

WELCOME STRANGER MINING LIMITED

ABN 69 007 670 386

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

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DIRECTORS' REPORT

The Directors present their report of Welcome Stranger Mining Limited ("the Company"). The following persons held office as Directors at any time during or since the end of the financial year.

Current directors:

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

Rizwan Alikhan	Director (Non Executive) - appointed 10 July 2015
Qualifications:	B.Science, University of Pittsburgh
Special Responsibilities	Director
Interest in Shares & Options:	Nil
Experience:	Rizwan is the CEO of Avestra Asset Management Ltd, a Queensland based fund manager with a focus on Asian and Australian equities. He was previously a corporate finance director of Montagu Stockbrokers. Rizwan has served on the board of several NASD OTCB companies in Vancouver, Canada.
Directorships held in Other Listed Entities during the last 3 years	Nil

Rehan Alikhan	Director (Non Executive) - appointed 10 July 2015
Qualifications:	
Special Responsibilities	Director
Interest in Shares & Options:	Nil
Experience:	Rehan is the CEO of Renaissance International Marketing Consultants, a Perth based cosmetic surgery business with offices in Sydney, Melbourne, Singapore, Malaysia and Pakistan. Prior to this, Rehan has owned and operated private businesses after a successful career as a professional cricketer.
Directorships held in Other Listed Entities during the last 3 years	Nil

Poay Meng Tan	Director (Non Executive) - appointed 10 July 2015
Qualifications:	LLB Honours University of London (External)
Special Responsibilities	Director
Interest in Shares & Options:	Nil
Experience:	Mr Tan has over 30 years experience in corporate finance, project management, due diligence, legal review and in house legal advice for public company clients in Malaysia, Indonesia, Thailand and China.
Directorships held in Other Listed Entities during the last 3 years	Nil

DIRECTORS' REPORT (continued)

Tony Crimmins	Director (Non Executive) appointed 7 October 2010 and resigned 7 September 2015
Qualifications:	Mr Crimmins has a Master of Chemical Engineering and a Master of Business Administration degree.
Special Responsibilities	Director
Interest in Shares & Options:	944,444 post consolidation (28,333,333 pre consolidation) (0.81% of total share capital) and Nil Options
Experience:	Mr Crimmins is an experienced corporate executive, advisor and company director. He has a background in Chemical and Environmental Engineering. He brings a wealth of experience in management consulting has successfully assisted 12 businesses list onto the Australia Stock Exchange.
Directorships held in Other Listed Entities during the last 3 years	Mr Crimmins is a director of ASX listed company JAT Energy Limited. Mr Crimmins was a director of FTD Corporation Limited now known as Agri-trade Holdings Limited from 31 May 2010 to 18 January 2011 and RKS Consolidated Limited now known as Skyfii Limited from 23 August 2010 to 3 August 2011.

George Sim	Director (Non Executive) - appointed 31 July 2013 and resigned 7 September 2015
Qualifications:	Mr Sim is a Chartered Accountant having qualified in Scotland in 1977.
Special Responsibilities	Director
Interest in Shares & Options:	944,444 post consolidation (28,333,333 pre consolidation) (0.81% of total share capital) and Nil Options
Experience:	Mr Sim has over 10 years' experience working in Corporate Advisory. He has been involved in a number of recapitalizations and has been involved in the listing of 12 companies on ASX.
Directorships held in Other Listed Entities during the last 3 years	Mr Sim has no other Directorships of ASX listed companies nor has he previously held Directorships of ASX listed companies.

Adrian Horbach	Director (Non Executive) - appointed 13 September 2013 and resigned 7 September 2015
Qualifications:	Mr Horbach has a diploma in financial planning and a diploma in technical analysis.
Special Responsibilities	Director
Interest in Shares & Options:	216,666 post consolidation (6,500,000 pre consolidation) (0.19% of total share capital) and Nil Options
Experience:	Mr Horbach has over 20 years' experience working the financial markets having worked for international money broking firms in Australia, Japan, Hong Kong and Singapore. He has significant experience with capital raising, general strategic and corporate advice, having raised funds for over ten ASX listed companies.
Directorships held in Other Listed Entities during the last 3 years	Mr Horbach has no previous directorships of ASX Listed companies.

DIRECTORS' REPORT (continued)

Greg Cornelsen	Director (Non Executive) - appointed 7 October 2010 – resigned 13 September 2013
Qualifications:	Mr Cornelsen has a Bachelor of Economics.
Special Responsibilities	Director
Interest in Shares & Options:	Nil shares and Nil Options
Experience:	Mr Cornelsen has an extensive network within the Australian business community. He has been involved in a number of small business and founded two companies which were sold to an ASX listed company.
Directorships held in Other Listed Entities during the last 3 years	Mr Cornelsen is currently a director of BluGlass Limited. He was a director of Reco Financial Services Limited now known as Land and Mineral Exploration Limited from 20 June 2007 until 16 September 2011, FTD Corporation Limited now known as Agri-trade Holdings Limited from 31 May 2010 to 18 January 2011 and RKS Consolidated Limited now known as Skyfii Limited from 23 August 2010 to 3 August 2011.

Steve Nicols	Chairman (Non Executive) - appointed 7 October 2010 – resigned 31 July 2013
Qualifications:	Mr Nicols has a Bachelor of Commerce and is a Certified Public Accountant (CPA)
Special Responsibilities	Chairman
Interest in Shares & Options:	28,333,334 (28,333,333 pre consolidation) (0.81% of total share capital) and Nil Options
Experience:	Mr Nicols is the principal of Nicols and Brien, a specialised accounting practice with offices in Sydney and Wollongong. He provides advice to businesses for the purposes of reconstruction or profit enhancement. He has recapitalised 7 ASX listed companies.
Directorships held in Other Listed Entities during the last 3 years	Mr Nicols previous directorships of ASX Listed companies include FTD Corporation limited now known as Agri-trade Holdings Limited from 31 May 2010 to 18 January 2011, RKS Consolidated Limited now known as Skyfii Limited from 23 August 2010 to 19 July 2011 and GRP Corporation Limited from 4 November 2010 to 7 July 2011.

Company Secretary

Mr Graeme Hogan is Company Secretary. He was appointed on 13 September 2013.

Ms Eryn Kestel was appointed Company Secretary on 7 October 2010 until her resignation on 13 September 2013.

DIRECTORS' REPORT (continued)

Directors Meetings

The current directors of the Company did not hold any formal Board meetings during the year. They were in regular contact to discuss the Company's affairs. Discussions included the MOA's entered into by the Company and the effect of these on minority shareholders. The directors passed a number of resolutions by circular resolution as permitted by the Constitution of the Company. .

Principal activity

The principal activity of the Company is to seek business opportunities in the exploration and development of gold and other precious metals tenements as well as seeking other investments that will add shareholder value.

Consolidated Results

For the year ended 30 June 2014, the net result of the Company after applicable income tax for was a loss of \$69,208 (30 June 2013: loss of \$24,667).

Review of operations

On 21 September 2012 Welcome Stranger Mining Limited announced it had entered into two Memoranda of Agreement (MOAs):

- MOA1 - between Welcome Stranger Mining Limited, NiHAO Mineral Resources International Inc (NiHAO) and Capital Gold Pty Limited (Capital Gold); and
- MOA2 - between Welcome Stranger Mining Limited, Dizon Copper-Silver Mines Inc (Dizon) and Capital Gold.

On 27 May 2015, the Company called a General Meeting of shareholders for 29th June 2015 to consider the following resolutions:-

- Consolidate the existing ordinary shares on a 1 new share for every 30 existing shares held;
- Issue 30 million fully paid ordinary shares to Syed Akbar Alikhan;
- Issue 20 million fully paid ordinary shares to MTAC Enterprises Pty Ltd;
- Issue 60 million fully paid ordinary shares to Good Triumph International Ltd; and
- Elect Rizwan Alikhan, Rehan Alkhan and Poay Meng Tan as directors of the Company.

The meeting of the 29th June 2015 was deferred and held on 10th July 2015. All the above resolutions were passed and the Company has received \$550,000 to pay existing creditors and consider new investments. As a result of the consolidation the existing shares of the Company has on issue 6,079,370 shares prior to the allotment of 110 million shares on 7th August 2015. Rizwan Alikhan, Rehan Alikhan and Poay Meng Tan were appointed directors of the Company on 10th July 2015.

Also, as the above resolutions were passed the Company will not proceed with the previously announced transactions with NiHAO Mineral Resources International Inc (NiHAO) and Capital Gold Pty Limited (Capital Gold); and Dizon Copper-Silver Mines Inc (Dizon) and Capital Gold.

Dividends

No dividends were declared for the year ended 30 June 2014 (30 June 2013:\$ NIL).

Likely developments

For the likely developments in the operations of the economic entity refer to the review of operations.

Significant Changes in the State of Affairs

The following significant changes in the state of affairs materially impacted on the Company's operations.

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DIRECTORS' REPORT (continued)

Events Subsequent to Balance Date

No matters other than those listed below have arisen since June 30 2014 that have significantly affected or may significantly affect:-

- The Company's operations in future financial years;
- The results of those operations in future financial years; or
- The Company's state of affairs in future financial years.

On 13 November 2014 the Company entered into a \$57,990 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 18 November 2014, the Company entered into an \$83,475 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve the conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 30 January 2015, the Company entered into a \$20,000 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve the conversion of the loan into shares at an issue price of A\$0.005 cents per share.

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- Consolidate the existing ordinary shares on a 1 new share for every 30 existing shares held;
- Issue 30 million fully paid ordinary shares to Syed Akbar Alikhan;
- Issue 20 million fully paid ordinary shares to MTAC Enterprises Pty Ltd;
- Issue 60 million fully paid ordinary shares to Good Triumph International Ltd; and
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On 7 September 2015 Tony Crimmins, George Sim and Adrian Horbach resigned as directors.

On 11 September 2015 the Company announced the acquisition of the Ye Eun Memorial Park through the issue of 835 million ordinary fully paid shares each issued at an issue price of \$0.20 cents. The Company must also issue 160 million ordinary fully paid shares to Hermes Capital Limited and HBO International Global Limited, the advisers to Ye Eun in relation to the acquisition. Completion of the acquisition is conditional upon the satisfaction of the following conditions precedent:-

- The Company obtaining all necessary shareholder approvals required by the Corporations act and the ASX Listing Rules in relation to the acquisition;
- The parties obtaining any necessary regulatory approvals on terms acceptable to the parties as are required to give effect to the acquisition, including re-compliance with chapters 1 and 2 of the ASX Listing Rules on terms required by the ASX; and
- The Company completing a capital raising of not less than \$5 million and not more than \$10 million at a price per share of \$0.20.

The Company also announced that it had raised \$550,000 from the issue of 110 million Convertible Notes. The terms of the Notes are as follows:-

- The Notes will subject to shareholder approval, convert into 110 million fully paid ordinary shares on completion of the Ye Eun transaction;
- On conversion the Noteholders will be issued with Options to subscribe for up to 220 million shares in the Company at an issue price of 10 cents per share on or before the 4th anniversary of the conversion date; and
- If not approved at a General Meeting of shareholders, the Notes must be repaid on 1 March 2016.

The funds raised will be used for working capital requirements including the cost of preparation of the proposed Notice of Meeting, the preparation of the proposed prospectus (including travel expenses and professional fees) and ASX listing fees payable on submission of the Company's application for relisting. The Notes were issued on 25 September 2015.

On 30th September 2015 the Company announced that a General Meeting of Shareholders of Welcome Stranger Mining Limited will be held on 3 November 2015 to consider the following resolutions:-

- The issue of up to 50,000,000 Shares at an issue price of 20 cents to raise \$10 million.
- To change the name of the Company to Riddock International Limited
- To acquire all of the issued shares in Ye Eun Property Development Limited and the proposed significant change in the nature and scale of the Company's activities is approved
- To issue up to 835,000,000 Shares to the Vendors
- To issue 160,000,000 Shares to Hermes Capital Limited and HBO International Global Limited
- To issue 110,000,000 Shares to the Noteholders
- To issue of 220,000,000 Options to the HBO International Global Limited

DIRECTORS' REPORT (continued)

Insurance of Directors and officers

The Company no longer holds an insurance policy to insure the Directors and officers of the Company and its controlled entities against all liabilities to other persons that may arise from their position.

Options

There were no options outstanding at the date of this report.

There were no options granted which expired during or since the end of the financial year.

Remuneration Report

This Report details the nature and amount of remuneration for each director of Welcome Stranger Mining Limited and for the executive receiving the highest remuneration.

Non executive Directors

No remuneration has been paid to the non-executive directors.

Executive Directors and executives

The Company has no Executive Directors at this time.

Share options

The Company has established a Directors, Executives and staff share option plan under which share options can be issued in lieu of payment for services or as rewards for performance.

During the year, no share options have been issued to any directors, executives or staff.

Key Management Remuneration

Current Directors

The following currently hold office as Director of the Company.

Rizwan Alikhan	Director (Non Executive) – appointed 10 July 2015;
Rehan Alikhan	Director (Non Executive) – appointed 10 July 2015;
Poay Meng Tan	Director (Non Executive) – appointed 10 July 2015.

The current Directors and key management personnel detailed above did not receive any remuneration in respect of their duties in relation to Welcome Stranger Mining Limited.

Previous Directors

The following persons held office as Director for some time during the financial year:

Tony Crimmins	Director (Non Executive) – resigned 7 September 2015
George Sim	Director (Non Executive) – appointed 31 July 2013 – resigned 7 September 2015;
Adrian Horbach	Director (Non Executive) – appointed 13 September 2013 – resigned 7 September 2015;

Greg Cornelsen Director (Non Executive) – appointed 7 October 2010 – resigned 13 September 2013;

Steve Nicols Director (Non Executive) – appointed 7 October 2010 – resigned 31 July 2013;

In relation to the above previous Directors, there was no remuneration paid to each key management personnel of Welcome Stranger Mining Limited during the financial year.

End of remuneration report.

Environmental regulations

The Company's operations are not subject to environmental regulations under either Commonwealth or State legislation.

Proceedings on Behalf of the Company

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

The Company was not a party to any such proceedings during the year.

DIRECTORS' REPORT (continued)

Non-Audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditors; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Details of any fees for non-audit services paid or payable to the previous external auditors during the year ended 30 June 2014 are not available.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on page 8 of this Annual Report.

Signed this 30th day of September 2015 in accordance with a resolution of the Directors.



Mr Rizwan Alikhan (Director)

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF WELCOME STRANGER MINING LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2014 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



Walker Wayland NSW
Chartered Accountants



Grant Allsopp
Partner

Dated this 30th day of September 2015, Sydney

WELCOME STRANGER MINING LIMITED ANNUAL REPORT 2014

STATEMENT OF PROFIT OR LOSS AND OF THE COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

		2014	2013
	Note	\$	\$
Revenue	2	44,387	116,000
Bank Charges		(314)	(152)
ASX & Share Registry Fees		(30,201)	(19,904)
Property Rent		(5,000)	-
Audit Fees		(9,000)	-
Legal fees		(8,500)	-
Professional Fees		(48,380)	(106,897)
Other expenses		(12,020)	(13,714)
		<hr/>	<hr/>
Loss before income tax		(69,028)	(24,667)
		<hr/>	<hr/>
Income tax expense	5	-	-
		<hr/>	<hr/>
Loss for the year		(69,028)	(24,667)
		<hr/>	<hr/>
Other Comprehensive Income			
Other Comprehensive Income, net of tax		-	-
Total Comprehensive Loss		(69,028)	(24,667)
		<hr/>	<hr/>
Basic earnings per share from operations		(0.0)	(0.0)
Diluted earnings per share from operations		(0.0)	(0.0)

The above statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements.

WELCOME STRANGER MINING LIMITED ANNUAL REPORT 2014

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

		2014	2013
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		274	38,037
Trade and other receivables	6	13,701	-
TOTAL CURRENT ASSETS		13,975	38,037
NON-CURRENT ASSETS			
TOTAL NON-CURRENT ASSETS	7	-	-
TOTAL ASSETS		13,975	38,037
CURRENT LIABILITIES			
Trade and other payables	8	81,145	75,315
Loans from Associates	9	74,136	35,000
TOTAL CURRENT LIABILITIES		155,281	110,315
TOTAL LIABILITIES		155,281	110,315
NET DEFICIENCY IN ASSETS		(141,306)	(72,278)
EQUITY			
Contributed equity	10	24,631,777	24,631,777
Accumulated losses		(24,773,083)	(24,704,055)
TOTAL EQUITY		(141,306)	(72,278)

The above statement financial position should be read in conjunction with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	CONTRIBUTED EQUITY	ACCUMULATED LOSSES	TOTAL
	\$	\$	\$
Balance at 1 July 2012	24,631,777	(24,679,388)	(47,611)
Profit for the period	-	(24,667)	(24,667)
Total Comprehensive Income	-	(24,667)	(24,667)
Balance at 30 June 2013	24,631,777	(24,704,055)	(72,278)
Balance at 1 July 2013	24,631,777	(24,704,055)	(72,278)
Profit for the period	-	(69,028)	(69,028)
Total Comprehensive Income	-	(69,028)	(69,028)
Balance at 30 June 2014	24,631,777	(24,773,083)	(141,306)

The above statement of changes in equity is to be read in conjunction with the notes to the financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

		2014	2013
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from royalties (inclusive of GST)		41,579	-
Payments to suppliers and employees (inclusive of GST)		(121,286)	(63,102)
Other Income (inc GST Refunds)		2,808	-
Net cash (used in) operating activities	13(b)	(76,899)	(63,102)
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of Tenement		-	66,000
Net cash provided by investing activities		-	66,000
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings received		39,136	35,000
Net cash provided by financing activities		39,136	35,000
CASH			
Net increase in cash held		(37,763)	37,898
Cash at beginning of financial year		38,037	139
Cash at end of financial year	13(a)	274	38,037

The above statement of cash flow is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

This financial report covers Welcome Stranger Mining Limited ('the company') as an individual entity incorporated and domiciled in Australia. The financial statements are authorised for issue on 30 September 2015 by the Directors of the Company.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Going concern

The financial statements have been prepared on a going-concern basis notwithstanding that the Company incurred an operating loss after income tax of \$ 69,208 as at 30 June 2014 (30 June 2013 loss of \$24,667). The financial statements have an excess of assets over liabilities which at 30 June 2014 was \$141,306 (30 June 2013 \$72,278).

The Company is currently in the final process of recapitalising its operations. Accordingly, the Directors are of the opinion that the Company will be able to meet its current trade and other payables, as well as repay its debts as and when they fall due. Therefore, the Directors are of the opinion that the financial statements be prepared on a going-concern basis.

The stated purpose of the Company on exit from liquidation was to recapitalise and to seek opportunities to enable the reinstatement of its securities to official quotation on the ASX. The Company intends to seek other business and investment that will add shareholder value.

In the event that the Company is unable to realise its object of obtaining profitable opportunities or complete any further capital raisings it will be required to realise its assets and extinguish its liabilities in a manner other than in the normal course of business such as voluntarily administration. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

b) Income Tax

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Significant accounting judgment, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Cash flow interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the cash and discounting of future mining receivables.

Credit risk

The Group trades only with recognised, credit worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to bad debts is not significant.

Liquidity risk

The Groups objective is to maintain a balance between continuity of funding and flexibility through the use of finance leases wherever possible.

d) Segment reporting

A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand. For the purposes of the Cash Flow Statement, cash and cash equivalents consists of cash and cash equivalents as defined above, net of outstanding bank overdrafts, if any.

f) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the group will not be able to collect the debt.

Investments and other financial assets

Financial assets are recognised at fair value, plus directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and when allowed and appropriate, re-evaluates this designation at each financial year-end.

g) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subject to impairment testing at least annually.

Parent investment subsidiaries

Investments in subsidiaries are carried at cost in the Balance Sheet of the parent entity.

h) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Information technology equipment – over 3 to 4 years

Furniture & Fittings – over 5 to 6 years

Leasehold improvements – over 5 to 6 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) Finance leases

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

(ii) Operating leases

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

j) Impairment of non-financial assets

Assets are tested 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 to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstance indicate that the impairment may have reversed.

k) Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

l) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

Provisions and employee benefits

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

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee leave benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the report date are recognised in respect of employee's service up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departure, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Superannuation plans

The company and a controlled entity contribute to several complying superannuation plans. Contributions owing are recognised against income when payable.

m) Contributed equity

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

n) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sales of services

Sales revenue is recognised where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. For accrued consulting and project implementation revenues, stage of completion is measured by reference to the labour incurred to date as a percentage of total estimated labour for each contract. When the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred. Sales revenues received in advance of services supplied are recognised over the period underlying the revenue, which is typically twelve months. Revenue that is receivable or has been received but has not been recognised at balance date is disclosed as unearned income in current liabilities.

(ii) Interest income

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.

o) Other taxes

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivable and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

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

p) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

q) Earnings per share (EPS)

Basic EPS is calculated as net profit attributable to members divided by the weighted average number of ordinary shares.

Diluted EPS is calculated as net profit attributable to members, adjusted for non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

r) Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s) Critical Accounting Estimates and Judgments

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

Key Estimates — Impairment

At each reporting date, the group reviews the carrying value of tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amounts of the asset, being the higher of the asset's fair value costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

t) New Accounting Standards for Application in Future Periods

- The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. A discussion of those future requirements and their impact on the Group follows:

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

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

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

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

- AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the Group's financial statements.

- Interpretation 21: Levies (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognized, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact to Group's financial statements.

- AASB 2013-3: Amendments to AASB 136-Recoverable Amount Disclosure for Non-Financial Assets (applicable for annual reporting periods commencing on or after 1 January 2014).

This standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the Group's financial statements.

- AASB 2013-4: Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting (applicable for annual reporting periods commencing on or after 1 January 2014)

- AASB 2013-4 makes amendments to AASB 139: Financial instruments: Recognition and Measurement to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This standard is not expected to significantly impact the Group's financial statements.

- AASB 2013-5: Amendments to Australian Accounting Standards – Investment Entities (applicable for annual reporting periods commencing on or after 1 January 2014)

- AASB 2013-5 amends AASB 10: Consolidated Financial Statements to define an 'investment entity' and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As neither the parent nor its subsidiaries meet the definition of an investment entity, this Standard is not expected to significantly impact the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

t) New Accounting Standards for Application in Future Periods (continued)

AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

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 the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 2: REVENUE		
Revenue from Sale of Tenements	-	116,000
Revenue for Mining Royalties	41,579	-
Other Income	2,808	-
Total Revenue	<u>44,387</u>	<u>116,000</u>

NOTE 3: DIVIDENDS

No dividend (2013: \$NIL) was declared in respect of the year ending 30 June 2014.

NOTE 4: AUDITORS' REMUNERATION

Amounts receivable or due and receivable by the auditors from the Company for:

Auditing the financial statements	12,000	48,000
Taxation and other services	-	-
Total remuneration of the auditor of the parent entity:	<u>12,000</u>	<u>48,000</u>

NOTE 5: INCOME TAX**(a) Income tax expense**

The major components of income tax expense are:

Income Statement*Current income tax*

Current Income tax expense	-	-
Income tax benefit reported in the income statement	-	-

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

Total accounting loss before income tax	(69,028)	(24,667)
At the groups statutory income tax rate of 30% (2008: 30%)	(20,708)	(7,400)
Losses not brought to account	20,708	7,400
Income tax (benefit) expense attributable to ordinary activities	<u>-</u>	<u>-</u>

(d) Tax losses

Gross unused losses for which no deferred tax asset has been recognised	10,953,740	10,933,032
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The Potential future income tax benefit will only be obtained if:

- a. The company must pass in the first instance the continuity of ownership test or failing that pass the continuity of business test.
- b. Should the company pass this criteria, then the losses will be recouped subject to the following:
 - i. Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
 - ii. The relevant Company and/or the Group continues to comply with the conditions for deductibility imposed by the law; and
 - iii. No changes in tax legislation adversely affect the relevant Company and/or the Group in realising the benefit.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6: TRADE AND OTHER RECEIVABLES

	2014	2013
	\$	\$
Other debtors (GST Refunds)	13,701	-
	<u>13,701</u>	<u>-</u>

NOTE 7: OTHER FINANCIAL ASSETS

Investment in Capital Gold Pty Ltd	175,000	175,000
Investment in controlled entities - Impairment	(175,000)	(175,000)
	<u>-</u>	<u>-</u>

NOTE 8: TRADE AND OTHER PAYABLES

Current		
Other creditors and accruals	81,145	75,315
	<u>81,145</u>	<u>75,315</u>

NOTE 9: BORROWINGS

Loans from related parties	74,136	35,000
	<u>74,136</u>	<u>35,000</u>

NOTE 10: CONTRIBUTED EQUITY

	2014	2013
	No.	No.
a. No. of shares capital issued		
No. of issued ordinary shares at beginning of period	182,409,044	182,409,044
No. of issued and paid up shares at reporting date	182,409,044	182,409,044
	\$	\$
b. Value of share capital issued		
Value of ordinary shares at beginning of reporting period	24,631,777	24,631,777
	<u>24,631,777</u>	<u>24,631,777</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 10: CONTRIBUTED EQUITY (Continued)

c. Capital Management

The Directors control the capital of the Company to ensure funding is available for future projects.

The Directors effectively manage the Company's Capital by assessing the Company's financial risks and adjusting its Capital Structure in response for changes in these risks and the market.

As at 30 June 2014 the Company's Capital is Ordinary Share Capital. At 30 June 2014 the Company is also financing its working capital through loans from related parties. Subsequent to year end the Company is financing its working capital through loans from related and associated parties.

NOTE 11: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities accounted for as at 30 June 2014 and there has been no change in contingent liabilities since the last annual reporting date.

NOTE 12: SEGMENT REPORTING

Primary Reporting — Business Segments

During the year the Company was predominately dormant. The Company operates in only on one segment being as a holding and administration company located in Australia.

	2014	2013
	\$	\$
NOTE 13: CASH FLOW INFORMATION		
a. Cash at bank	274	38,037
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Loss after income tax	(69,028)	(24,667)
Revenue from the sale of mining tenements included in investing activities	-	(116,000)
Changes in operating assets and liabilities:		
(Increase) / decrease in current receivables	(13,701)	3,319
Increase / (decrease) in payables	5,830	74,246
Cashflow from operations	(76,899)	(63,102)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 14: EVENTS AFTER THE BALANCE SHEET DATE

No matters other than those listed below have arisen since June 30 2014 that have significantly affected or may significantly affect:-

- The Company's operations in future financial years;
- The results of those operations in future financial years; or
- The Company's state of affairs in future financial years.

On 13 November 2014 the Company entered into a \$57,990 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 18 November 2014, the Company entered into a \$83,475 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve the conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 30 January 2015, the Company entered into a \$20,000 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve the conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 27 May 2015, the Company called a General Meeting of shareholders for 29th June 2015 to consider the following resolutions:-

- Consolidate the existing ordinary shares on a 1 new share for every 30 existing shares held;
- Issue 30 million fully paid ordinary shares to Syed Akbar Alikhan;
- Issue 20 million fully paid ordinary shares to MTAC Enterprises Pty Ltd;
- Issue 60 million fully paid ordinary shares to Good Triumph International Ltd; and
- Elect Rizwan Alikhan, Rehan Alkhan and Poay Meng Tan as directors of the Company.

The meeting of the 29th June 2015 was deferred and held on 10th July 2015. All the above resolutions were passed and the Company has received \$550,000 to pay existing creditors and consider new investments. As a result of the consolidation the existing shares of the Company has on issue 6,079,370 shares prior to the allotment of 110 million shares on 7th August 2015. Rizwan Alikhan, Rehan Alikhan and Poay Meng Tan were appointed directors of the Company on 10th July 2015. Also, as the above resolutions were passed the Company will not proceed with the previously announced transactions with NiHAO Mineral Resources International Inc (NiHAO) and Capital Gold Pty Limited (Capital Gold); and Dizon Copper-Silver Mines Inc (Dizon) and Capital Gold.

On 7 September Tony Crimmins, George Sim and Adrian Horbach resigned as directors.

On 11 September 2015 the Company announced the acquisition of the Ye Eun Memorial Park through the issue of 835 million ordinary fully paid shares each issued at an issue price of \$0.20 cents. The Company must also issue 160 million ordinary fully paid shares to Hermes Capital Limited and HBO International Global Limited, the advisers to Ye Eun in relation to the acquisition. Completion of the acquisition is conditional upon the satisfaction of the following conditions precedent:-

- The Company obtaining all necessary shareholder approvals required by the Corporations act and the ASX Listing Rules in relation to the acquisition;
- The parties obtaining any necessary regulatory approvals on terms acceptable to the parties as are required to give effect to the acquisition, including re-compliance with chapters 1 and 2 of the ASX Listing Rules on terms required by the ASX; and
- The Company completing a capital raising of not less than \$5 million and not more than \$10 million at a price per share of \$0.20.

The Company also announced that it had raised \$550,000 from the issue of 110 million Convertible Notes. The terms of the Notes are as follows:-

- The Notes will subject to shareholder approval, convert into 110 million fully paid ordinary shares on completion of the Ye Eun transaction;
- On conversion the Noteholders will be issued with Options to subscribe for up to 220 million shares in the Company at an issue price of 10 cents per share on or before the 4th anniversary of the conversion date; and
- If not approved at a General Meeting of shareholders, the Notes must be repaid on 1 March 2016.

The funds raised will be used for working capital requirements including the cost of preparation of the proposed Notice of Meeting, the preparation of the proposed prospectus (including travel expenses and professional fees) and ASX listing fees payable on submission of the Company's application for relisting. The Notes were issued on 25 September 2015.

On 30th September 2015 the Company announced that a General Meeting of Shareholders of Welcome Stranger Mining Limited will be held on 3 November 2015 to consider the following resolutions:-

- The issue of up to 50,000,000 Shares at an issue price of 20 cents to raise \$10 million.
- To change the name of the Company to Riddock International Limited
- To acquire all of the issued shares in Ye Eun Property Development Limited and the proposed significant change in the nature and scale of the Company's activities is approved
- To issue up to 835,000,000 Shares to the Vendors
- To issue 160,000,000 Shares to Hermes Capital Limited and HBO International Global Limited
- To issue 110,000,000 Shares to the Noteholders
- To issue of 220,000,000 Options to the HBO International Global Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 15: RELATED PARTY TRANSACTIONS

	2014 \$	2013 \$
(a) Key management personnel Details of directors' remuneration are disclosed in the Remuneration Report in the Directors' Report.		
(b) Other transactions with directors and directors' related entities: Welcome Stranger Mining Limited registered office is leased by JAT Energy Limited, a company of which Tony Crimmins is a director. JAT Energy Limited charges Welcome Stranger Mining Limited to share the office and its office equipment and facilities.	5,000	-
Unsecured loans from the investor group which includes the following directors and related parties: - Steve Nicols - Greg Cornelsen - Tony Crimmins - George Sim	74,136	35,000

Other than these remunerations received by the Directors as disclosed in the remuneration report in the Directors report, there are no other Director related transactions that the current directors are aware of during the financial year ended 30 June 2014 and the previous financial period ended 30 June 2013.

NOTE 16: FINANCIAL INSTRUMENTS

a. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from subsidiaries.

Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate debt.

Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the group's measurement currency.

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

(a) Interest Rate Risk

The Consolidated Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 16: FINANCIAL INSTRUMENTS (CONTINUED)

	2014	2013
	\$	\$
Financial Assets:		
Cash and cash equivalents	274	38,037
Future mining royalties receivables	-	-
Net exposure	<u>274</u>	<u>38,037</u>

	Post Tax Profit Higher/(Lower)		Equity Higher/(Lower)	
	2014	2013	2014	2013
	\$	\$	\$	\$
1% (100 basis points)	-	-	-	-
-5% (50 basis points)	-	-	-	-

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	FLOATING INTEREST RATE	NON INTEREST BEARING	TOTAL
2014	%	\$	\$	\$
Financial Assets				
Cash and cash equivalents	-	-	274	274
	<u>-</u>	<u>-</u>	<u>274</u>	<u>274</u>

2013

Financial Assets

Cash and cash equivalents	-	-	38,037	38,037
	<u>-</u>	<u>-</u>	<u>38,037</u>	<u>38,307</u>

NOTE 17: EARNINGS PER SHARE

The following income and share data was used in the calculations of basic and diluted EPS:

	2014	2013
	\$	\$
Earnings used in calculating basic and diluted EPS	(69,028)	(24,667)
Weighted average number of ordinary shares on issue used in the calculation of basic EPS	182,409,044	182,409,044
Weighted average number of potential ordinary shares used in the calculation of diluted EPS	182,409,044	182,409,044

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 18: ECONOMIC DEPENDENCY

At 30 June 2014 the company is dependent on loans from related parties to fund its working capital requirements and to remain a going concern.

NOTE 19 COMPANY DETAILS

The registered office of the Company is:

Welcome Stranger Mining Limited

Floor 6, Suite 8,

55 Miller St.

Pymont.

Sydney NSW 2009.

The principal place of business is:

Welcome Stranger Mining Limited

Floor 6, Suite 8,

55 Miller St.

Pymont.

Sydney NSW 2009.

DIRECTORS' DECLARATION

1. In the Directors opinion:
 - (a) the financial statements and notes set out on pages 9 to 25 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The notes to the financial statements include a statement of compliance with International Financial Reporting Standards.
3. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2014 required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors on this 30th day of September 2015



Mr Rizwan Alikhan (Director)

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WELCOME STRANGER MINING LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Welcome Stranger Mining Limited as set out on pages 9 to 25 which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the directors' declaration of Welcome Stranger Mining Limited.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, 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 (IFRS).

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WELCOME STRANGER MINING LIMITED**

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

Independence

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

Auditors Opinion

In our opinion,:

- a. the financial report of Welcome Stranger Mining Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the financial position as at 30 June 2014 and of its performance for the period 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 1.

Emphasis of Matter – Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the financial report which states that in the event that Welcome Stranger Mining Limited is unable to realise its object of obtaining profitable opportunities or complete any further capital raisings it will be required to realise its assets and extinguish its liabilities in a manner other than in the normal course of business.

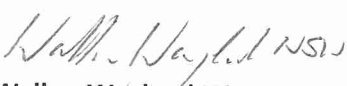
**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WELCOME STRANGER MINING LIMITED**

Report on the Remuneration Report

We have audited the remuneration report included in pages 6 to 6 of the directors' report for the period ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the remuneration report of Welcome Stranger Limited for the period ended 30 June 2014 complies with s300A of the Corporations Act 2001



Walker Wayland NSW
Chartered Accountants



Grant Allsopp
Partner

Dated this 30th day of September 2015
Sydney

CORPORATE GOVERNANCE STATEMENT

The Company, through its Board and Executives, recognises the need to establish and maintain corporate governance policies and practices, which reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with the Company.

These policies and practices remain under constant review as the corporate governance environment and good practice evolve. This statement outlines the Company's system of governance during the financial year and the extent of the Company's compliance, as at the end of the financial year, by reference to the third edition of the ASX Corporate Governance Principles and Recommendations (CGPR) and to the Corporations Act 2001 (Cth). Readers should also refer to the Company's 2015 Annual Report.

This Statement is current as at 30 September 2015 and has been approved by the Welcome Stranger Mining Limited Board.

As at the date of publication, the Company does not comply with all CGPR recommendations in all respects. As the current Board consists of 3 directors the entire Board performs the functions of all recommended Committees in the CGPR recommendations.

Currently the Company does not maintain a website where stakeholders are able to access the company's Corporate Governance Statement and associated policies and charters. The current directors only became directors of the company in July 2015 and it is their intention that over the coming year the company will develop policies, procedures and charters that would make the company compliant with ASX Corporate Governance Principles and Recommendations.

PRINCIPLE 1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

1.1 Functions of Board and Management

The Company currently has no full time employees and 3 directors. The Company is currently in the process of recommending to shareholders that they approve a major acquisition, the Ye Eun Memorial Park transaction. Should this acquisition be approved then the Company will have full time employees. Until such time the functions of Management are performed by current directors.

The Board of the Company is responsible for the overall corporate governance of the Welcome Stranger Mining Limited, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising company performance and maximising shareholder value.

Until such time as a full time Chief Executive Officer is appointed, the responsibility for the operation and administration of the company is performed by the Chairman.

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board should be comprised of at least three Directors, increasing where additional expertise is considered desirable in certain areas;
- The Board shall not comprise a majority of executive Directors;
- The Board shall bring characteristics that allow a mix of qualifications, skills and experience.

1.2 Election or Re-election of directors

While there is currently no formal review process in place, the performance of all Directors is informally reviewed by the Chairman in order to ensure that the Board continues to discharge its responsibilities in an appropriate manner. Directors whose performance is unsatisfactory may be asked to retire. This review process may change following the acquisition of Ye Eun.

The Board is currently comprised of three independent directors and the skills, experience and expertise relevant to the position of each Director who is in office at the date of this Prospectus is detailed in Directors' Report of the 2015 Annual Report.

The role of Chairman is currently filled by Rizwan Alikhan, a non-executive director.

Following the completion of the Ye Eun Acquisition, the structure of non-executive Directors' remuneration will be clearly distinguished from that of executive Directors (if any) and senior executives.

1.3 Agreements with Directors and Senior Executives

New Directors will receive a letter of appointment which sets out the main terms and conditions on when each Director is appointed. The letter of appointment will conform to the Recommendations of the ASX Corporate Governance Council.

The letter of appointment will also set out a procedure in relation to independent professional advice, at the Company's expense. Directors are able to take independent professional advice, and are required to make that advice available to the other Directors.

Directors are encouraged to direct any enquiries or requests for additional information to the Company Secretary, who will facilitate a response to the query and/or provide the Director with the requested information.

When employed Senior Executives will be provided with a contract of employment which sets out the terms and conditions of their employment.

1.4 Accountability of the Company Secretary

The Company Secretary works with the Chair, the Board and the Board Committees on all governance related issues. All Directors have access to the Company Secretary for the purpose of obtaining information or advice. The Company Secretary may also retain the services of independent advisory bodies, if requested by the Board or Board Committees. The office of the Company Secretary is responsible for the systems and processes that enable the Board to perform its role, and also provides secretariat services for each of the Board Committees. The Committee agendas, papers and minutes are available to all members of the Board.

Details regarding the Company Secretary, including his expertise and qualifications, are set out in the Directors' Report in the 2015 Annual Report.

1.5 Diversity

The Board of the Company does not currently have a formally approved Diversity Policy. It will consider developing a policy if the Ye Eun acquisition proceeds.

1.6 Evaluation of the Board, its Committees and Individual Directors

While there is currently no formal review process in place, the performance of all Directors is informally reviewed by the Chairman in order to ensure that the Board continues to discharge its responsibilities in an appropriate manner. Directors whose performance is unsatisfactory may be asked to retire. This review process may change following the acquisition of Ye Eun.

1.7 Evaluation of Senior Executives

The Company will establish a process of objective setting and performance review of all staff when it commences to employ full time staff.

As the Company did not have any employees there were no performance reviews undertaken during the financial year.

1.8 Workplace Health, Safety and the Environment

The Company is committed to ensuring the safety and wellbeing of all employees, its clients, customers, and members of the public. The Company will provide ongoing training across the organisation, with respect to its legal obligations, and specific training as to operational risks in the field. The Company values the environment and recognises the responsibility to protect our surroundings. Operations will be managed in an environmentally responsible manner.

PRINCIPLE 2

STRUCTURE THE BOARD TO ADD VALUE

2.1 Nomination Committee

The Board does not have a separate Nomination Committee, having regard to the size and requirements of the Company. Directors consider that the Board currently has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its current duties and responsibilities effectively. As a result, the full board will undertake the identification, selection, recommendation and appointment, of the Board, the Directors and the Senior Executives, as well as the ongoing evaluation and review of their performance.

The Board acknowledges the ASX's recommendation that the Nomination Committee should be chaired by an independent Director. At this time the Board is chaired by Rizwan Alikhan who is an independent director.

The Board did not meet during the financial year, to consider the appointment of further Non-Executive directors because of the size and current circumstances of the Company. New directors were appointed by shareholders at a General Meeting on 10th July 2015.

2.2 Board Skills

The current Board believes it has the appropriate skills and experience mix to effectively discharge its corporate governance and oversight responsibilities.

2.3 Independent Directors

The composition of the Board is set out in the table below:

Name	Position	Independent
Rizwan Alikhan	Chair/Non-Executive Director	Yes
Rehan Alikhan	Non-Executive Director	Yes
Poey Meng Tan	Non-Executive Director	Yes

Biographies of the Directors and the length of their tenure are included in the section on the Board of Directors in this Annual Report.

The Board considers that it should include significant representation by Directors who are capable and willing to make decisions which are in the best interests of members, free from interests and influences which conflict with that duty, and are also independent of management.

The Board continually assesses the independence of each Director in accordance with the interests they have disclosed, and such other factors as the Board determines are appropriate.

In making this determination, the Board is seeking to assess whether Directors are:

- Independent of management;
- Free of any business or other relationship that could materially interfere or be perceived to materially interfere with their unfettered and independent judgement; and
- Capable of making decisions without bias and which are in the best interests of all members.

A Non-Executive Director will not be regarded as an independent director if that Director:

- Is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- Within the last three years has been employed in an Executive capacity by any member of the Company, or been a Director after ceasing to hold any such employment;
- Within the last three years has been a partner or a senior management Executive with audit responsibilities of a firm which has acted in the capacity of statutory auditor of any member of the Company;
- Within the last three years has been a principal, employee or consultant of a material professional adviser to any member of the Company;
- Is a principal, employee or associate of a material supplier to, or material customer of, any member of the Company;
- Has a material contractual relationship with any member of the Company other than as a Director of the Company; and
- Has any interest, or business, or other relationship, which could materially interfere with the Director's ability to act in the best interests of the Company, and independently of management.

The Board, through the Nomination Committee, has come to the conclusion that the balance of skills and experience required for Board members for the size and development of the Company is appropriate

2.4 Majority Independence

The Board currently has three members all of whom are classified as independent.

2.5 Chair and Independence

Council recommends that listed companies should have an independent Director as Chair, and that the roles of Chair and Chief Executive Officer should not be held by the same person.

Mr Rizwan Alikhan is currently the Chair. He is independent and is considered by the Board to be the best person to undertake the roles of chairman and Chief Executive Officer given the current size and circumstances of the company. If the Ye Eun acquisition proceeds then the company will appoint a Chief Executive Officer and Mr Alikhan will remain as Chairman.

2.6 Professional Development of Directors

In future post the Ye Eun acquisition, a new Director will undertake an induction program specifically designed to their needs, to assist in familiarising them with issues relating to the current business before the Board.

On an ongoing basis, Directors are provided with periodic updates on legal and corporate developments, particularly those pertaining to matters relating to the responsibilities of boards and directors generally, health and safety, changes to the Corporations Act 2001 (Cth), corporate governance principles, tax and accounting developments, and other matters of interest.

PRINCIPLE 3

PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

3.1 Code of Conduct Compliance Manual

When the Company develops and grows in size to be able to employ full time employees, it will as part of the Company's ongoing commitment to high standards of ethical conduct, be committed to establish a Compliance Manual which will provide detailed guidance to employees on the current laws applicable in the jurisdiction in which they work, the standards of conduct, and the procedures to be adopted to comply with those laws.

3.2 Whistleblower Policy

Having regard to the above, the Company will implement a Whistleblowing Policy which will form an integral part of the Company's compliance program. The policy will be adopted to ensure that concerns regarding unethical, unlawful or improper conduct may be raised without fear of reprisal.

Under the policy, the Company will appoint a Whistleblower Protection Officer. Employees will be encouraged to report any genuine matter, or behaviour, that they honestly believe contravenes the Code of Conduct, policies, or the law.

PRINCIPLE 4

SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

4.1 Audit and Compliance

Committee Composition

Given the size and circumstances of the company and Group, the Board has not established an Audit and Compliance Committee as these functions and responsibilities are undertaken by the entire Board. The Board will ensure that an effective internal control framework exists to safeguard the assets of the business and to ensure the integrity and reliability of financial and management reporting systems.

Audit and Compliance Committee Charter

The company does not have an Audit and Compliance Committee with the entire Board fulfilling these responsibilities. The Board currently meets with external auditors at least twice each year (and more frequently if required), to review the adequacy of existing external audit arrangements, and the scope of the audit. The external auditors have a direct line of communication at any time to the Chair of the Board.

The external auditors and the Chief Financial Officer are invited to attend Board meetings when matters relating to Audit and Compliance are being discussed at the discretion of the Board.

4.2 Declaration by Chief Executive Officer and Chief Financial Officer

Before it approves the Company's financial statements for a financial period, the Board receives from the Chairman, currently fulfilling the role of Chief Executive Officer, and the Chief Financial Officer a declaration that, in their opinion, the financial records of the Company

have been properly maintained; and, that the financial statements comply with the appropriate accounting standards and, the financial statements give a true and fair view of the financial position and performance of the Company, and, that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.3 Attendance of External Auditor at Annual General Meeting

The Board ensures that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

PRINCIPLE 5

MAKE TIMELY AND BALANCED DISCLOSURE

5.1 Continuous Disclosure Policy

The Company's Continuous Disclosure Policy underlines the Company's commitment to ensuring that the Company's members, and the market, are provided with high quality, relevant and accurate information in a timely manner; and that investors are able to trade in Company securities in a market which is efficient, competitive and informed, as well as ensuring that market participants have an equal opportunity to review and assess information disclosed by the Company. The Company is also committed to complying with continuous disclosure obligations contained in the applicable ASX Listing Rules, and the Corporations Act 2001 (Cth).

PRINCIPLE 6

RESPECT THE RIGHTS OF MEMBERS

6.1 Communications with Members

The Board aims to ensure that the Shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of all Directors. Information is communicated to the Shareholders through:

- the Annual Report, which is distributed to all Shareholders and posted on the ASX website www.asx.com.au;
- the half-yearly report, which is posted on the ASX website www.asx.com.au;
- the Annual General Meeting and other meetings called to obtain approval for Board action as appropriate;
- the Company's compliance with ASX continuous disclosure requirements; and
- all public announcements and associated documents, which are made available on the Company website at www.WSE.com.au.

The Board aims to ensure that the Shareholders are informed of all major developments affecting the consolidated entity's state of affairs:

- Proposed major changes in the consolidated entity that may impact on share ownership rights are submitted to a vote of Shareholders.
- Notices of all meetings of Shareholders are made available to Shareholders.
- The Board encourages full participation of Shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the consolidated entity's strategy and goals. Important issues are presented to the Shareholders as single resolutions.
- The Shareholders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares and changes to the Constitution. Copies of the Constitution are available to any Shareholder who requests it.
- The External Auditor is to attend the Annual General Meeting and is available to answer Shareholder Questions about the conduct of the audit and the preparation and content of the Auditor's report.

PRINCIPLE 7

RECOGNISE AND MANAGE RISK

7.1 Risk oversight and management and internal control

The Board will monitor and receive advice on areas of operational and financial risk, and consider strategies for appropriate risk management arrangements.

Specific areas that were initially identified and which will be regularly considered by the Board meetings include foreign currency fluctuations, performance of activities, human resources, the environment and continuous disclosure obligations.

7.2 Management of material business risks

The Board will monitor and receive advice on areas of operational and financial risk, and consider strategies for appropriate risk management arrangements.

Specific areas that were initially identified and which will be regularly considered by the Board meetings include foreign currency fluctuations, performance of activities, human resources, the environment and continuous disclosure obligations.

The Board reviews on an annual basis the effectiveness of the Company's management of its material risks. Given the current were only appointed on 10 July 2015 a risk review has not been undertaken.

7.3 Internal Audit Function

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities. The Board believes that the current cost control framework to be suitable to the Company's current operations. There is no internal audit function as the cost would significantly outweigh the benefits. This may change following the Ye Eun Acquisition.

While the Board currently carries out the day to day operations of the Company, once the Chief Executive Officer is appointed upon completion of the Ye Eun Acquisition he (together with the Chief Financial Officer, if there is one, or other person who performs that function) would be delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight.

7.4 Material Exposure to Economic, Environmental and Social Sustainability Risks

Sustainability is the integration of environmental, social and governance factors into the Company's decision making to create short and long term shareholder value.

By adopting sustainable practices and implementing them throughout the Company, a business model has been developed that creates greater customer value.

Some of the practices which the Company employs to manage those risks include:

- Working cooperatively and effectively with business partners;
- Safe work practices and all aspects of occupational health and safety;
- Keeping re-work to a minimum;
- Celebrating cultural differences; and
- Upskilling the workforce through training.

PRINCIPLE 8

REMUNERATE FAIRLY AND RESPONSIBLY

The Company's remuneration policy is to attract and retain high calibre Directors and in the future Senior Executives, capable of meeting the specific management needs of the Company.

The Company's current remuneration objectives and policies regarding determination of base pay, the short term variable bonus, and long term equity linked incentives, are explained in the Remuneration Report, which forms part of the Directors' Report in the 2015 Annual Report.

Details of the remuneration of all Directors are set out in the Remuneration Report.

8.1 Remuneration Committee

The entire Board currently undertakes the role of the Remuneration Committee.

The Board recognises the ASX's recommendation that the Remuneration Committee should be chaired by an independent chair and consist of a majority of independent directors. Given the company has only 3 directors it is not considered appropriate to establish a separate Remuneration Committee at this time.

8.2 Structure of Non-Executive Directors' Remuneration

Fees paid to Non-Executive Directors are determined by the Board, within the current maximum aggregate limit set by members of the Company. Current fees and salaries are fully disclosed in the Remuneration Report section of the Directors' Report. Directors' fees are reviewed annually by the Board, taking into consideration the level of fees paid to Non-Executive Directors by companies of a similar size and stature.

Non-Executive Directors receive their fees in cash. guarantee legislation. There are no retirement schemes or retirement benefits for Non-Executive Directors, other than statutory benefits for Non-Executive Directors.

8.3 Equity Linked Executive Remuneration

As the Company does not have any Senior Executives it does not have a policy to preclude its Senior Executives from entering into transactions to limit their economic risk from investing in Company shares, options, or rights, here those entitlements are unvested, but will develop one before it employs any full time employees. The Company will when it has Senior Executives make them aware of their

obligations in relation to financial commitments against shares issued under any Executive securities plan, and will request that they take sufficient independent, professional advice in relation to their individual financial position. The Company does not provide advice.

Corporate Governance Council recommendation		Followed
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	✓
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	✓
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	X
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	✓
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	✓
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	✓
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	X

Corporate Governance Council recommendation		Followed
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> <p>OR</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	X
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	X
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	✓
2.4	A majority of the board of a listed entity should be independent directors.	✓
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	X
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	X
3.1	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	✓
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> <p>OR</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	X

Corporate Governance Council recommendation		Followed
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	✓
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	✓
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	✓
6.1	A listed entity should provide information about itself and its governance to investors via its website.	X
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	✓
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	✓
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	✓
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	X
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	✓
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; OR (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	✓
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	✓
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director,	X

Corporate Governance Council recommendation	Followed
<p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> <p>OR</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	
<p>8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	✓
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	X

ASX ADDITIONAL INFORMATION

Twenty Largest shareholders as at 25 September 2015

Good Triumph International Ltd	60,000,000	51.7%
Syed Akbar Alikhan	17,000,000	14.6%
Debashish Mintu Saha	10,000,000	8.6%
Lori Limited	6,000,000	5.2%
Christopher Mays	3,000,000	2.6%
Kevin & Helen Leary	3,000,000	2.6%
Stephen Mays	3,000,000	2.6%
Broward Pty Ltd	2,000,000	1.7%
Sinbad Pty Ltd	1,022,956	0.9%
Australian Travel Directory (Aust) Pty Ltd	1,000,000	0.9%
The Brand Connection Pty Ltd	1,000,000	0.9%
Coco Nominees Pty Ltd	1,000,000	0.9%
Dawesville Nominees Pty Ltd	1,000,000	0.9%
Anthony Crimmins	944,444	0.8%
George Calder & Susan Elizabeth Sim	944,444	0.8%
Brian Collins	600,000	0.5%
Alitime Nominees Pty Ltd	600,000	0.5%
Mr Stehen George Leary & Mrs Penelope Joan Leary	400,000	0.3%
Joseph & Kirsten Camuglia	270,782	0.2%
John & Natasha Camuglia	270,782	0.2%
	113,053,408	97.4%

Substantial Shareholders

As at 25 September 2015, the following shareholders were regarded as substantial shareholders:

	Number of Shares
Good Triumph International Ltd	60,000,000
Syed Akbar Alikhan	17,000,000
Debashish Mintu Saha	10,000,000
Lori Limited	6,000,000

Distribution of Shareholdings

At 25 September 2015, the distribution of shareholdings was as follows:

Range	Number of holders	% of holders	Number of shares	% of shares
1 – 1,000 shares	2,044	93.6%	174,157	0.1%
1,001 – 5,000 shares	83	3.8%	155,663	0.1%
5,001 – 10,000 shares	9	0.4%	59,584	0.1%
10,001 – 100,000 shares	20	0.9%	658,105	0.6%
100,001 shares and over	29	1.3%	115,031,861	99.1%
	2,185	100.0%	116,079,370	100.0%

As the Company was suspended and so it is not possible to determine the number of shareholders with less than a marketable parcel.

ASX ADDITIONAL INFORMATION

List of Noteholders at 25 September 2015

Name	No of Notes	
Seah Holding Pte Ltd	55,000,000	50.0%
Good Triumph International Limited	30,833,000	28.0%
Profit River International Limited	7,500,000	6.8%
ICP Inc	6,667,000	6.1%
Ikegami Hiroshi	2,700,000	2.5%
Chang Cha Howe	1,600,000	1.5%
Jack Ing Kiet Tang	1,000,000	0.9%
Nirvana (2015) Consultancy & Services pte Ltd	1,000,000	0.9%
Jerrica Lee Hui Chi	1,000,000	0.9%
Bernard Yaw Ban Yew	1,000,000	0.9%
Mustafa Dharmawa	800,000	0.7%
Brian Sutanto	400,000	0.4%
Victor Lee	250,000	0.2%
Zheng Yuyu	250,000	0.2%
	<hr/>	
	110,000,000	100.0%

The Company holds no interests in mining tenements:

Registered Office

The registered office of the Company is:

Floor 6, Suite 8,

55 Miller St.

Pymont.

Sydney NSW 2009.

Telephone (02) 9571 8300

Facsimile (02) 9571 8200

Company Secretary

Mr Graeme Hogan

Share Registry

Security Transfer Registrars Pty Ltd

770 Canning Highway,

Applecross

WA 6953

Mailing Address

PO Box 535,

Applecross

WA 6953

Telephone (08) 9315 2333

Facsimile (08) 9315 2233

Website www.securitytransfer.com.au

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Stock Exchange Limited under Security Code Welcome Stranger Mining (ASX Code – WSE).