaining portion of longwall 6 and other longwall blocks 7, 9, 10 and 11 (around 4.7 million tonnes) remains in consideration, the consolidated entity is focusing on development of Maingate 7, which will reduce the discontinuity period between longwall 6 and longwall 7.

Longwall operations at Wongawilli Colliery
Wongawilli Colliery remains in care & maintenance.

Environmental regulation
The consolidated entity's operations are controlled and managed by significant environmental regulation under Commonwealth, State and Local legislation. For both Russell Vale Colliery and Wongawilli Colliery there were nil non-compliance reported relating to the Environment Protection Authority (EPA) licenses for each mine.

To the best of the directors' knowledge, the consolidated entity has adequate systems in place to ensure compliance with the requirements of all environmental legislations applicable and is not aware of any significant breach of those requirements during the financial year and up to the date of the directors' report.

Information on directors

Name:	Mr Ashish Kumar (appointed on 16 June 2015)
Title:	Chairman and Non-Executive Director
Qualifications:	Industrial Engineer from Thapar Institute, Patiala (India)
Experience and expertise:	Mr. Kumar, a veteran of Jindal Steel & Power Limited (JSPL) operations has risen through various roles within JSPL. He commenced his productive career within JSPL as an operations engineer and fast tracked to core management through head roles for JSPL international and domestic projects, as well as being a technical assistant to the Chairman, Mr. Naveen Jindal for a period of 8 years. Mr. Kumar has played a pivotal role in acquiring JSPL's first coal mine in Africa, making JSPL the first Indian conglomerate to have an operational mine on the African continent. Since leading the JSPL Africa projects Mr. Kumar has laid a solid foundation from which Jindal Africa has launched its wide-ranging operations in order to realise its continental ambitions. Mr. Kumar, an Industrial Engineer from Thapar Institute, Patiala (India) compliments JSPL's management portfolio with over 24 years of pivotal experience. He strongly believes in meticulous planning and subsequent execution, leaving nothing to chance. His understanding of the business has been instrumental in evolving growth strategies and significantly contributed to implementation of JSPL's expansion and diversification projects in steel, power and mining sectors.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None
Contractual rights to shares:	None

Name:	Dr Andrew E. Firek
Title:	Non-Executive Director
Qualifications:	M.Sc, Ph D, FAusIMM, FAIE
Experience and expertise:	Dr Firek has been involved in mining and mineral processing for over 25 years. His experience includes managing process development, construction, commissioning and operations of coal, base and precious metals plants in Europe, Africa and Australia. He was a United Nations expert in fossil fuels exploration, mineral processing and energy generation. Dr Firek is also familiar with downstream processing of oil and gas that helps in evaluating feasibility of fuel resources. Dr Firek was a Group Leader at the CSIRO, Division of Fossil Fuels in Sydney and was engaged in developing technologies to produce liquid fuels from coal. He was Project Director at Memtec Ltd, following which he joined Pancontinental Mining Ltd where he was Research and Development Manager involved in substantial mineral resources projects including base and precious metals, uranium and the development and commissioning of a $220 million magnesia production facility near Rockhampton in Queensland. Dr Firek was a director of mineral residue processing group Hydromet Technologies Ltd. He was a founding director in three ASX listed companies and managed coal, iron ore, base and precious metals exploration, feasibility studies and financial negotiations for projects in Australia, South America, China (Inner Mongolia) and Indonesia.
Other current directorships:	Technical Director at Orpheus Energy Limited.
Former directorships (last 3 years):	Former Chief Executive Officer and Managing Director of Coalworks Limited (resigned June 2012)
Special responsibilities:	Member of the Audit Committee and member of the Remuneration Committee
Interests in shares:	548,523 direct and 659,000 indirect
Interests in options:	1,200,000 direct and 300,000 indirect
Contractual rights to shares:	None

Name:	Mr Maurice Anghie
Title:	Non-Executive Director
Qualifications:	B. Bus, FCA, FCPA, MAICD
Experience and expertise:	Mr Anghie is an experienced and financially qualified professional possessing a range of commercial and financial skills. Having worked extensively in the listed corporate environment, he possesses legal, regulatory and governance expertise. He has been an Audit and Corporate Finance Partner in many chartered accounting firms over many years.
Other current directorships:	Non-executive director of Aditya Birla Minerals Limited
Former directorships (last 3 years):	
Special responsibilities:	Chairman of the Audit Committee and Chairman of the Remuneration Committee
Interests in shares:	685,000 indirect
Interests in options:	1,000,000 direct and 500,000 indirect
Contractual rights to shares:	None

Name:	Mr Azad Bhura (appointed on 22 May 2015)
Title:	Non-Executive Director
Qualifications:	B.Com, ACA
Experience and expertise:	Mr. Bhura holds bachelor degree in commerce and a Chartered Accountant by profession, with 12 years of experience in the field of finance, accounts and merger & acquisitions. He is associated with Jindal Group since 2004 and has worked in various capacities in finance function.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit Committee and member of the Remuneration Committee
Interests in shares:	None
Interests in options:	None
Contractual rights to shares:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Chief Executive Officer
Mr Milind Oza, age 58, has a Bachelor degree in business and an LL.B. degree in law from South Gujarat University, India. Mr. Oza also holds Masters in International Management studies from University of Texas and Masters of Science in Management Information Systems from University of Texas at Dallas, USA.

Mr. Oza has more than 30 years of experience and has held senior positions in various organisations. He worked with Canadian telecom major Nortel Networks as Director of International Marketing for 14 years and 2 years with Booz Allen Hamilton in Mclean Virginia. Prior to this, he successfully managed his own business in the hospitality industry in US. He was working as President, Global Ventures, Jindal Steel and Power Limited (JSPL) before joining the Company as CEO.

He remains the Chairman of Jindal Power Senegal SAU, which has signed a Power Purchase Agreement for building a 350 MW coal based power generation plant in Senegal, with total investment of US$900 million.

Company secretary
Mr Sharma is a Management Graduate from the University of Canberra with over 15 years of experience in business management. He has held various senior positions in two other companies before joining Wollongong Coal Limited as a Company Secretary in 2004. He is also Company Secretary in other group of companies in Australia. He is currently looking after Secretarial and Legal compliance for the consolidated entity. Mr Sharma has been associated with the Wollongong Coal Limited since its inception and was fully involved in the company’s successful initial public offering (IPO) and listing on the ASX. He is actively involved in investors and other stakeholders’ relation and also handling legal matters for the consolidated entity.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 March 2015, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Mr Jasbir Singh	11	11	-	-
Dr Andrew E. Firek	11	11	3	3
Mr Maurice Anghie	11	11	3	3

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

The function of the Remuneration Committee was undertaken by the Full Board.

Remuneration report (audited)
The remuneration report, which has been audited, outlines the key management personnel ('KMP') remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board, undertaking the function of the Remuneration Committee is responsible for determining and reviewing remuneration arrangements for directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has also structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- attracts and retains high calibre executives

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors' remuneration

The Board collectively reviews the appropriate criteria for Board membership. The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The level of remuneration for non-executive directors is also considered with regard to practices of other public companies to ensure that fees and payments to non-executive directors are appropriate and in-line with the market. At present the fees payable to directors are fixed and not performance based i.e. not based on company’s revenue or profit etc. The fees and payments to non-executive directors are reviewed annually. Non-executive directors are allowed to invest in the shares in the company and hold options.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 24 July 2010, where the shareholders approved an aggregate remuneration of $1,000,000.

Executive remuneration

The consolidated entity aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable. Remunerations for executive directors are determined by the Board upon review and recommendation from the Remuneration Committee. The Remuneration Committee may also appoint an independent adviser to assist them in analysing and determining adequate pay-structure for an executive and recommending the same to the Board for final consideration and approval.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration Committee, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the consolidated entity and provides additional value to the executive. Some executives receive a company vehicle or car allowances as part of their remuneration.

Short-term incentives ('STI'): During the financial year, there were no performance based incentives. All remuneration was fixed and based on factors such as experience, time and responsibilities.

Long-term incentives ('LTI'): Except for long service leave and existing options issued in prior years, there were no other LTI. No shares or options were issued to any executive during the financial year.

Consolidated entity performance and link to remuneration
Remuneration is not directly linked to the performance of the consolidated entity.

Use of remuneration consultants
During the financial year ended 31 March 2015 the consolidated entity did not engage remuneration consultants.

Voting and comments made at the company's 2014 Annual General Meeting ('AGM')
At the 2014 AGM, 99.95% of the votes received supported the adoption of the remuneration report for the year ended 31 March 2014. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Appointments and resignations of Key Management Personnel
On 8 May 2015, Mr Jasbir Singh, nominee of Jindal Steel & Power (Mauritius) Limited (JSPML), resigned from his position of Executive Chairman and Chief Executive Officer, but remained on the board as a Non-Executive Director. On 22 May 2015, Mr Singh further resigned as Non-Executive Director.

Mr Azad Bhura was appointed as a Non-Executive Director on 22 May 2015 and Mr Ashish Kumar was appointed as a Non-Executive Director and Chairman of the board of directors on 16 June 2015. Both Mr Bhura and Mr Kumar are nominees of JSPML.

Chief Operating Officer Mr David Stone resigned and finished his employment with the consolidated entity on 9 June 2015.

Chief Financial Controller Mr Richard Hutton finished his employment with the consolidated entity on 3 July 2015.

Mr Milind Oza has been appointed as the Chief Executive Officer effective from 31 July 2015.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

Details of the remuneration of the directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) of Wollongong Coal Limited are set out in the following tables.

The key management personnel of the consolidated entity consisted of the directors of Wollongong Coal Limited and the following persons:
- Mr David Stone - Chief Operating Officer (resigned on 8 June 2015)
- Mr Sanjay Sharma - Company Secretary and Chief Commercial Officer
- Mr Richard Hutton – Chief Financial Controller (resigned on 3 July 2015)

2015	Short-term benefits: Cash salary and fees $	Short-term benefits: Bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Long-term benefits: Long service leave $	Share-based payments: Options $	Total $
Non-Executive Directors:							
A Firek	128,750	-	-	12,134	-	122	141,006
M Anghie	128,750	-	-	12,134	-	122	141,006
Executive Directors:							
J Singh(i)	116,250	-	-	10,947	-	-	127,197
Other Key Management Personnel:							
D Stone	385,000	-	30,060	38,500	10,395	-	463,955
R Hutton(ii)	198,115	-	-	18,704	5,349	-	222,168
S Sharma	206,770	2,000	-	19,514	5,583	22,722	256,589
	1,163,635	2,000	30,060	111,933	21,327	22,966	1,351,921

(i) Directors' fees paid up to 31 December 2014
(ii) Mr Hutton received $30,769 as termination benefit that was paid after 3 July 2015.

2014	Short-term benefits: Cash salary and fees $	Short-term benefits: Bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Long-term benefits: Long service leave $	Share-based payments: Options $	Total $
Non-Executive Directors:							
A Firek	155,000	-	-	14,241	-	22,159	191,400
M Anghie	155,000	-	-	14,241	-	22,159	191,400
M Jagatramka (i)	90,071	-	-	8,147	-	22,159	120,377
Executive Directors:							
J Singh (Chairman) (ii)	97,371	-	-	9,007	-	-	106,378
A Jagatramka (Former Chairman) (iii)	620,000	-	-	56,725	15,577	44,318	736,620
Other Key Management Personnel:							
D Stone (iv)	63,673	-	-	6,367	1,719	-	71,759
S Sharma	206,770	-	-	18,996	5,583	23,289	254,638
S Loyalka (v)	180,000	-	-	-	-	-	180,000
M Sananguly (vi)	8,404	-	-	768	-	-	9,172
T Jagatramka (vii)	8,404	-	-	768	-	-	9,172
	1,584,693	-	-	129,260	22,879	134,084	1,870,916

(i) remuneration is up to date of resignation, 29 July 2013
(ii) remuneration is from the date of appointment, 29 July 2013
(iii) remuneration is up to date of resignation, Executive Chairman until 26 Oct 2013 and Non-Executive Director until 14 February 2014
(iv) remuneration is from the date of appointment, 29 January 2014
(v) consultant advisor to the Management Committee until 30 September 2013
(vi) remuneration is up to date of resignation, 22 October 2013
(vii) remuneration is up to date of resignation, 22 October 2013

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2015	2014	2015	2014	2015	2014
Non-Executive Directors:						
A Firek	100%	88%	-%	-%	-%	12%
M Anghie	100%	88%	-%	-%	-%	12%
M Jagatramka	-%	82%	-%	-%	-%	18%
Executive Directors:						
J Singh	100%	100%	-%	-%	-%	-%
A Jagatramka	-%	94%	-%	-%	-%	6%
Other Key Management Personnel:						
D Stone	100%	100%	-%	-%	-%	-%
R Hutton	100%	100%	-%	-%	-%	-%
S Sharma	90%	90%	1%	-%	9%	10%
S Loyalka	-%	100%	-%	-%	-%	-%
M Sananguly	-%	100%	-%	-%	-%	-%
T Jagatramka	-%	100%	-%	-%	-%	-%

Service agreements
Former Chairman & Chief Executive Officer ('CEO')
Services agreement for former Chairman & CEO, Mr Singh is in dispute and subject to litigation.

CEO
Services agreement for current CEO, Mr Oza consists of a total salary of $468,142 including $30,000 superannuation per annum; company maintained vehicle; and home travel allowance for him and his immediate family each year.

Other terms are standard employment terms. Either party may terminate their contract by giving minimum four weeks' notice in writing.

Other key management personnel
All other key management personnel are employed on standard employment terms. Either party may terminate their contract by giving minimum four weeks' notice in writing.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 March 2015.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
29/06/2007	30/09/2015	31/12/2015	$0.50	$0.290
29/06/2007	30/09/2017	31/12/2017	$0.50	$0.320
29/06/2007	30/09/2018	31/12/2018	$0.50	$0.330
29/06/2007	30/09/2019	31/12/2019	$0.50	$0.340
29/06/2007	30/09/2020	31/12/2020	$0.50	$0.350
04/09/2008	04/09/2008	31/12/2016	$1.60	$0.770
29/08/2009	25/09/2009	31/12/2015	$0.60	$0.380
19/01/2010	01/04/2014	30/04/2014	$0.65	$0.400
19/01/2010	01/04/2015	30/04/2015	$0.65	$0.410
30/07/2010	01/04/2014	31/03/2016	$1.00	$0.330

Options granted carry no dividend or voting rights.

There were no options over ordinary shares granted to directors and other key management personnel as part of compensation during the year ended 31 March 2015.

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 31 March 2015 are set out below:

Name	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of options for the year %
Sanjay Sharma	-	-	1,200	-%

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Andrew Firek	1,082,523	-	125,000	-	1,207,523
Maurice Anghie	560,000	-	125,000	-	685,000
Sanjay Sharma	291,677	-	-	-	291,677
	1,934,200	-	250,000	-	2,184,200

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Andrew Firek	1,500,000	-	-	-	1,500,000
Maurice Anghie	1,500,000	-	-	-	1,500,000
Sanjay Sharma	1,006,000	-	-	(3,000)	1,003,000
	4,006,000	-	-	(3,000)	4,003,000

This concludes the remuneration report, which has been audited.

Shares under option

Each option mentioned below when exercised will be converted into one fully paid ordinary share. At the date of this report, the total numbers of options on issue are:

Grant date	Expiry date	Exercise price	Number under option
29/06/2007	31/12/2015	$0.50	200,000
29/06/2007	31/12/2017	$0.50	200,000
29/06/2007	31/12/2018	$0.50	200,000
29/06/2007	31/12/2019	$0.50	200,000
29/06/2007	31/12/2020	$0.50	200,000
04/09/2008	31/12/2016	$1.60	1,000,000
05/02/2009	31/12/2016	$0.50	600,000
05/02/2009	31/12/2017	$0.50	600,000
05/02/2009	31/12/2018	$0.50	600,000
05/02/2009	31/12/2019	$0.50	600,000
05/02/2009	31/12/2020	$0.50	600,000
29/08/2009	31/12/2015	$0.60	1,000,000
19/01/2010	30/04/2015	$0.65	321,000
19/01/2010	31/12/2016	$0.65	320,000
19/01/2010	31/12/2017	$0.65	320,000
19/01/2010	31/12/2018	$0.65	320,000
19/01/2010	31/12/2019	$0.65	320,000
19/01/2010	31/12/2020	$0.65	320,000
30/07/2010	31/03/2016	$1.00	1,000,000
29/12/2010	31/12/2016	$0.65	650,000
29/12/2010	31/12/2017	$0.65	650,000
29/12/2010	31/12/2018	$0.65	650,000
29/12/2010	31/12/2019	$0.65	650,000
29/12/2010	31/12/2020	$0.65	650,000
			12,171,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Wollongong Coal Limited issued on the exercise of options during the year ended 31 March 2015 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor
To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 33 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 33 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Ernst & Young
There are no officers of the company who are former partners of Ernst & Young.

Rounding of amounts
The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page and forms part of this report.

Auditor
Ernst & Young continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Maurice Anghie
Director

31 August 2015
Perth, WA

680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Wollongong Coal Limited

In relation to our audit of the financial report of Wollongong Coal Limited for the financial year ended 31 March 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Trent van Veen
Partner
Sydney
31 August 2015

Under the ASX Listing Rules and the ASX Corporate Governance Council's ('CGC') 'Principles of Good Corporate Governance and Best Practice Recommendations' (2nd Edition), the Corporate Governance Statement of the company must contain specific information of the corporate governance compliance policies of the company and must disclose the extent to which the company has followed the guidelines during the reporting period. Where any recommendation has not been followed by the company, the same must be highlighted along with the rationale for the deviation.

The Corporate Governance Council Principles and Recommendations are:
1. Lay solid foundations for management and oversight
2. Structure the Board to add value
3. Promote ethical and responsible decision making
4. Safeguard integrity in financial reporting
5. Make timely and balanced disclosure
6. Respect the rights of the shareholders
7. Recognise and manage risk
8. Remunerate fairly and responsibly

Accordingly, the Board of Directors (the 'Board') has included in its corporate governance policies those matters contained in the ASX Recommendations where appropriate.

ROLE OF THE BOARD OF DIRECTORS

The Board is responsible for guiding and monitoring Wollongong Coal Limited and its controlled entities (the 'company') on behalf of the members by whom they are elected and to whom they are accountable.

The Board is ultimately responsible for, and has the authority to determine all matters relating to the strategic directions, policies, practices, establishing goals for management and the operation of the company.

The monitoring and ultimate control of the business of the company is vested to the Board. The Board's primary responsibility is to oversee the company's business activities and management and to act in the best interest on behalf of the company's stakeholders. The Board is collectively experienced in mining, finance, managing listed public companies and the requirements of, and compliance with, the applicable law, the ASX Listing Rules and the ASIC regulations, rules, guidelines and policies.

The Board has the responsibility of approving the appointment of the executives such as chief executive officer ('CEO'), chief operating officer ('COO'), chief finance officer ('CFO') (or their equivalent) and the company secretary. The Board approves and monitors corporate strategies and performance objectives. With the assistance of its Audit Committee, the Board monitors systems of risk management, compliance and financial reporting. The Board is also responsible for approving and monitoring the progress of major capital expenditure, capital raisings and management, acquisitions and divestitures of the company's assets.

BOARD STRUCTURE AND COMPOSITION

During the entire financial year, the company's Board structure was consisted of three directors – two independent non-executive directors and one nominee director, which was in compliance with CGC's Recommendation 2.1 where a majority of the board entity should be independent directors. The current board structure consists of two independent non-executive directors and two nominee non-executive directors. The current board structure may not be in accordance with CGC's Recommendation 2.1 but it is certainly in favour of the Company especially when it is not generating any revenue and solely relaying on and seeking constant funding from Jindal Steel & Power (Mauritius) Limited, the majority stakeholder.

The Board supports the appointment of directors who bring a wide range of business and professional skills and experience to the company. The composition of the Board is relatively small but deemed adequate and effective based on the current size and operations of the company. Due to the Boards size, there is currently no separate Nomination Committee, and its activities are undertaken by the full Board.

The current Chairman of the company is Mr Ashish Kumar, a nominee director. This is not in compliance with CGC's Recommendations 2.3. However, the Board believes that the appointment of Mr Kumar as the Chairman is based on his experienced skills and is in the best in the best interest of the company and stakeholders.

Each director is required to disclose any interest which might create a potential conflict of interest with his or her duties as a director or which would affect his or her independence. Directors are appointed in accordance with the constitution of the company and are appointed for a period of 3 years or until the third annual general meeting following his or her appointment (whichever is the longer). Any director appointed by the Board during the year stands for re-election at the next Annual General Meeting.

To effectively monitor and manage the company and its operations, the Board has established following committees:
1. Management Committee;
2. Audit Committee; and
3. Remuneration Committee.

CODE OF CONDUCT AND CONFLICTS OF INTEREST

Code of conduct
The code of conduct aims to encourage the appropriate standards of conduct and behaviour of the directors, officers, employees and contractors (collectively called the 'employees') of the company.

The employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the company. In general, the company requires that each employee must comply with all laws and regulations. This includes understanding the laws and regulations relevant to their work and complying with the legal requirements of the jurisdiction in which the company operates.

Contractors and others employed by the company should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the company. The practices of the Board are aimed at promoting ethical and responsible decision making. The Board strives for a good corporate governance and industry's best practice. It specifically requires that:

- Employees of the company must act honestly, in good faith and in the best interests of the company as a whole;
- Employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment;
- Employees must recognise that their primary responsibility is to the company's stakeholders as a whole;
- Employees must not take advantage of their position for personal gain, or the gain of their associates;
- Directors have an obligation to be independent and unbiased in their judgments;
- Confidential information received by employees in the course of the exercise of their duties remains the property of the company. Confidential information can only be released or used with specific permission from the company; and
- Employees have an obligation, to comply with the spirit as well as the letter of the law and with the principles of this code.

Conflicts of interest
The Board is committed to good corporate governance and aims for continuous improvement in these practices. It embraces high ethical standards and requires both personal and corporate responsibility. Employees are required to safeguard the integrity of the company and to act in the best interests of its stakeholders.

The Board has formulated a Directors' Disclosure Policy which in addition to disclosing the directors' modifiable interest in securities of the company is designed to manage potential conflicts of interest. Each director is required to disclose any interest which might create a potential conflict with his or her duties as a director or which might affect their independence.

There must be no conflict, or perception of a conflict, between the interests of any director, officer or employee and the responsibility of that person to the stakeholders. Employees must not improperly use their position for personal or private gain to themselves, family member(s) or their associate(s). Where a potential conflict exists, it is required to be disclosed to the Board prior to any dealings taking place.

COMMITTEES OF THE BOARD

As mentioned above, the Board has established the following committees to assist the Board in performance of its functions:

Management Committee

The Board has formed an Executive Management Committee who is responsible for overall control and day-to-day affairs and management of the company under the guidance of the Board. This committee also translates the decisions and planning of the Board into reality under the existing working scenario.

The Management Committee is comprised of:

- Chief Executive Officer (Chair)
- Chief Financial Officer
- Operations Manager
- Chief Commercial Officer
- HR Representative
- Marketing Head/Logistic
- Head of Project and Operational Monitoring (Secretary to the Committee)
- Group Environmental Approvals

Audit Committee

The Audit Committee plays a key role in assisting the Board with its responsibilities relating to accounting, internal control systems, reporting practices and risk management, and also ensuring the independence of the company's auditors. The Audit Committee also reviews the effectiveness of administrative, operating and accounting controls.

The charter for this committee incorporates policies and procedures to ensure an effective focus from an independent perspective.

The Audit Committee oversees and appraises the quality of the audits conducted by the auditors and emphasises on the areas where the Audit Committee believes that a special attention is required. At present, the external auditors of the company are Ernst & Young ('EY'). The appointment of EY is valid till the next Annual General Meeting.

The current composition of the Audit Committee is not in compliance with CGC's Recommendation 4.2, which requires:

- at least three members, all of whom are non-executive directors and majority of whom are independent directors; and
- the Committee is chaired by an independent chair, who is not the chair of the Board.

There are only two independent non-executive directors (Mr Anghie and Dr Firek) in the company and both of them are members of the Audit Committee. The Committee is chaired by Mr Anghie who is an independent director. The Board is yet to determine and appoint the third member of the Committee.

This policy is to be reviewed every two years.

Remuneration Committee

The Board has undertaken the function of the Remuneration Committee whose principle functions are to:

- review and recommend to the Board, the overall strategies in relation to executives' remuneration policies;
- ensure transparent and fair policy for selection and appointment of executives;
- review and make recommendations to the Board in respect of the compensation arrangement for the CEO, all other executive directors and all non-executive directors;
- review the effectiveness of performance incentive plans; and
- review and make recommendations to the Board in respect of all equity based remuneration plans.

In accordance with CGC's Recommendation 8.2, the composition of the Remuneration Committee requires:

- at least three members, the majority of whom are independent directors; and
- the Committee is chaired by an independent chair, who is not the chair of the Board.

The current Remuneration Committee consists of three directors, majority independent directors and is chaired by Mr Anghie, an independent director.

Investors Relations Committee
The company does not have an Investors Relation Committee noting the current shareholding pattern of the company i.e. over 95% held by handful of significant shareholders. However, the investors' relationship is currently maintained and managed by the Chairman, Company Secretary and Head of Corporate Relations.

RISK MANAGEMENT AND INTERNAL COMPLIANCE AND CONTROL

Management determines the company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and control.

The Board oversees an ongoing assessment of the effectiveness of risk management and internal compliance and control.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to the management. Management is required by the Board to report back on the efficiency and effectiveness of risk management, inter-alia, by benchmarking the company's performance against industry standards.

The risk profile of the company contains both financial and non-financial factors including material risks arising from pricing, competitive position, currency movements, operational efficiency, reserve replacement, fuel prices, ground water flows, product quality and investments in new projects.

To mitigate these risks, the company has in place a broad range of risk management policies and procedures including specialised sales contracts, competent management in all disciplines, a comprehensive management information system, an experienced Board, regular Board meetings, financial and internal audits, rigorous appraisal of new investments, advisers familiar with the company and an internal audit function.

Management is responsible for the ongoing management of risk with standing instructions to apprise the Board of changing circumstances within the company and within the international business environment.

This policy is reviewed every two years.

DISCLOSURE MECHANISMS OF THE COMPANY

Continuous disclosure policy
The ASX defines continuous disclosure in its Listing Rules as "the timely advising of information to keep the market informed of events and developments as they occur". The ASX Listing Rules and the Corporations Act require that the company discloses to the market matters which a reasonable person would expect to have a material effect on the price or value of the company's securities. A reasonable person is taken to expect information to have a material effect on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.

The company's Continuous Disclosure Policy is designed to meet market best practice, ensuring that all interested parties have an equal opportunity to obtain information which is issued by the company. It is the company's policy for the immediate reporting of any matter which could potentially have a material effect, via established reporting lines to the Company Secretary. The Company Secretary is also responsible for monitoring information which could be price sensitive, liaising with the Chairman to make an initial assessment, and escalating to the Board for disclosure of such information, where practicable. The Chairman monitors daily activity to ascertain what matters should be considered for disclosure and as soon as a matter is appropriate for disclosure the Chairman immediately notifies the Company Secretary. It is noted that the Company must not delay in giving this information to the ASX. Therefore, if the Board is not immediately available, the Company Secretary is authorised to lodge such information after consultation with the Chairman.

It is also the company's policy that price-sensitive information will be disclosed, in the first instance, to the ASX and then to others. Material information must not be selectively disclosed (i.e. to analysts, the media or shareholders) prior to being announced to the ASX, and all media releases must be referred to the Company Secretary for clearance prior to any release.

This policy is reviewed annually.

Securities trading policy
The company's trading policy is aimed at ensuring that unpublished price sensitive information about the company is not used in an unlawful manner.

The company's share trading policy regulates dealings by directors, officers and employees in securities issued by the company. The policy also restricts its directors, officers and employees trading in the securities of the company during 'trading-restriction periods' and prohibits 'insider-trading' at all time. In certain circumstances this policy also applies to contractors and consultants.

The policy also ensures that the company:

- must comply with the requirements of the Corporations Act;
- must receive prior notification from directors, officers, employees and contractors of their intention to deal in the company's securities; and
- prohibits short term trading by directors, officers, employees and contractors (if applicable) in the company's securities.

The policy is reviewed annually.

Communication strategy – shareholder communications
The company recognises the value of providing current and relevant information to its shareholders. The company's communication strategy is aimed at promoting effective communication with shareholders and encouraging effective participation at general meetings. In accordance with the company's regulatory obligations, certain periodic reporting will also be made to shareholders, including the annual and interim reports. The company's aim is for informed shareholder participation.

The company is committed to the promotion of investor confidence by ensuring that trading in the company's securities takes place in an efficient, competitive and informed market.

In accordance with the CGC's recommendations the company's external auditors are requested to and attend the annual general meetings and are available to answer shareholder questions about the conduct of the audit and preparation of the auditor's report.

This policy is reviewed annually.

Diversity policy
The company practices the philosophy of hiring the best candidates for all positions at all levels irrespective of their gender, caste, creed and religion. The company believes that a workforce comprises of individuals with differences in age, gender, sexual orientation, religion or national and social origin. The company ensures that all employees are treated with fairness and respect. The company has not established measurable objectives for achieving gender diversity.

The company is committed to embedding a corporate culture that embraces diversity through:

- recruitment on the basis of competence, qualification and performance;
- providing equal employment opportunities through performance and flexible working practices;
- maintaining a safe working environment and supportive culture; and
- the board maintaining measurable objectives to be achieved.

PERFORMANCE EVALUATION PRACTICES

As part of the annual review of the performance of the Board, the appropriate size, composition and terms and conditions of appointment to and retirement from the Board are considered. The level of remuneration for non-executive directors is considered with regard to practices of other public companies and the aggregate amount of fees approved by shareholders. The Board also reviews the appropriate criteria for Board membership collectively.
The Board has established formal processes to review its own performance and the performance of individual directors and the committees of the Board, annually.

This policy is reviewed annually.

Wollongong Coal Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2015

	Note	Consolidated 2015 $'000	Consolidated 2014 $'000
Revenue	7	8,500	69,091
Other income	8	10,640	-
Expenses			
Cost of sales		(35,953)	(111,087)
Distribution expenses		(4,382)	(22,172)
Administrative expenses		(14,631)	(16,395)
Environmental expenses		(8,513)	(4,594)
Net impairment of assets	9	(48,173)	(5,881)
Loss on disposal of assets		-	(434)
Net foreign exchange loss	9	(86,070)	(46,443)
Finance costs	9	(20,634)	(31,464)
Loss before income tax expense		(199,216)	(169,379)
Income tax expense	10	-	-
Loss after income tax expense for the year attributable to the owners of Wollongong Coal Limited	28	(199,216)	(169,379)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	27	(1,800)	(315)
Other comprehensive income for the year, net of tax		(1,800)	(315)
Total comprehensive income for the year attributable to the owners of Wollongong Coal Limited		(201,016)	(169,694)
		Cents	**Cents**
Basic earnings per share	41	(4.07)	(8.75)
Diluted earnings per share	41	(4.07)	(8.75)

Refer to note 5 for detailed information on restatement of comparatives.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Wollongong Coal Limited
Statement of financial position
As at 31 March 2015

	Note	Consolidated 2015 $'000	2014 $'000
Assets			
Current assets			
Cash and cash equivalents	11	9,810	11,647
Trade and other receivables	12	3,965	12,492
Inventories	13	8,710	9,171
Deposits	14	601	1,217
Total current assets		23,086	34,527
Non-current assets			
Available-for-sale financial assets	15	570	2,370
Property, plant and equipment	16	859,820	824,250
Exploration and licenses	17	-	360
Deposits	18	393	385
Total non-current assets		860,783	827,365
Total assets		883,869	861,892
Liabilities			
Current liabilities			
Trade and other payables	19	79,949	93,815
Borrowings	20	587,824	464,689
Derivative financial instruments	21	-	118
Provisions	22	9,396	12,267
Convertible bonds	23	2,984	-
Total current liabilities		680,153	570,889
Non-current liabilities			
Provisions	24	28,189	16,953
Convertible bonds	25	12,195	14,465
Total non-current liabilities		40,384	31,418
Total liabilities		720,537	602,307
Net assets		163,332	259,585
Equity			
Issued capital	26	899,080	793,984
Reserves	27	16,910	19,043
Accumulated losses	28	(752,658)	(553,442)
Total equity		163,332	259,585

Refer to note 5 for detailed information on restatement of comparatives.

The above statement of financial position should be read in conjunction with the accompanying notes

Consolidated	**Issued capital $'000**	**Reserves $'000**	**Accumulated losses $'000**	**Total equity $'000**
Balance at 1 April 2013	639,634	18,515	(384,063)	274,086
Loss after income tax expense for the year	-	-	(169,379)	(169,379)
Other comprehensive income for the year, net of tax	-	(315)	-	(315)
Total comprehensive income for the year	-	(315)	(169,379)	(169,694)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 26)	154,350	-	-	154,350
Share-based payments (note 42)	-	843	-	843
Balance at 31 March 2014	793,984	19,043	(553,442)	259,585

Refer to note 5 for detailed information on restatement of comparatives.

Consolidated	**Issued capital $'000**	**Reserves $'000**	**Accumulated losses $'000**	**Total equity $'000**
Balance at 1 April 2014	793,984	19,043	(553,442)	259,585
Loss after income tax expense for the year	-	-	(199,216)	(199,216)
Other comprehensive income for the year, net of tax	-	(1,800)	-	(1,800)
Total comprehensive income for the year	-	(1,800)	(199,216)	(201,016)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 26)	105,096	-	-	105,096
Share-based payments (note 42)	-	(333)	-	(333)
Balance at 31 March 2015	899,080	16,910	(752,658)	163,332

The above statement of changes in equity should be read in conjunction with the accompanying notes

Wollongong Coal Limited
Statement of cash flows
For the year ended 31 March 2015

	Note	Consolidated 2015 $'000	2014 $'000
Cash flows from operating activities			
Receipts from customers		4,761	51,374
Payments to suppliers and employees		(55,214)	(129,884)
Receipt of government grants		10,640	-
Interest received		158	182
Interest and other finance costs paid		(20,101)	(22,633)
Net cash used in operating activities	40	(59,756)	(100,961)
Cash flows from investing activities			
Payments for property, plant and equipment		(12,250)	(11,286)
Payments for mine development and licences		(74,580)	(90,528)
Proceeds from release of /(payments for) security deposits		607	(1,236)
Proceeds from disposal of investments		-	1,752
Proceeds from disposal of property, plant and equipment		-	3,750
Net cash used in investing activities		(86,223)	(97,548)
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs	26	105,096	154,350
Proceeds from borrowings		12,508	192,335
Net increase in related party loans receivables/payables		56,462	4,418
Repayment of borrowings		(29,924)	(143,860)
Net cash from financing activities		144,142	207,243
Net increase/(decrease) in cash and cash equivalents		(1,837)	8,734
Cash and cash equivalents at the beginning of the financial year		11,647	2,913
Cash and cash equivalents at the end of the financial year	11	9,810	11,647

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Wollongong Coal Limited as a consolidated entity consisting of Wollongong Coal Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Wollongong Coal Limited's functional and presentation currency.

Wollongong Coal Limited is a for profit listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Lot 31
7 Princes Highway, corner of Bellambi Lane
Corrimal, NSW 2518

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2015. The directors have the power to amend and reissue the financial statements.

Note 2. Going concern

The loss for the financial year after income tax amounted to $199,216,000 (2014: $169,379,000). The loss includes an impairment charge of $48,173,000 (2014: $5,881,000) and unrealised net foreign exchange losses of $80,085,000 (2014: $44,562,000) relating to the movement in exchange rate between the US dollar and Australian dollar.

Net current liabilities of $657,067,000 (2014: $536,362,000) includes borrowings and working capital facilities of $587,824,000 (2014: $464,689,000) which have been entirely classified as current liabilities to comply with Accounting Standards AASB 101 'Presentation of Financial Statements', due to breach of financial covenants. The expected principal repayments due on borrowings for the year ending 31 March 2016 is $115,541,000.

The current adverse performance of the consolidated entity was primarily due to:
- Lower coking coal prices during the financial year;
- No longwall production at Russell Vale colliery due to delays in receiving mining permits from authorities; and
- Wongawilli colliery having been put under care and maintenance.

The directors consider the consolidated entity to be a going concern on the following basis:

Funding and support from Jindal Steel & Power (Mauritius) Limited
The parent entity Jindal Steel & Power (Mauritius) Limited (JSPML), a wholly-owned subsidiary of the ultimate parent entity Jindal Steel & Power Limited has injected $56.50 million into the consolidated entity during the financial year and $40.50 million in the first quarter of 2015-16. Furthermore a Letter of Support stating that JSPML will continue to support the consolidated entity for at least 12 months from the date of signing of this annual report has been promoted to the company.

In addition JSPML has increased it's working capital facility of $75 million to $100 million with renewed expiry date of 31 March 2016.

Settlement of legal claims
The consolidated entity has successfully defended and/or resolved several legal claims including winding up proceedings and statutory demands. Please refer to significant changes in the state of affairs section of the directors’ report for details.

Rescheduling of bank debts
During the financial year, the consolidated entity has successfully deferred some of its repayments and met its interest payment obligations. The consolidated entity, with the support of its parent entity, is currently working with its existing consortium of banks (Lenders) to obtain a Foreign Currency Term Loan to replace the current debt and to part finance capital expenditures.

Financial Covenants Breaches and Waivers
All borrowings have been classified as current due to covenant breaches as at 31 March 2015. Notwithstanding such breaches for covenants, the consolidated entity has not received any breach notices and subsequent to year end has received waiver from two banks.

Note 2. Going concern (continued)

Mining Application and future development
The consolidated entity has made some significant progress in the process of obtaining necessary approvals to extract 4.7 million tonnes of coking coal from remaining block of longwall 6, longwall 7, 9, 10 and 11 at Russell Vale. Notwithstanding with the progress made, it is not possible to put a date when such approvals would be granted. Meanwhile, the Company is focusing on developing Maingate 7, which will reduce the discontinuity period between longwall 6 and longwall 7.

The consolidated entity is also working on various strategies and options, which may allow the commencement of operation and extraction of coal from remnant longwall blocks containing around 2.5 million tonnes of prime quality coking coal in near future.

Cost control
The consolidated entity continues operating within a very strict budget and cost-controlled regime with significant cost saving expected from redundancies made during the financial year and recently in the month of May and June 2015.

The consolidated entity believes that with all measures put in place as detailed above, together with the continued support of its suppliers, financiers and shareholders, the consolidated entity would be able to put its liquidity troubles behind it and move to the more productive aspect of running a profitable business.

The directors consider the consolidated entity to be a going concern and will be able to meet its debts and obligations as they fall due. Notwithstanding the above, if one or more of the planned measures do not eventuate or are not resolved in the consolidated entity’s favour, then in the opinion of the directors, there will be significant uncertainty regarding the ability of the consolidated entity to continue as a going concern and pay its debts and obligations as and when they become due and payable.

If the consolidated entity is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business at amounts different from those stated in the statement of financial position.

No adjustments have been made to the financial statements relating to the recoverability and classification of the recorded asset amounts or the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

Note 3. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
The consolidated entity has applied AASB 2012-3 from 1 April 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

Note 3. Significant accounting policies (continued)

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
The consolidated entity has applied AASB 2013-3 from 1 April 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (Part B)
The consolidated entity has applied Part B of 2013-9 from 1 April 2014, which amends particular Australian Accounting Standards to delete references to AASB 1031 Materiality as part of the AASB's aim to eventually withdraw AASB 1031.

Interpretation 21 Levies
The consolidated entity has applied Interpretation 21 from 1 April 2014. The Interpretation clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, available-for-sale financial assets and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Comparatives
Comparative have been restated where necessary to conform to current presentation. A reclassification has been made with respect to convertible bonds which has no impact on the statement of profit or loss and other comprehensive income.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 37.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Wollongong Coal Limited ('company' or 'parent entity') as at 31 March 2015 and the results of all subsidiaries for the year then ended. Wollongong Coal Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Note 3. Significant accounting policies (continued)

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Export sales
Revenue comprises sale of coal at invoiced amounts, with most sales being cost and freight. Amounts billed to customers in respect of shipping and handlings are classified as revenue where the consolidated entity is responsible for carriage and freight. Revenue also includes the charter service revenue at invoiced amounts. All shipping and handling charges incurred by the consolidated entity are recognised as operating costs.

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

Rental income
Lease rental income from housing and farm leasing is recognised in income on a receipts basis.

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

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Wollongong Coal Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current distinction
Assets and liabilities are presented in statements of financial position based on current and non-current classification.

Note 3. Significant accounting policies (continued)

An asset is current when: it is expected to be realised or intended to be sold or consumed in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories

Inventories of coal are physically measured or stated at the lower of cost and net realisable value.

Coal stocks comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs are assigned to inventories using the weighted average basis.

Stores cost comprises average cost of purchase price and associated charges.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date, with subsequent changes taken to profit or loss unless the derivative is designated as a hedging instrument.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Note 3. Significant accounting policies (continued)

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

Property, plant and equipment
Property, plant and equipment are stated at historical cost less depreciation or amortisation. The cost of a tangible fixed asset comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use.

Mine development is activities undertaken to gain access to mineral reserves. Typically this includes sinking shafts, permanent excavations, building transport infrastructure and roadways.

Deferred restoration costs represents the costs to restore the leased premises and is calculated at the discounted present value of the estimated restoration at the end of the lease term.

Pre-production costs are capitalised to the extent they give rise to a future economic benefit and include costs incurred in preparing the site for mining operations, including stripping costs. Costs associated with a start-up period are capitalised where the asset is available for use but incapable of operating at normal levels without a commissioning period.

Depreciation and amortisation are calculated to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	20 - 40 years on a straight line basis
Plant and equipment	3 - 10 years on a straight line basis
Mine development	Proportion of actual production measured against mineable resources in the mine area developed on which the expenses were incurred
Mining leases	Proportion of actual production measured against the mineable resources available in the mine
Deferred restoration cost	On a straight line basis over the life of the mine lease
Pre-production expenses	Proportion to actual production measured against mineable resources in the mine seam for which the expenses were incurred

Note 3. Significant accounting policies (continued)

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Exploration and licenses
Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through 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.

Costs that do not meet these criteria are expensed. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 3. Significant accounting policies (continued)

Employee benefits

Wages and salaries and annual leave, long service leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave are recognised in respect of services provided by employees up to the reporting date and measured based on expected date of settlement. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for wages and salaries, and annual leave expected to be settled more than 12 months of the reporting date, and long service leave is recognised and measured as the present value of expected future payments to be made using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The costs of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Binomial option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The costs of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 3. Significant accounting policies (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Convertible bonds
The convertible bonds are a financial instrument shown in the statement of financial position. The initial fair value of the liability was determined using a market interest rate for an equivalent non-convertible bond at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the bonds.

Issued capital
Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Wollongong Coal Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 3. Significant accounting policies (continued)

Rounding of amounts
The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 March 2015. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' model to recognise an allowance. The consolidated entity will adopt this standard from 1 April 2018 but the impact of its adoption is yet to be assessed.

AASB 15 Revenue from Contracts with Customers
The new standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

While the standard is currently applicable for reporting periods beginning on or after 1 January 2017, the International Accounting Standards Board (IASB) in its July 2015 meeting decided to confirm its proposal to defer the effective date of IFRS 15 (the international equivalent of AASB 15) from 1 January 2017 to 1 January 2018. The amendment to give effect to the new effective date for IFRS 15 is expected to be issued in September 2015. At this time, it is expected that the AASB will make a corresponding amendment to AASB 15, which will mean that the application date of this standard for the consolidated entity will move from 1 April 2017 to 1 April 2018. The impact of adoption on the current entity is yet to be assessed.

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Impairment and reversal of impairment of non-financial assets
The consolidated entity assesses impairment and any reversal of impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment or reversal of impairment. If an impairment trigger or indicator of reversal exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. Where fair value less costs of disposal is used, the valuation takes into consideration what a market participant would do to obtain the highest and best use of the asset. An estimate is made of the potential costs of disposal. Refer to note 16.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. The consolidated entity has impaired the receivables with its former parent entity, Gujarat NRE Coke Limited and other associated entities based on management's assessment that the receivable is no longer recoverable, due to the financial capability of the counterparty.

Note 4. Critical accounting judgements, estimates and assumptions (continued)

Mine closure and rehabilitation provision estimates
Provision is made for the anticipated costs of future site restoration. The provision includes estimated future costs relating to the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site.

The calculation of rehabilitation and closure provisions (and corresponding capitalised closure cost assets where necessary) rely on estimates of cost required to rehabilitate and restore disturbed areas of land to their original condition and discounting factors. These estimates are regularly reviewed and adjusted in order to ensure that most up to date data is used to calculate these balances. The closure and rehabilitation provision is disclosed in the note on restoration guarantee.

Mine development and pre-production capitalisation
The consolidated entity's activities undertaken to gain access to mineral reserves or sinking shafts, permanent excavations, building transport infrastructure and roadways are capitalised and are amortised over the estimated reserves in that developed area of the mine. Amortisation is calculated in proportion to actual production when measured against mineable resources in the mine area developed. The consolidated entity has allocated its resources to develop longwall blocks in the Russell Vale Colliery, making this colliery a development mine. Since 1 June 2011 all expenses have been capitalised to mine development cost except variable cost directly related to any production panel and any revenue from developmental coal which are accounted in profit or loss with corresponding cost for developmental coal being equivalent to sale revenue being charged back to profit or loss from capitalised development cost to have zero impact on profitability. The carrying value of mine development and pre-production is reviewed by directors to ensure it is not in excess of its recoverable amount.

Determination of coal reserves and resources
The consolidated entity estimates its coal reserves and resources based on information compiled by competent persons as defined in the Australian code for reporting the coal mineral resources and ore reserves of December 2012 (JORC CODE). Reserves determined in this way are used in the calculation of depreciation, amortisation and impairment charges, the assessment of mine lives and for forecasting the time for payment of close down and restoration costs.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Binomial model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

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

Note 5. Restatement of comparatives

Correction of error
Following the issuance of the 31 March 2014 financial statements management discovered 2 errors in relation to:
(i) the carrying value of trade receivables from Gujarat NRE Coke Limited, former parent entity and majority stakeholder; and
(ii) the carrying value of capitalised borrowing costs.

Carrying value of trade receivables from Gujarat NRE Coke Limited
Management have reassessed the carrying of trade receivables from Gujarat NRE Coke Limited and its group and determined that the amounts outstanding at 31 March 2014 may not be recoverable due to the financial capacity of the counterparty and should have been fully impaired at this date. The following adjustments have been therefore made relating to the year ended 31 March 2014:

Decrease in trade receivables $68,751,000
Impairment of trade receivables $68,751,000

Carrying value of capitalised borrowing costs
Management have reassessed the carrying of capitalised borrowing costs and determined that the unamortised balance at 31 March 2014 should be written off in full on the basis that the loans are payable on demand due to covenant breaches. The following adjustments have been therefore made relating to the year ended 31 March 2014:

Decrease in capitalised borrowing costs included in the carrying value of bank loans $8,831,000
Increase in finance costs $8,831,000

Statement of profit or loss and other comprehensive income

		Consolidated	
	2014 $'000 Reported	**$'000 Adjustment**	**2014 $'000 Restated**
Revenue	69,091	-	69,091
Expenses			
Cost of sales	(111,087)	-	(111,087)
Distribution expenses	(22,172)	-	(22,172)
Administrative expenses	(16,395)	-	(16,395)
Environmental expenses	(4,594)	-	(4,594)
Net impairment of assets	62,870	(68,751)	(5,881)
Loss on disposal of assets	(434)	-	(434)
Net foreign exchange loss	(46,443)	-	(46,443)
Finance costs	(22,633)	(8,831)	(31,464)
Loss before income tax expense	(91,797)	(77,582)	(169,379)
Income tax expense	-	-	-
Loss after income tax expense for the year attributable to the owners of Wollongong Coal Limited	(91,797)	(77,582)	(169,379)
Other comprehensive income			
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	(315)	-	(315)
Other comprehensive income for the year, net of tax	(315)	-	(315)
Total comprehensive income for the year attributable to the owners of Wollongong Coal Limited	(92,112)	(77,582)	(169,694)

Note 5. Restatement of comparatives (continued)

	Cents Reported	Cents Adjustment	Cents Restated
Basic earnings per share	(4.74)	(4.01)	(8.75)
Diluted earnings per share	(4.74)	(4.01)	(8.75)

Statement of financial position at the beginning of the earliest comparative period
When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 April 2013. However, as there were no adjustments made as at 1 April 2013, the consolidated entity has elected not to show the 1 April 2013 statement of financial position.

Note 5. Restatement of comparatives (continued)

Statement of financial position at the end of the earliest comparative period

	Consolidated		
	2014 $'000 Reported	$'000 Adjustment	2014 $'000 Restated
Assets			
Current assets			
Cash and cash equivalents	11,647	-	11,647
Trade and other receivables	81,243	(68,751)	12,492
Inventories	9,171	-	9,171
Deposits	1,217	-	1,217
Total current assets	103,278	(68,751)	34,527
Non-current assets			
Available-for-sale financial assets	2,370	-	2,370
Property, plant and equipment	824,250	-	824,250
Exploration and licenses	360	-	360
Deposits	385	-	385
Total non-current assets	827,365	-	827,365
Total assets	930,643	(68,751)	861,892
Liabilities			
Current liabilities			
Trade and other payables	93,815	-	93,815
Borrowings	455,858	8,831	464,689
Derivative financial instruments	118	-	118
Provisions	12,267	-	12,267
Total current liabilities	562,058	8,831	570,889
Non-current liabilities			
Provisions	16,953	-	16,953
Convertible bonds	14,465	-	14,465
Total non-current liabilities	31,418	-	31,418
Total liabilities	593,476	8,831	602,307
Net assets	337,167	(77,582)	259,585
Equity			
Issued capital	793,984	-	793,984
Reserves	19,043	-	19,043
Accumulated losses	(475,860)	(77,582)	(553,442)
Total equity	337,167	(77,582)	259,585

Note 6. Operating segments

Identification of reportable operating segments
The consolidated entity operates in one segment being the coal mining, coal preparation and export of coal. This is based on the internal reports that are reviewed and used by the Board of Directors and the Management Committee (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The Management Committee comprises of:

•Chief Executive Officer (Chair)
•Chief Financial Officer
•Operations Manager
•Chief Commercial Officer
•HR Representative
•Marketing Head/Logistics
•Head of Project and Operational Monitoring (Secretary to the Committee)
•Group Environmental Approvals

The consolidated entity operates predominately in one geographical region being the Illawarra region of New South Wales.

The information reported to the CODM is on at least a monthly basis.

The CODM reviews adjusted EBITDA (earnings before interest, tax, depreciation and amortisation adjusted for impairment of assets, share-based payment, exchange losses and loss of disposal of assets) to make decisions. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Segment assets and liabilities
Assets and liabilities are managed on a consolidated basis. The CODM does not regularly review any asset or liability information by segment and, accordingly there is no separate segment information. Refer to the statement of financial position for consolidated assets and liabilities.

Major customers
During the financial year ended 31 March 2015 approximately 60% (2014: 30%) of the consolidated entity's revenue was derived from sales to Jindal Steel & Power Limited (India), the ultimate parent entity and 0% (2014: 17%) to Gujarat NRE Coke Limited, the former ultimate parent entity.

The following table summarises key reconciling items between statutory loss after tax attributable to the shareholders of Wollongong Coal Limited and adjusted EBITDA:

Operating segment information

Consolidated - 2015	Intersegment eliminations/ unallocated $'000	Total $'000
Adjusted EBITDA	(22,909)	(22,909)
Depreciation		(20,761)
Amortisation		(634)
Finance costs		(20,634)
Impairment of assets		(48,173)
Exchange loss		(86,070)
Share-based payments		(333)
Interest revenue		298
Loss before income tax expense		(199,216)
Income tax expense		-
Loss after income tax expense		(199,216)

Note 6. Operating segments (continued)

Consolidated - 2014	Intersegment eliminations/ unallocated $'000	Total $'000
Adjusted EBITDA	(22,235)	(22,235)
Depreciation		(20,533)
Amortisation		(41,728)
Finance costs		(31,464)
Impairment of assets		(5,881)
Exchange loss		(46,443)
Exchange gain		(843)
Share-based payments		(434)
Interest revenue		182
Loss before income tax expense		(169,379)
Income tax expense		-
Loss after income tax expense		(169,379)

Note 7. Revenue

	Consolidated	
	2015 $'000	**2014 $'000**
Sales revenue		
Export sales	8,154	68,805
Other revenue		
Interest	298	182
Rent	7	16
Other revenue	41	88
	346	286
Revenue	8,500	69,091

Note 8. Other income

	Consolidated	
	2015 $'000	**2014 $'000**
Subsidies and grants	10,640	-

Subsidies and grants represent coal sector job subsidies. The subsidies and grants related to activities that occurred during the year ended 31 March 2014. The subsidies and grants were not recognised until the current financial year when all the conditions pertaining to the subsidies and grants were met.

Note 9. Expenses

	Consolidated 2015 $'000	2014 $'000
Loss before income tax includes the following specific expenses:		
Depreciation		
Building	95	48
Plant and equipment	20,666	20,485
Total depreciation	20,761	20,533
Amortisation		
Mine development	-	40,823
Mine lease	52	503
Pre-production expenses	30	261
Deferred restoration cost	552	141
Total amortisation	634	41,728
Total depreciation and amortisation	21,395	62,261
Impairment/(reversal) of impairment		
Mine development (note 16)	37,584	(76,020)
Mine lease (note 16)	10,229	13,150
Exploration and licences	360	-
Trade receivable	-	68,751
Net impairment of assets	48,173	5,881
Net foreign exchange loss		
Net foreign exchange loss unrealised	80,085	44,562
Net foreign exchange loss realised	5,985	1,881
Total net foreign exchange loss	86,070	46,443
Finance costs		
Interest and finance charges paid/payable	20,196	32,036
Interest rate swap	438	(572)
Finance costs expensed	20,634	31,464
Superannuation expense		
Defined contribution superannuation expense	4,269	4,701

Net foreign exchange losses primarily relate to exchange rate fluctuations on the US dollar denominated bank loans.

Total depreciation and amortisation expense is included in cost of sales ($20,761,000 (2014: $61,758,000)) and environmental expenses ($634,000 (2014: $503,000)) in the statement of profit or loss and total comprehensive income.

Note 10. Income tax expense

	Consolidated	
	2015 $'000	2014 $'000
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(199,216)	(169,379)
Tax at the statutory tax rate of 30%	(59,765)	(50,814)
Unused tax losses and temporary differences not recognised	59,765	50,814
Income tax expense	-	-

	Consolidated	
	2015 $'000	2014 $'000
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	126,000	78,142
Potential tax benefit @ 30%	37,800	23,443

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the same business test is passed and the consolidated entity is generating sufficient taxable income.

No net deferred tax asset has been recognised on the basis that utilisation of tax losses is not currently considered probable.

Note 11. Current assets - cash and cash equivalents

	Consolidated	
	2015 $'000	2014 $'000
Cash at bank and on hand*	5,002	6,547
Cash on deposit	4,808	5,100
	9,810	11,647

* Includes $1,284,000 (2014: $1,063,000) restricted cash balance held and maintained for debt service coverage.

Note 12. Current assets - trade and other receivables

	Consolidated	
	2015 $'000	2014 $'000
Trade receivables	32	69,657
Less: Provision for impairment of receivables	-	(68,751)
	32	906
Other receivables	3,572	2,655
Prepayment	361	8,931
	3,965	12,492

Note 12. Current assets - trade and other receivables (continued)

Impairment of receivables
The consolidated entity has recognised a loss of $nil (2014: $68,751,000) in profit or loss in respect of impairment of receivables for the year ended 31 March 2015. The impairment loss during the year ended 31 March 2014 was recognised on the basis that the amounts outstanding from Gujarat NRE Coke Limited and its group may not be recoverable. However, management are actively pursuing collection of the outstanding amounts.

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $32,000 as at 31 March 2015 ($739,000 as at 31 March 2014).

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	Consolidated 2015 $'000	Consolidated 2014 $'000
Over 6 months overdue	32	739

Note 13. Current assets - inventories

	Consolidated 2015 $'000	Consolidated 2014 $'000
Stores and consumables - at cost	4,408	3,788
ROM coal stock - at cost	1,485	2,113
ROM coal stock - at net realisable value	2,937	3,270
Less: Provision for impairment	(120)	-
	4,302	5,383
	8,710	9,171

Note 14. Current assets - deposits

	Consolidated 2015 $'000	Consolidated 2014 $'000
Security deposits	601	1,217

Note 15. Non-current assets - available-for-sale financial assets

	Consolidated 2015 $'000	Consolidated 2014 $'000
Shree Minerals Limited	450	2,250
Port Kembla Coal Terminal	120	120
	570	2,370

Refer to note 31 for further information on fair value measurement.

Note 16. Non-current assets - property, plant and equipment

	Consolidated 2015 $'000	Consolidated 2014 $'000
Land and buildings - at cost	46,542	46,542
Less: Accumulated depreciation	(869)	(774)
	45,673	45,768
Plant and equipment - at cost	271,493	259,244
Less: Accumulated depreciation	(88,847)	(68,182)
	182,646	191,062
Mine development- at cost	676,231	649,894
Less: Accumulated depreciation	(100,599)	(166,069)
Less: Accumulated impairment	(88,902)	(51,318)
	486,730	432,507
Mining leases - at cost and valuation	387,276	387,137
Less: Accumulated depreciation	(995)	(943)
Less: Accumulated impairment	(241,510)	(231,281)
	144,771	154,913
	859,820	824,250

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings $'000	Plant and equipment $'000	Mine development $'000	Mining leases $'000	Total $'000
Balance at 1 April 2013	50,419	200,504	308,064	167,686	726,673
Additions	-	11,286	89,648	880	101,814
Disposals	(4,603)	(243)	-	-	(4,846)
Impairment of assets	-	-	(31,800)	(13,150)	(44,950)
Reversal of impairment of assets	-	-	107,820	-	107,820
Depreciation expense	(48)	(20,485)	(41,225)	(503)	(62,261)
Balance at 31 March 2014	45,768	191,062	432,507	154,913	824,250
Additions*	-	12,250	92,389	139	104,778
Impairment of assets	-	-	(37,584)	(10,229)	(47,813)
Depreciation expense	(95)	(20,666)	(582)	(52)	(21,395)
Balance at 31 March 2015	45,673	182,646	486,730	144,771	859,820

* Included in this balance is $15,179,000 in capitalised interests on the bank borrowing facilities.

Note 16. Non-current assets - property, plant and equipment (continued)

Cash Generating Unit ('CGU') allocation and impairment testing
The consolidated entity has three CGUs - Russell Vale Colliery, Wongawilli Colliery and Avondale mining lease.

The carrying values of property plant and equipment allocated to the CGUs is as follows:
Russell Vale Colliery AU$612,521,000
Wongawilli Colliery AU$214,628,000
Avondale mining leases AU$32,670,000

Recoverable amounts of the CGUs are based on fair value less cost of disposal. An independent valuation was carried out at 31 March 2015. The valuation was based on several assumptions including but not limited to:
• Discounting rate (based on Weighted Average Cost of Capital ('WACC') was set at 13.4% (2014: 9.0%) for Russell Vale Colliery and 8.9% (2014: 9.0%) for Wongawilli Colliery. 8.9% (2014: 9.0%) was also used for other assets including Avondale additional resources.
• Long-term coking coal prices of US$134 (2014: US$173);
• Long-term exchange rate of US$1.00: AU$0.77 (2014: US$1.00: AU$0.85);
• Life of each mine over 25 years (2014: 25 years) ;
• Permitted rate of extraction of 3 Mtpa per mine increasing up to 6.4 Mtpa for Russell Vale Colliery and 4.5 for Wongawilli Colliery (2014: up to 4 Mtpa for both mines), in accordance with revised mining plans; and
• Obtaining relevant mining permits as required, without undue delay.
• Cost of disposal assumed at 1% (2014: 5%)

In accordance with AASB 13 'Fair Value Measurement', fair value should take into account a market participant's ability to generate economic benefits by using the non-financial asset in its highest and best use. As it is physically possible, legally permissible and financially feasible to build a local wash plant, this has been factored into the valuation. The advantages of a local wash plant include additional returns from higher yields, transport cost savings, returns on sales of thermal coal, potential mining flexibility to take some higher ash sections and increase resource recovery, and the mitigation of contract risk, as the product could be sold on the open market rather than just selling unwashed ROM coal to a limited market.

Based on the valuations an impairment charge of $47,813,000 (2014: $44,950,000) was expensed to the profit or loss, being $18,229,000 for Russell Vale Colliery, $19,355,000 for Wongawilli Colliery and $10,229,000 for the Avondale mining leases. In addition a $360,000 impairment was recorded on the exploration asset as discussed in note 17.

Headroom and sensitivity
As the CGU's have been either written up or written down to recoverable amount, there is no headroom. Any change in the key assumptions on which the valuations were based would impact the carrying value of the Russell Vale, Wongawilli Collieries and the Avondale mining lease.

Note 17. Non-current assets - exploration and licenses

	Consolidated	
	2015 $'000	2014 $'000
Exploration and licences - net book value	-	360

Exploration and licences were impaired by $360,000 during the current financial year due to lack of budgeted and planned future expenditure.

Note 18. Non-current assets - deposits

	Consolidated	
	2015 $'000	2014 $'000
Russell Vale Colliery Trust Funds	393	385

Note 19. Current liabilities - trade and other payables

	Consolidated	
	2015 $'000	2014 $'000
Trade payables	26,729	54,566
Accruals	35,609	30,000
Other payables	17,611	9,249
	79,949	93,815

Refer to note 30 for further information on financial instruments.

Other payables include $Nil (2014: $2,169,000) payments received in advance for shipments of coal from JSPL.

Note 20. Current liabilities - borrowings

	Consolidated	
	2015 $'000	2014 $'000
Bank loans	520,352	391,587
Working capital demand loan	-	27,112
State Bank of India working capital loan (secured)	11,010	45,990
JSPML working capital loan (unsecured)	56,462	-
	587,824	464,689

Refer to note 30 for further information on financial instruments.

During the year, and as at 31 March 2015, the consolidated entity was in breach of financial covenants under all of its debt facilities. As no Event of Default of notices have been served, the consolidated entity is in the process of requesting covenant waivers from its lenders. Subsequent to year end, some waivers have been received, however, as the facilities were in breach at 31 March 2015, the consolidated entity has classified the borrowings as current in accordance with AASB101 ‘Presentation of Financial Statements’.

Total secured liabilities
The total secured current liabilities are as follows:

	Consolidated	
	2015 $'000	2014 $'000
Bank loans	520,352	391,587
Working capital demand loan - Bank of Baroda	-	27,112
State Bank of India working capital loan (secured)	11,010	45,990
	531,362	464,689

Note 20. Current liabilities - borrowings (continued)

The credit facilities (both term loan and working capital) are secured as follows:

(i) The term loan facilities of the consolidated entity is secured by:
First ranking pari-passu charge on the present and future fixed assets of the company and Wongawilli Coal Pty Ltd. ('Wongawilli');
Pari-passu assignment of lease deed of the mines of the company and Wongawilli;
Debt service reserve account maintained by the company;
Negative line over 100% of the company's shareholding in Oceanic Coal Resources NL ('OCR');
Negative line over 100% of OCR's shareholding in Wongawilli; and
First ranking pari-passu assignment of insurance policies related to fixed and current assets of the company, charged to the bank.

(ii) The working capital facilities are secured by:
First pari-passu charge on the entire current assets of the company and Wongawilli, along with other working capital lenders; and
First ranking pari-passu assignment of insurance policies related to fixed and current assets of the company and Wongawilli, charged to the bank.

Assets pledged as security
The bank overdraft and loans are secured by first mortgages over the consolidated entity's land and buildings.

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	2015 **$'000**	**2014** **$'000**
Total facilities		
Bank loans	520,352	403,142
Working capital facility	11,010	73,112
JSPML cash advanced facility	75,000	54,224
Bank guarantee facility	56,100	-
	662,462	530,478
Used at the reporting date		
Bank loans	520,352	382,755
Working capital facility	11,010	73,102
JSPML cash advanced facility	56,462	-
Bank guarantee facility	48,042	-
	635,866	455,857
Unused at the reporting date		
Bank loans	-	20,387
Working capital facility	-	10
JSPML cash advanced facility	18,538	54,224
Bank guarantee facility	8,058	-
	26,596	74,621

Note 21. Current liabilities - derivative financial instruments

	Consolidated	
	2015 $'000	2014 $'000
Interest rate swap contracts	-	118

Refer to note 30 for further information on financial instruments.

Refer to note 31 for further information on fair value measurement.

The interest rate swap ('IRS') facility matured and was settled during the current financial year.

Note 22. Current liabilities - provisions

	Consolidated	
	2015 $'000	2014 $'000
Employee benefits	9,396	12,267

Note 23. Current liabilities - convertible bonds

	Consolidated	
	2015 $'000	2014 $'000
Convertible bonds	2,000	-
Accumulated interest on the above	984	-
	2,984	-

Refer to note 25 for further information on convertible bonds.

Note 24. Non-current liabilities - provisions

	Consolidated	
	2015 $'000	2014 $'000
Mine restoration	28,189	16,953

Mine restoration
The provision represents the present value of estimated costs required to rehabilitate and restore disturbed areas of land to their original condition (for Russell Vale Colliery and Wongawilli Colliery) in accordance with environmental and legal obligations. The calculation is based on a third party estimate of costs at present value, discounted at 5.72% (2014: 5.75%). Additional expenses, including the unwind of the liability of $8.5m are included in environmental expenses in statement of profit or loss and other comprehensive income. These estimates are regularly reviewed.

Note 24. Non-current liabilities - provisions (continued)

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated - 2015	Mine restoration $'000
Carrying amount at the start of the year	16,953
Additional provisions recognised	2,700
Additional expense	7,766
Unwinding of discount	770
Carrying amount at the end of the year	28,189

Note 25. Non-current liabilities - convertible bonds

	Consolidated	
	2015 $'000	**2014 $'000**
Convertible bonds	8,000	10,000
Accumulated interest on the above	4,195	4,465
	12,195	14,465

200 convertible bonds, with a total par value of $10,000,000 were issued in July 2008. Interest accrues at 8% per annum and is capitalised for the first 10 years to July 2018 and thereafter paid quarterly in arrears. Bondholder will have the right to convert their bonds into fully paid ordinary shares at a 'Conversion price' per share at any time during the month of July and January on or after 1 July 2011/2012/2013/2014 respectively. These convertible bonds mature on 1 July 2028, unless previously redeemed, converted or purchased and cancelled.

The 'conversion price' is the volume weighted average price ('VWAP') of the fully paid ordinary shares in the company during the month of June for July conversion date, or the VWAP during the month of December for January conversion date, immediately preceding the conversion date, as traded on the securities exchange where the company's fully paid ordinary shares are then listed.

The consolidated entity agreed to a settlement with Bellpac Pty Ltd for early redemption of the bonds. Under the deed of settlement $2,000,000 plus $984,000 of accrued interest is repayable by the consolidated entity before 31 March 2016. As a result, this balance has been classified as current. Refer to note 23.

Note 26. Equity - issued capital

	Consolidated			
	2015 Shares	**2014 Shares**	**2015 $'000**	**2014 $'000**
Ordinary shares - fully paid	6,894,913,576	3,141,763,507	899,080	793,984

Note 26. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 April 2013	1,376,138,678		639,634
Issue of ordinary shares to JSPML	12 November 2013	328,500,000	$0.20	65,700
Conversion of share options issued to JSPML	15 November 2013	328,500,000	$0.00	-
Issue of ordinary shares under the non-renounceable entitlement offer	27 November 2013	726,875,915	$0.08	58,150
Exercise of nil priced employee options	20 December 2013	480,000	$0.00	-
Issue of ordinary shares under the non-renounceable entitlement offer	15 January 2014	8,495,270	$0.08	680
Issue of ordinary shares under the non-renounceable entitlement offer	31 January 2014	330,398,143	$0.08	26,430
Issue of shares to Axis Bank Limited	21 February 2014	40,000,000	$0.08	3,200
Accelerated pro-rata non-renounceable rights issue	21 March 2014	2,375,501	$0.08	190
Balance	31 March 2014	3,141,763,507		793,984
Issue of ordinary shares under the non-renounceable entitlement offer	14 April 2014	390,470,533	$0.08	29,285
Issue of ordinary shares under the non-renounceable entitlement offer	20 May 2014	2,834,838	$0.08	213
Issue of ordinary shares under the non-renounceable entitlement offer	2 June 2014	362,579,780	$0.06	21,755
Issue of ordinary shares under the non-renounceable entitlement offer	25 June 2014	1,630,555	$0.00	4
Issue of ordinary shares under the non-renounceable entitlement offer	18 November 2014	2,755,606,331	$0.02	49,601
Issue of ordinary shares under the non-renounceable entitlement offer	12 December 2014	240,028,032	$0.02	4,238
Balance	31 March 2015	6,894,913,576		899,080

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders (refer to dividend policy below), return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. The consolidated entity breached its covenants during the financial year and all bank loans have therefore been classified as current liabilities.

Note 27. Equity - reserves

	Consolidated 2015 $'000	Consolidated 2014 $'000
Available-for-sale reserve	(1,380)	420
Share-based payments reserve	18,290	18,623
	16,910	19,043

Available-for-sale reserve
The reserve comprises changes in the fair value of available-for-sale investments. Refer to note 15.

Share-based payments reserve
The reserve is used to recognise the fair value of options issued to employees under the Employee Share Option Scheme.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Available-for-sale $'000	Share-based payments $'000	Total $'000
Balance at 1 April 2013	735	17,780	18,515
Revaluation - net of tax	(315)	-	(315)
Net investment hedge	-	843	843
Balance at 31 March 2014	420	18,623	19,043
Revaluation - net of tax	(1,800)	-	(1,800)
Share-based payment	-	(333)	(333)
Balance at 31 March 2015	(1,380)	18,290	16,910

Note 28. Equity - accumulated losses

	Consolidated 2015 $'000	Consolidated 2014 $'000
Accumulated losses at the beginning of the financial year	(553,442)	(384,063)
Loss after income tax expense for the year	(199,216)	(169,379)
Accumulated losses at the end of the financial year	(752,658)	(553,442)

Note 29. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 30. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Note 30. Financial instruments (continued)

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units.

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	**2015 $'000**	**2014 $'000**	**2015 $'000**	**2014 $'000**
US dollars	2,601	77,153	382,986	478,750

The consolidated entity had net liabilities denominated in foreign currencies of $380,385,000 (assets $2,601,000 less liabilities $383,482,000) as at 31 March 2015 (2014: $382,986,000 (assets $77,153,000 less liabilities $478,750,000). Based on this exposure, had the Australian dollar weakened by 10%/strengthened by 10% (2014: weakened by 10%/strengthened by 10%) against these foreign currencies with all other variables held constant, the consolidated entity's profit before tax for the year would have been $49,459,000 lower/higher (2014: $40,160,000 lower/higher) and equity would have been $49,459,000 lower/higher (2014: $40,160,000 lower/higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 3 months each year and the spot rate at each reporting date. The actual net foreign exchange loss for the year ended 31 March 2015 was $86,070,000 (2014: net loss of $46,443,000).

Price risk
The consolidated entity is exposed to coal price risk. The consolidated entity has not entered into any hedging contracts and the policy is to sell coal at agreed prices under the Offtake agreement. The consolidated entity's revenues and profits are exposed to fluctuation in the price of coal. If the average selling price of coal increases/decreased by 5% (2014: increase/decrease by 5%) with all other factors remaining the same, the revenue and profit would increase/decrease by $490,000 (2014: increase/decrease by $3,440,000).

Interest rate risk
The consolidated entity's main interest rate risk arises from long-term borrowings.

As at the reporting date, the consolidated entity had the following variable rate borrowings outstanding:

	2015		2014	
Consolidated	**Weighted average interest rate %**	**Balance $'000**	**Weighted average interest rate %**	**Balance $'000**
Bank loans and working facilities	5.21%	587,824	5.10%	464,689
Net exposure to cash flow interest rate risk		587,824		464,689

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

Note 30. Financial instruments (continued)

For the consolidated entity the bank loans and working capital facility outstanding, totalling $587,824,000 (2014: $455,857,000), are principal. Monthly cash outlays of approximately $2,320,000 (2014: $1,790,000) per month are required to service the interest payments. An official increase/decrease in interest rates of 1% basis points would have an adverse/favourable effect on profit before tax of $5,878,000 (2014: $4,559,000) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts. In addition, minimum principal repayments of $115,541,000 (US$88,460,000) are due during the year ending 31 March 2016.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements
Unused borrowing facilities at the reporting date:

	Consolidated	
	2015 $'000	**2014 $'000**
Bank loans	-	20,387
Working capital facility	-	10
JSPML cash advanced facility	18,538	54,224
Bank guarantee facility	8,058	-
	26,596	74,621

Note 30. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2015	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-%	26,729	-	-	-	26,729
Other payables	-%	17,611	-	-	-	17,611
Interest-bearing - variable						
Bank loans	5.24%	520,352	-	-	-	520,352
Working capital facility	5.10%	67,472	-	-	-	67,472
Interest-bearing - fixed rate						
Convertible bonds	6.43%	2,000	-	-	8,000	10,000
Total non-derivatives		634,164	-	-	8,000	642,164

Consolidated - 2014	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-%	54,566	-	-	-	54,566
Other payables	-%	9,249	-	-	-	9,249
Interest-bearing - variable						
Bank loans	5.10%	49,293	105,941	268,601	-	423,835
Working capital facility	5.10%	14,438	7,496	59,141	-	81,075
Interest-bearing - fixed rate						
Convertible bonds	6.43%	-	-	9,600	16,400	26,000
Total non-derivatives		127,546	113,437	337,342	16,400	594,725
Derivatives						
Interest rate swaps net settled	-%	118	-	-	-	118
Total derivatives		118	-	-	-	118

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value due to their current nature. The fair value of convertible bonds at 31 March 2015 is approximately $18.9m based on current interest rates.

Note 31. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2015	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Available-for-sale financial assets: Listed equity securities	450	-	-	450
Available-for-sale financial assets: Unlisted equity securities	-	-	120	120
Total assets	450	-	120	570

Consolidated - 2014	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Available-for-sale financial assets: Listed equity securities	2,250	-	-	2,250
Available-for-sale financial assets: Unlisted equity securities	-	-	120	120
Total assets	2,250	-	120	2,370
Liabilities				
Interest rate swap derivative	-	118	-	118
Total liabilities	-	118	-	118

There were no transfers between levels during the financial year.

The fair value of derivative financial instruments is derived using valuation techniques based on observable market inputs, such as interest rates, at the end of the reporting period. The amounts disclosed in the statement of financial position are the fair values and are classified under level 2 in the fair value measurements hierarchy.

The fair value of the consolidated entity’s investment in unlisted shares is classified under level 3 in the fair value measurement hierarchy. The consolidated entity’s holding in unlisted shares is minor and any reasonably possible change in assumptions would not have a material impact on the consolidated entity’s financial statements.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

During the year, the consolidated entity held equity shares as available for sale financial instruments classified as level 3 within the fair value hierarchy. There was no movement in the balances during the current and previous financial years.

Note 32. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2015	**2014**
	$	**$**
Short-term employee benefits	1,195,695	1,584,693
Post-employment benefits	111,933	129,260
Long-term benefits	21,327	22,879
Share-based payments	22,966	134,084
	1,351,921	1,870,916

Note 33. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Ernst & Young, the auditor of the company:

	Consolidated	
	2015	**2014**
	$	**$**
Audit services - Ernst & Young (2014: Grant Thornton Audit Pty Ltd)		
Audit or review of the financial statements	215,700	421,500
Other services - Ernst & Young (2014: Grant Thornton Audit Pty Ltd)		
Taxation services	22,000	96,280
	237,700	517,780

Note 34. Contingent liabilities

The consolidated entity has given the following guarantees, as at 31 March 2015:

Parent entity
Bank guarantee of $5,657,000 provided to the Department of primary Industries for Russell Vale Colliery; and
Bank guarantee of $391,000 provided to Commonwealth Bank of Australia for Port Kembla Coal Terminal.

Wongawilli Coal Pty Ltd
Bank Guarantee of $40,010,000 provided to the Department of Primary Industries for Wongawilli Colliery; and
Bank Guarantee of $1,924,000 provided to NSW Department of Trade and Investment, Minerals for rehabilitation of Russell Vale Colliery.

The statement of claim filed by Gujarat NRE Coke Limited, which is part of Gujarat Group, the consolidated entity's previous largest shareholder, for the amount of approximately US$86.03 million and AUD$18.83 million as claim for damages relating to unpaid guarantee commission debit notes and coal quality debit notes was struck out. However, the consolidated entity has received another claim for US$39.74 million and AUD$18.83 million. The consolidated entity is intending to rigorously defend the claim.

The consolidated entity is also defending an indemnity/restitution claim based on implied terms for approximately AUD$12 million for damages and AUD$12 million for indemnity from Gujarat NRE India Pty Ltd (GNIPL). These claims include AUD$6.57 million relating to alleged unpaid loan for which GNIPL issued a statuary demand, which got set aside.

Note 34. Contingent liabilities (continued)

The company has received statutory demands from Cougar Stratajacks Pty Ltd for an alleged debt of $264,400 and Cougar Mining Group Pty Ltd for an alleged debt of $313,554. Wongawilli Coal Pty Ltd has received statutory demand from Cougar Mining Group Pty Ltd for an alleged debt of $187,201. These demands were disputed by the Company and Wongawilli Coal and applications made in Court to set them aside.

Note 35. Commitments

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Capital expenditure commitment		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	3,371	7,823
One to five years	1,340	10,259
	4,711	18,082

The capital expenditure commitments are contracted for longwall and other equipment for mine development and production.

Note 36. Related party transactions

Parent entity
Wollongong Coal Limited is the parent entity in Australia. The immediate parent entity is Jindal Steel & Power (Mauritius) Limited ('JSPML'), a company registered in Mauritius. The ultimate parent entity is Jindal Steel & Power Limited ('JSPL'), a company registered in India.

Subsidiaries
Interests in subsidiaries are set out in note 38.

Key management personnel
Disclosures relating to key management personnel are set out in note 32 and the remuneration report in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2015	**2014**
	$	**$**
Sale of goods and services:		
Export sales to ultimate parent entity Jindal Steel & Power Limited ('JSPL')	4,890,224	20,912,761

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2015	**2014**
	$	**$**
Current payables:		
Net payables to parent entity JSPML*	58,004,975	2,536,771

Note 36. Related party transactions (continued)

*The net payables to the parent JSPML represents funds received of $56,462,149 against cash advance facility and accrued Interest of $1,542,826 thereon as at 31st March 2015.

Loans to/from related parties
Related party loans are included in the net receivables/payable above.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 37. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2015 $'000	Parent 2014 $'000
Loss after income tax	(201,016)	(124,027)
Total comprehensive income	(201,016)	(124,027)

Statement of financial position

	Parent 2015 $'000	Parent 2014 $'000
Total current assets	93,616	119,016
Total assets	833,201	804,566
Total current liabilities	643,305	524,547
Total liabilities	669,869	544,981
Equity		
Issued capital	899,080	793,984
Share-based payments reserve	18,291	18,623
Accumulated losses	(754,039)	(553,022)
Total equity	163,332	259,585

Contingent liabilities
Refer to note 34 for details of parent entity contingent liabilities and guarantees.

Capital commitments - Property, plant and equipment
The parent entity had capital commitments for property, plant and equipment at the reporting date as follows:

	Parent 2015 $'000	Parent 2014 $'000
Committed at the reporting date but not recognised as liabilities, payable:		
Longwall and other equipment for mine development and production	4,670	7,358

Note 37. Parent entity information (continued)

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 3, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 38. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 3:

		Ownership interest	
	Principal place of business /	**2015**	**2014**
Name	**Country of incorporation**	**%**	**%**
Oceanic Coal Resources NL	Australia	100.00%	100.00%
Wongawilli Coal Pty. Ltd	Australia	100.00%	100.00%
Southbulli Holdings Pty Ltd	Australia	100.00%	100.00%
Enviro Waste Gas Services Pty Ltd*	Australia	100.00%	-%

* On 10 November 2014, Enviro Waste Gas Services Pty Ltd was incorporated as a wholly owned subsidiary of Wollongong Coal Limited.

Note 39. Events after the reporting period

Approvals for Longwall operations
The consolidated entity has completed extracting around 218,000 tonnes coal from 365 meters of longwall-6 block at Russell Vale Colliery, which was approved by the Departments. However, approval for remaining portion of longwall 6 and other longwall blocks 7, 9, 10 and 11 (around 4.7 million tonnes) remains under consideration.

US $630 million foreign currency term loan
The consolidated entity with the support of JSPML is currently working with its existing consortium of banks (Lenders) to obtain a Foreign Currency Term Loan of US $630 million to replace the current debt and part finance capital expenditures.

Appointments and resignations of Key Management Personnel
On 8 May 2015, Mr Jasbir Singh, nominee of Jindal Steel & Power (Mauritius) Limited (JSPML), resigned from his position of Executive Chairman and Chief Executive Officer, but remained on the board as a Non-Executive Director. On 22 May 2015, Mr Singh further resigned as Non-Executive Director.

Mr Azad Bhura was appointed as a Non-Executive Director on 22 May 2015 and Mr Ashish Kumar was appointed as a Non-Executive Director and Chairman of the board of directors on 16 June 2015. Both Mr Bhura and Mr Kumar are nominees of JSPML.

Chief Operating Officer Mr David Stone resigned and finished his employment with the consolidated entity on 9 June 2015.

Chief Financial Controller Mr Richard Hutton finished his employment with the consolidated entity on 3 July 2015.

Mr Milind Oza has been appointed as the Chief Executive Officer effective from 31 July 2015.

Workforce Redundancies & Restructuring
While the consolidated entity continues to phase through difficult market conditions, continuous delay in obtaining approvals have forced the consolidated entity to reduce its cost further. Consequently, a further 79 employees were made redundant in the month of May and June 2015 The consolidated entity remains in negotiation with remaining workforce to explore options of job-sharing and leave-taking to avoid further redundancies or putting the Russell Vale colliery under care-maintenance while it waits for approval.

Note 39. Events after the reporting period (continued)

Settlement of convertible bonds
The consolidated entity was issued with a statutory demand from Bellpac Pty Limited (Receivers & Managers appointed) (in Liquidation) for an alleged debt over an early redemption of convertible bonds with face value of $2 million plus $0.98 million interest accrued. The matter has now been settled and payment plan agreed upon to pay the settlement amount.

Statutory demands
The consolidated entity and its wholly owned subsidiary were both issued with statutory demands from the NSW Department of Trade and Investment for a total debt of approximately $3.46 million. These demands were issued due to breach of payment plan agreed. However, the consolidated entity has subsequently reached an agreement with addendum deed being prepared and finalised.

Claims
Proceedings have been commenced against the Company by Mr Singh, former Chairman and Director, in relation to his remuneration entitlement.

No other matter or circumstance has arisen since 31 March 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 40. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2015 $'000	2014 $'000
Loss after income tax expense for the year	(199,216)	(169,379)
Adjustments for:		
Depreciation and amortisation	21,395	62,261
Impairment of non-current assets	48,173	5,881
Net loss on disposal of property, plant and equipment	-	434
Share-based payments	(333)	843
Finance costs - non cash	15,559	8,831
Foreign exchange differences unrealised	80,085	(46,443)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	8,527	(25,373)
Decrease in inventories	461	8,176
Increase/(decrease) in trade and other payables	(42,654)	54,915
Decrease in derivative liabilities	(118)	-
Increase/(decrease) in other provisions	8,365	(1,107)
Net cash used in operating activities	(59,756)	(100,961)

Note 41. Earnings per share

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Loss after income tax attributable to the owners of Wollongong Coal Limited	(199,216)	(169,379)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	4,896,724,732	1,936,464,527
Weighted average number of ordinary shares used in calculating diluted earnings per share	4,896,724,732	1,936,464,527
	Cents	**Cents**
Basic earnings per share	(4.07)	(8.75)
Diluted earnings per share	(4.07)	(8.75)

12,171,000 (2014: 19,935,000) outstanding options were omitted from the above calculations, as they were anti-dilutive.

Note 42. Share-based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Share-base payments (options issued to employees and directors expensed and included in the administrative cost in profit or loss during the year was an expense reversal of $333,000 (2014: expense of $843,000). This arose due to the forfeiture of options by terminated employee.

Note 42. Share-based payments (continued)

Set out below are summaries of options granted under the plan:

2015

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/06/2007	31/12/2015	$0.50	400,000	-	-	(200,000)	200,000
29/06/2007	31/12/2017	$0.50	400,000	-	-	(200,000)	200,000
29/06/2007	31/12/2018	$0.50	400,000	-	-	(200,000)	200,000
29/06/2007	31/12/2019	$0.50	400,000	-	-	(200,000)	200,000
29/06/2007	31/12/2020	$0.50	400,000	-	-	(200,000)	200,000
04/09/2008	31/12/2016	$1.60	2,500,000	-	-	(1,500,000)	1,000,000
05/02/2009	31/12/2016	$0.50	800,000	-	-	(200,000)	600,000
05/02/2009	31/12/2017	$0.50	800,000	-	-	(200,000)	600,000
05/02/2009	31/12/2018	$0.50	800,000	-	-	(200,000)	600,000
05/02/2009	31/12/2019	$0.50	800,000	-	-	(200,000)	600,000
05/02/2009	31/12/2020	$0.50	800,000	-	-	(200,000)	600,000
29/08/2009	31/12/2015	$0.60	2,500,000	-	-	(1,500,000)	1,000,000
19/01/2010	30/04/2015	$0.65	585,000	-	-	(585,000)	-
19/01/2010	30/04/2015	$0.65	585,000	-	-	(264,000)	321,000
19/01/2010	31/12/2016	$0.65	380,000	-	-	(60,000)	320,000
19/01/2010	31/12/2017	$0.65	380,000	-	-	(60,000)	320,000
19/01/2010	31/12/2018	$0.65	380,000	-	-	(60,000)	320,000
19/01/2010	31/12/2019	$0.65	380,000	-	-	(60,000)	320,000
19/01/2010	31/12/2020	$0.00	380,000	-	-	(60,000)	320,000
30/07/2010	31/03/2016	$1.00	2,500,000	-	-	(1,500,000)	1,000,000
29/12/2010	31/12/2016	$0.65	790,000	-	-	(140,000)	650,000
29/12/2010	31/12/2017	$0.65	790,000	-	-	(140,000)	650,000
29/12/2010	31/12/2018	$0.65	790,000	-	-	(140,000)	650,000
29/12/2010	31/12/2019	$0.65	790,000	-	-	(140,000)	650,000
29/12/2010	31/12/2020	$0.65	790,000	-	-	(140,000)	650,000
			20,520,000	-	-	(8,349,000)	12,171,000
Weighted average exercise price			$0.76	$0.00	$0.00	$0.84	$0.70

Notes:

• Volume weighted average remaining contractual life of employees options is 2.50 (2014: 3.98) years
• The above employees' options were granted to permanent employees of the company
• Each option exercised will be converted into one fully paid ordinary share of the company
• The options were granted to employees at no consideration
• The employee needs to remain in continuous employment (up to vesting date) with the company in order to vest the options

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2015 Number	2014 Number
04/09/2008	31/12/2016	1,000,000	2,500,000
29/08/2009	31/12/2015	1,000,000	2,500,000
30/07/2010	31/03/2016	1,000,000	-
		3,000,000	5,000,000

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 3 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 March 2015 and of its performance for the financial year ended on that date; and

- having regard to the matters described in note 2 to the financial statements, 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 has been made after receiving the declarations required by section 295A of the Corporations Act 2001 for the financial year ended on 31 March 2015.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Maurice Anghie
Director

31 August 2015
Perth, WA

680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's report to the members of Wollongong Coal Limited

Report on the financial report

We have audited the accompanying financial report of Wollongong Coal Limited, which comprises the consolidated statement of financial position as at 31 March 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated 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 of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements,* that the financial statements comply with *International Financial Reporting Standards.*

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 judgment, 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 controls relevant to the entity'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 the entity's internal controls. 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 have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Auditor's Opinion

In our opinion:

a. the financial report of Wollongong Coal Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 March 2015 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 3.

Emphasis of matter regarding going concern

Without qualifying our opinion, we draw attention to Note 2 in the financial report which describes the principal conditions that raise doubt about the entity's ability to continue as a going concern. As a result of these matters there is significant uncertainty whether the company will continue as a going concern 12 months from the date of the report, 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 should the company not continue as a going concern.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 31 March 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Wollongong Coal Limited for the year ended 31 March 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Trent van Veen
Partner
Sydney
31 August 2015

The shareholder information set out below was applicable as at 28 August 2015.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of options over ordinary shares
1 to 1,000	204	-
1,001 to 5,000	444	-
5,001 to 10,000	294	-
10,001 to 100,000	547	3
100,001 and over	128	16
	1,617	19
Holding less than a marketable parcel	1,210	-

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
JINDAL STEEL & POWER (MAURITIUS) LIMITED	5,656,244,574	82.04
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED (EUROCLEAR BANK SA NV A/C)	700,836,506	10.16
J P MORGAN NOMINEES AUSTRALIA LIMITED	198,510,971	2.88
GUJARAT NRE INDIA PTY LTD	70,000,000	1.02
MR ANDREW CUMMINS & MR A RESNICK RECEIVERS APTDOVER GUJARAT NRE COKE LTD	47,874,553	0.69
INVIA CUSTODIAN PTY LIMITED (BLACK A/C)	40,659,828	0.59
BENGAL COAL PTY LTD	33,426,588	0.48
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,520,041	0.38
GUJARAT NRE INDIA PTY LTD	20,000,000	0.29
SLICK SOLUTIONS PTY LTD (SLICK SUPER FUND A/C)	9,000,000	0.13
HAPPY MINING PTY LIMITED	7,500,000	0.11
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD (CUSTODIAN A/C)	6,834,098	0.10
GIRDHARILAL JAGATRAMKA & TANVEE JAGATRAMKA & KAVITA JAGATRAMKA	5,206,000	0.08
MS TANVEE JAGATRAMKA	5,195,566	0.08
CITICORP NOMINEES PTY LIMITED	3,245,794	0.05
MRS MONA JAGATRAMKA	3,223,991	0.05
C/- BRI FERRIER (NSW) PTY LTD	2,604,957	0.04
MR ARUN KUMAR JAGATRAMKA & MRS MONA JAGATRAMKA	2,240,001	0.03
MR ARUN JAGATRAMKA & MS KAVITA JAGATRAMKA & MRS MONA JAGATRAMKA	1,568,565	0.02
PERSHING AUSTRALIA NOMINEES PTY LTD (PHILLIP SECURITIES (HK) A/C)	1,499,015	0.02
	6,842,191,048	99.24

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	**% of total shares issued**
JINDAL STEEL & POWER (MAURITIUS) LIMITED	5,656,244,574	82.04

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.