

ARDENT RESOURCES LIMITED

ABN 66 140 475 921



Financial Report

for the year ended 31 December 2015

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ARDENT RESOURCES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors of Ardent Resources Limited ("Ardent" or "the Company") have pleasure in presenting their directors' report for the year ended 31 December 2015.

Review of Operations

During the financial year Ardent announced that it had entered into a binding Terms Sheet with OK IOT Group Pty. Ltd. (IOT) under which the Company conditionally agreed to acquire 100% of the issued capital of IOT from IOT's shareholders (Acquisition). IOT develops technology and consumer products in the "internet of things" industry and delivers internet protocol television (IPTV) services.

On 18 November 2015, the Company and the IOT Vendors entered into a Share Purchase Agreement (SPA). Under the terms of the SPA, the Company has agreed to:

- issue 257,900,964 fully paid ordinary shares in Ardent (on a post 2:1 consolidation basis) to the IOT vendors in consideration for the acquisition of 100% of the IOT shares on issue (Consideration Shares);
- issue 60,210,342 options in Ardent (on a post-consolidation basis) at an exercise price of \$0.07 and expiring on 30 June 2019 to the IOT option holders in consideration for the cancellation of 100% of the options on issue in IOT.
- issue the following Shares if the requisite financial hurdles are satisfied:
 1. a maximum of 166,666,667 Shares (on a post-consolidation basis) to the IOT vendors contingent upon the satisfaction of net profit after tax requirements in FY2016 and FY2017; and
 2. 69,241,893 Shares (on a post-consolidation basis) to IOT vendors whose shareholdings include IOT shares which were not issued in IOT's June 2015 capital raising (Non-Investor IOT Shares) contingent upon IOT reporting revenue of at least \$5 million in FY2016.

Subsequent to year end the Company has finalised the withdrawal from its mineral exploration licenses.

Operating results and financial position

For the year ended 31 December 2015 Ardent recorded an after tax loss of \$508,289 (2014: loss of \$1,166,960) and the cash position was \$1,944,153 (2014: \$450,733).

Significant changes in the State of Affairs

The company issued 65,999,063 ordinary shares during the year for net proceeds of \$790,985.

Principal activity

The principal activity of the Company during the year was the exploration and evaluation of gold and base metal projects. Towards the end of the year the Company initiated the withdrawal from its exploration tenements and the process was completed in the March 2016 quarter.

The company commenced preliminary activities in regard to the planned entry into the "Internet of Things" industry via the IOT transaction.

Directors

The Directors in office during the year and as at the date of this report unless otherwise stated are:

Scott Brown

Tiong Chiong Ee

Dang Lan Nguyen

Chan Min Son (alternate to Tiong Chiong Ee)

John Robson (Resigned on 12 March 2015)

Christopher Tan (Ceased as alternate to John Robson on 12 March 2015)

Mr Scott Brown – Chairman

B Bus (University of Technology Sydney, Australia)



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M Com (University of New South Wales, Australia)

Mr Brown has an extensive background in finance and the management of public companies including guiding numerous companies through the listing process. Scott has held a variety of senior roles in public companies including Mosaic Oil NL, Objective Corporation Limited, Turnbull & Partners Limited, Allegiance Mining NL, FTR Holdings Limited and Garratt's Limited. Scott also worked at accounting firms Ernst Young and KPMG. He is member of the Institute of Chartered Accountants in Australia and the Petroleum Exploration Society of Australia (PESA). Currently Scott is the Managing Director of Real Energy Corporation Ltd. Scott is also a member of the Ardent audit and remuneration committees.

Mr Tiong Chiong Ee – Director

B Arts (University of Melbourne, Australia)

B Com (University of Melbourne, Australia)

Mr. Tiong has over 10 years' experience in the natural resources and minerals sectors. Mr Tiong is in charge of managing Rimbunan Hijau Group's mining investments in Australia, China, Malaysia, Mongolia, Papua New Guinea and Russia. In the oil and gas sector, Mr Tiong was also an Executive Director of RH Petrogas Limited, a company listed on Singapore Stock Exchange, from Aug 2009 to Jan 2013. He also has work experience in the timber industry, as he was the commercial director of a timber company incorporated in Japan named Himawari Kabushiki Kaisha.

Mr Dang Lan Nguyen – Director

B.Sc. (Baku, Azerbaijan),

M.Sc. – Geology (University of New England, Australia)

Mr Nguyen is a professional petroleum geologist and engineer with extensive technical and commercial background in the oil and gas sector and the management of public companies over 20 years, including Mosaic Oil NL. Mr Nguyen is credited with the discovery and development of many oil and gas fields in the Surat-Bowen Basins through his innovative introduction of various exploration, drilling and completion technologies to Australia. Mr Nguyen is a co-founder and currently Non-Executive Chairman of Real Energy Corporation Limited and also a principal/director of Tanvinh Resources Pty Limited and Latradanick Holdings Pty Limited which provide consulting services to energy & resources companies in Australia & Asia-Pacific region.

Mr Chan Min Son - Alternate Director to Tiong Chiong Ee

BEng (Hons) Civil Engineering (University of Birmingham, UK)

MBA (University Putra Malaysia)

Mr. Chan has over 15 years of experience in engineering, management, financing and investment. Mr Chan is a Chief Financial Officer with Rimbunan Hijau Group Greater China. Prior to this, he was a vice president in investment banking and merchant banking with Macquarie Group, where he was involved in the execution of M&A, debt financing, equity raising and investments. His prior experience also includes PA Consulting Group, where he was a management consultant in strategy, operations and organisation. Before joining PA Consulting Group, he was a design engineer practicing with a leading water & wastewater and renewables engineering group in Asia. Mr Chan is a Professional Engineer (PEng) registered with the Board of Engineers Malaysia, a Chartered Global Management Accountant and a Fellow of the Chartered Institute of Management Accountants, UK, a Member of the Australian Institute of Mining & Metallurgy (MAusIMM) and a Member of the Society of Petroleum Engineers.

Company Secretary

Ms Clare Porta

B Com (University of Melbourne, Australia)

M Com (University of Sydney, Australia)

Ms Porta is a Chartered Secretary (FCIS) and a Fellow of the Governance Institute of Australia (FGIA) with over 10 years of experience as Company Secretary encompassing roles ASX listed, public unlisted and private companies. Clare is also a Chartered Financial Analyst (CFA) and has 20 years of experience in the finance industry encompassing corporate advisory, transactional services, equities research, financial analysis, corporate development and strategic investment management. She has worked with companies spanning several industries including financial services, media, property services, oil & gas, resources and mining services.



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FOR THE YEAR ENDED 31 DECEMBER 2015

Environmental Regulations

Until the cessation of its principal activity during the year, the Company was subject to significant environmental regulations under legislation of the Commonwealth of Australia. The Company aimed to ensure that it complied with the identified regulatory requirements in each jurisdiction in which it operated. There have been no known material breaches of the environmental obligations of the Company's contracts or licences.

Dividends

No dividends have been declared in respect of the year ended 31 December 2015 (2014: Nil).

Events subsequent to balance date

On 15 January 2016, Ardent Resources held a general meeting where all resolutions were passed relating to the acquisition of OK IOT Group Pty Ltd. The Company has received the funds of \$5 million for the placement of new shares and has closed the public offer pursuant to its replacement prospectus dated 11 January 2016, which raised a further amount of \$489,556. The Company also conducted a 2:1 share consolidation which was approved by shareholders.

The Company has applied to have its shares relisted on the ASX. On 14 March 2016 the Company received conditional approval to have its shares reinstated to official quotation on the ASX. The Company will change its name to IOT Group Limited upon completion of the acquisition.

Following completion of the IOT transaction, all existing Directors other than Mr Scott Brown will step down from their positions as Directors. The outgoing Directors will be replaced on the Board by Mr Richard Woods as Chairman and a Non-Executive Director, Mr Simon Kantor as Executive Director and Chief Executive Officer, and Mr Ian Duffell as Executive Director – Business Strategy.

The Company also finalised the withdrawal from its exploration tenements subsequent to balance date.

Directors' interest

The Directors' beneficial interests in shares and options as at 31 December 2015 and the date of this report are:

Director	Shares held by directors (pre Consolidated)		
	Direct	Indirect	Total
Scott Brown	5,303,785	12,902,066	18,205,851
Tiong Chiong Ee	-	21,764,610	21,764,610
Dang Lan Nguyen	-	7,284,578	7,284,578
Total	5,303,785	41,951,254	47,255,039

Note – after balance date the Company consolidated its shares on 2 for 1 basis.

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director of the Company and for the executives receiving the highest remuneration.

Remuneration policy

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the remuneration committee and approved by the board. All executives receive remuneration based on factors such as length of service and experience. The remuneration committee reviews

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries. The objective of this policy is to secure and retain the services of suitable individuals capable of contributing to the entity's strategic objectives.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting.

There were no bonuses paid or proposed to be paid for the year ended 31 December 2015 (2014: Nil).

Directors' remuneration

Ordinary shares were issued to the below directors in lieu of cash payments for directors' fees for the period from 1 January 2015 to 31 May 2015. Cash remuneration provided to directors from 1 June 2015 to 31 December 2015 as follows:

Director	Director Fees (\$)	Other Services (\$)	Share based payments (\$)	Total Value (\$)
For the year ended 31 December 2015				
Scott Brown	23,333	29,000	40,000	92,333
Tiong Chiong Ee	14,583	-	25,000	39,583
Dang Lan Nguyen	14,583	-	25,000	39,583
John Robson (Resigned 12 March 2015)	-	-	-	-
Total	52,499	29,000	90,000	171,499
For the year ended 31 December 2014				
Scott Brown	-	-	16,667	16,667
Tiong Chiong Ee	-	-	10,417	10,417
Dang Lan Nguyen	-	-	5,068	5,068
John Robson (Resigned 12 March 2015)	-	-	10,417	10,417
Total	-	-	42,569	42,569

Shares held by directors

Director	1 January 2015			Acquired during the year	Shares Movement		31 December 2015		
	Direct	Indirect	Total		Share Based Payment	Total	Direct	Indirect	Total
Scott Brown	4,216,285	8,457,622	12,673,907	1,087,500	4,444,444	5,531,944	5,303,785	12,902,066	18,205,851
Tiong Chiong Ee	-	18,986,832	18,986,832	-	2,777,778	2,777,778	-	21,764,610	21,764,610
Dang Lan Nguyen	-	4,506,800	4,506,800	-	2,777,778	2,777,778	-	7,284,578	7,284,578
John Robson *	986,832	750,000	1,736,832	-	-	-	-	-	-
Total	5,203,117	32,701,254	37,904,371	1,087,500	10,000,000	11,087,500	5,303,785	41,951,254	47,255,039

* Mr John Robson resigned on 12 March 2015 and the shares held on that date that he ceased as a director amounted in total of 1,736,832 shares.

Director	1 January 2014			Acquired during the year	Share Movement		31 December 2014		
	Direct	Indirect	Total		Share Based Payment	Total	Direct	Indirect	Total
Scott Brown	4,216,285	2,538,954	6,755,239	4,339,756	1,578,912	5,918,668	4,216,285	8,457,622	12,673,907
Tiong Chiong Ee	-	18,000,000	18,000,000	-	986,832	9,86,832	-	18,986,832	18,986,832
Dang Lan Nguyen	-	-	-	4,000,000	506,800	4,506,800	-	4,506,800	4,506,800
John Robson *	-	750,000	750,000	-	986,832	986,832	986,832	750,000	1,736,832
Total	4,216,285	21,288,954	25,505,239	8,339,756	4,689,376	12,399,132	5,203,117	32,701,254	37,904,371



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FOR THE YEAR ENDED 31 DECEMBER 2015

Share options

During the year ended 31 December 2015 the Company issued no options. (2014: NIL).

Transactions with directors

Transaction with key management personnel are conducted at arms-length and in the ordinary course of business.

Directors' meetings

The number of directors' meetings and meetings of committees of directors of Ardent Resources Limited (including by way of circular resolution) held during the year ended 31 December 2015 and the numbers of meetings attended by each director are as follows:

Director	Directors' Meetings		Audit Committee Meetings		Remuneration & Nomination Committee Meetings	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Scott Brown	16	16	-	-	-	-
Tiong Chiong Ee	15	8	-	-	-	-
Dan Lang Nguyen	16	15	-	-	-	-
Chan Min Son *	8	8	-	-	-	-
John Robson^	-	-	-	-	-	-
Christopher Tan^	-	-	-	-	-	-

* Chan Min Son attended as alternate director for Tiong Choing Ee

^ resigned 12 March 2015

As well as formal Directors meetings, executive and non-executive directors are in frequent communication by telephone and email.

Likely developments

The Company will seek to complete the IOT transaction and will seek to grow the IOT businesses. The IOT is creating and selling smart devices and is planning new products. IOT also has an IPTV (subscription television) offering to consumers. Further information as to likely developments in the operations of the Company and the expected results of those operations in subsequent years has not been included in this report because, in the opinion of the Directors, it could prejudice the interests of the Company.

Indemnifying officers and auditor

During the financial period the Company paid premiums to insure all directors and officers of the Company against claims brought against the individual while performing services for the Company and against expenses relating thereto, other than conduct involving a wilful breach of duty in relation to the Company.

The amount of insurance premium paid during the period has not been disclosed as it would breach the confidentiality clause in the insurance policy.

The Company has indemnified directors to the extent possible under the Corporations Act against any liabilities incurred by the person as an officer of the Company. The Company has not indemnified the auditor.

Non audit services

A related entity of the auditor, RB Registries (formerly named Gould Ralph Pty Limited) provides share registry services. During the year ended 31 December 2015 the total registry fees were \$15,864 (2014: \$11,330). The directors are satisfied that the provision of non-audit services during the year is compatible with the general

ARDENT RESOURCES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services 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 auditor; 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 Profession and Ethical Standards Board.

Auditor independence declaration

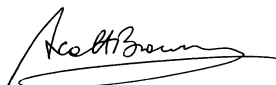
The auditor's independence declaration for the year ended 31 December 2015 has been received and a copy is reproduced on page 9.

Proceedings on behalf of the Company

No person has applied to the court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of a court under section 237 of the Corporations Act 2001.

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

Dated this 17th day of March 2016



Scott Brown
Chairman



Russell Bedford NSW

Chartered Accountants

ABN 74 632 161 298
Level 29, Suncorp Place
259 George Street
Sydney NSW 2000
Australia

T: +61 2 9032 3000
F: +61 2 9251 1275
E: mail@rbnsw.com.au
W: www.rbnsw.com.au

17 March 2016

The Board of Directors
Ardent Resources Limited
Level 3, 32 Walker Street
North Sydney NSW 2060

Dear Members of the Board

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the audit of Ardent Resources Limited for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully

Russell Bedford NSW
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'Stephen Fisher'.

STEPHEN FISHER B.Ec C.A.
Partner

ARDENT RESOURCES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Year ended 31 Dec 2015 \$	Year ended 31 Dec 2014 \$
Continuing operations			
Revenue from ordinary activities		-	-
Less expenses:			
Acquisition costs		95,483	-
Total expenses		95,483	-
Loss from continuing operations before income tax		(95,483)	-
Income tax expense	3	-	-
Loss from continuing operations after income tax		(95,483)	-
Discontinued operations			
Revenue from ordinary activities	2	12,231	17,603
Less expenses:			
Accounting and secretarial expenses		14,968	31,510
Audit fees	14	25,720	23,008
Acquisition costs		35,616	-
Computer and related operating expenses		2,210	6,011
Consultants – marketing & PR		98,176	2,171
Depreciation		2,222	7,868
Directors' fees		142,499	42,569
Exploration and evaluation costs expensed		924	14,987
Insurance		13,796	26,105
Impairment of assets and depletion expenses		7,617	949,580
Legal fees		415	17,615
Rent and outgoing		24,704	26,010
Salaries and other employment costs		-	423
Share registry costs and ASX fees		37,603	30,259
Other expenses from ordinary activities		18,567	6,447
Total Expenses		425,037	1,184,563
Loss from discontinuing operations before income tax		(412,806)	(1,166,960)
Income tax expense	3	-	-
Loss from discontinuing operations after income tax		(412,806)	(1,166,960)
Net loss for the year		(508,289)	(1,166,960)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(508,289)	(1,166,960)
Earnings per share from continuing and discontinued operations:			
Basic and Diluted - cents per share	21	(0.44)	(1.25)

ARDENT RESOURCES LIMITED
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Year ended 31 Dec 2015 \$	Year ended 31 Dec 2014 \$
Earnings per share from continuing operations			
Basic and Diluted - cents per share	21	(0.08)	-
Earnings per share from discontinued operations			
Basic and Diluted - cents per share	21	(0.36)	(1.25)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

ARDENT RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	Year ended 31 Dec 2015	Year ended 31 Dec 2014
CURRENT ASSETS		\$	\$
Cash and cash equivalents	4	1,944,153	450,733
Trade and other receivables	5	38,355	44,536
Other assets	7	259,020	17,539
TOTAL CURRENT ASSETS		<u>2,241,528</u>	<u>512,808</u>
NON-CURRENT ASSETS			
Exploration and evaluation assets	6	-	-
Other assets	7	-	20,000
Property, plant and equipment	8	334	2,556
TOTAL NON-CURRENT ASSETS		<u>334</u>	<u>22,556</u>
TOTAL ASSETS		<u>2,241,862</u>	<u>535,364</u>
CURRENT LIABILITIES			
Trade and other payables	9	261,036	53,834
Investor funds refundable		1,217,000	-
TOTAL CURRENT LIABILITIES		<u>1,478,036</u>	<u>53,834</u>
TOTAL LIABILITIES		<u>1,478,036</u>	<u>53,834</u>
NET ASSETS		<u>763,826</u>	<u>481,530</u>
EQUITY			
Contributed equity	10	6,704,443	5,913,858
Share option reserve	11	684,545	684,545
Accumulated losses	12	(6,625,162)	(6,116,873)
TOTAL EQUITY		<u>763,826</u>	<u>481,530</u>

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

ARDENT RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Year ended 31 Dec 2015	Year ended 31 Dec 2014
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(538,779)	(253,885)
Interest received		12,231	17,603
Net cash used in Operating Activities	13(b)	(526,548)	(236,282)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments/receipts for environmental bonds		20,000	10,000
Payments for exploration and evaluation		(7,617)	(54,756)
Payments for plant and equipment		-	-
Net cash used in Investing Activities		12,383	(44,756)
CASH FLOW FROM FINANCING ACTIVITIES			
Funds held in trust		1,217,000	-
Proceeds from the issue of shares	10(b)	844,985	-
Fund raising expenses	10(b)	(54,400)	-
Net cash provided by Financing Activities		2,007,585	-
Net decrease in cash held		1,493,420	(281,038)
Cash at beginning of financial year		450,733	731,771
Cash at end of financial year		1,944,153	450,733

Net cash flows from the discontinued operation which have been incorporated into the Statement of Cash Flows.

NET CASH FLOWS FROM DISCONTINUED OPERATIONS

Net cash inflow(outflow) from operating activities	(431,065)	(236,282)
Net cash inflow(outflow) from investing activities	12,383	(44,756)
Net cash inflow(outflow) from financing activities	-	-
Net cash increase(decrease) in cash generated by the discontinued operation	(418,682)	(281,038)

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

ARDENT RESOURCES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Contributed Equity (\$)	Share option Reserve (\$)	Accumulated Losses (\$)	Total (\$)
Balance at 1 January 2014	5,871,289	684,545	(4,949,913)	1,605,921
Loss for the year			(1,166,960)	(1,166,960)
Share based payments	42,569	-	-	42,569
Balance at 31 December 2014	5,913,858	684,545	(6,116,873)	481,530
Balance at 1 January 2015	5,913,858	684,545	(6,116,873)	481,530
Loss for the year	-	-	(508,289)	(508,289)
Other shares issued, net of costs	700,585	-	-	700,585
Share based payments	90,000	-	-	90,000
Balance at 31 December 2015	6,704,443	684,545	(6,625,162)	763,826

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

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards.

The financial report is for the entity Ardent Resources Limited as an individual entity. Ardent Resources Limited is a Company limited by shares incorporated and domiciled in Australia.

The principal activity of the Company during the year was the exploration for gold and other mineral deposits. Towards the end of the year the Company decided to discontinue this business activity and commenced the process of withdrawal from its mining tenement. The Company commenced preliminary activity in regard to the planned entity into the "Internet of things" industry via the IOT transaction after year end.

The financial statements have been approved by the board on the date of signing.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

A. Basis of accounting

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

The financial statements of the Company comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ('IASB').

The financial report has been expressed in Australian Dollars (\$) which is the functional currency of the entity.

B. Going Concern

This financial report has been prepared on a going concern basis, which contemplates the continuity of business activities and the realisation of assets and payments of liabilities in the normal course of business.

The directors believe the Company will be able to pay its debts as and when they fall due and to fund near term anticipated activities.

C. Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted at the reporting date.

Deferred tax is accounted for using the statement of financial position method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

D. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

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

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

The 'effective interest method' is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expenses item in profit or loss.

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

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

Loans and receivables

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

Financial liabilities

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

Payables

Payables represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid. The amounts are unsecured and are generally settled between 7 days and 30 days terms.

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

E. Goods and Services Tax (GST)

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

Cash flows are presented in the statement of cash flows on a net basis.

F. Exploration and evaluation expenditure

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

Once an area of interest enters a development phase, historical capitalised exploration expenditure is transferred to capitalised development expenditure. Accumulated costs in relation to an abandoned area are written off in the statement of comprehensive income in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Expenditure relating to pre-exploration activities is written-off to the statement of comprehensive income during the period in which the expenditure is incurred.

Fair value

The Company subsequently measures some of its assets at fair value on a recurring basis. Fair value is the price the Group would receive to sell an asset in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

G. 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 Company.

i) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

ii) Share based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a binomial model. The related assumptions are detailed in note 11. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity. The Company measures the cost of cash-settled share-based payments at fair value at the grant date using the Cox, Ross and Rubinstein valuation methodology, taking into account the terms and conditions upon which the instruments were granted.

H. Interest income

Interest revenue is recognised using the effective interest rate method taking into account rates applicable to the financial assets.

I. Foreign currency transactions and balances

Foreign currency transactions during the year are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at the balance date are converted at the rates of exchange ruling at that date.

The gains and losses from conversion of short-term assets and liabilities, whether realised or unrealised, are included in the statement of comprehensive income as they arise.

J. Contributed equity

Ordinary shares are classified as equity.

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

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

K. Property, plant and equipment

Computer equipment and furniture and fittings are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Items of office equipment have limited lives and are depreciated on a straight line basis over their estimated useful lives.

Depreciation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation is expensed to the statement of comprehensive income.

Computer equipment is depreciated at the rate of 33% per annum.

Furniture and fittings are depreciated at the rate of 5% per annum.

De-recognition and disposal

An item of computer equipment, or furniture and fittings, is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss on de-recognition of the asset (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in statement of comprehensive income in the year the asset is de-recognised.

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

L. New Accounting Standards applicable in the current financial year

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current year. The adoption of these standards and interpretations did not have any significant impact on the financial performance or position of the Company.

The following Accounting Standards or Interpretations are most relevant to the Company:

AASB 2014-1 - Amendments to Australian Accounting Standards (Part E)

Part E of this Standard is applicable to annual reporting periods beginning on or after 1 January 2015 and defers the application date of AASB 9 (December 2010) to annual reporting periods beginning on or after 1 January 2018. This part also makes consequential amendments to hedge accounting disclosures set out in AASB 7: Financial Instruments: Disclosures, and to AASB 132: Financial Instruments: Presentation to permit irrevocable designation of "own use contracts" as measured at fair value through profit or loss if the designation eliminates or significantly reduces an accounting mismatch. Management believes that there will not be any significant impact on the Group's financial statements on adoption of this part of the Standard.

M. New accounting standards for application in future periods

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

– **AASB 2014-1: Amendments to Australian Accounting Standards (Part D)**

Part D of this Standard is applicable to annual reporting periods beginning on or after 1 January 2016 and makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, which arise from the issuance of AASB 14: Regulatory Deferral Accounts in June 2014. AASB 14 permits first-time adopters to continue to account for amounts related to rate regulation in accordance with their previous GAAP when they adopt Australian Accounting Standards. In line with management's assessment of AASB 14, this part is not expected to have a significant impact on the Group's financial statements.

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

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

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

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

– **AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018).**

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

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented as per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements 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.

- *AASB 2014-3: Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations* (applicable to annual reporting periods beginning on or after 1 January 2016)

This Standard amends AASB 11: *Joint Arrangements* to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: *Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

The application of AASB 2014-3 will result in a change in accounting policies for the above described transactions, which were previously accounted for as acquisitions of assets rather than applying the acquisition method as per AASB 3.

The transitional provisions require that the Standard should be applied prospectively to acquisitions of interests in joint operations occurring on or after 1 January 2016. As at 31 December 2015, management is not aware of the existence of any such arrangements that would impact the financial statements of the entity going forward and as such is not capable of providing a reasonable estimate at this stage of the impact on initial application of the Standard.

- *AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (applicable to annual reporting periods beginning on or after 1 January 2016).

This Standard amends AASB 10: *Consolidated Financial Statements* with regards to a parent losing control over a subsidiary that is not a "business" as defined in AASB 3 to an associate or joint venture, and requires that:

- a gain or loss (including any amounts in other comprehensive income (OCI)) be recognised only to the extent of the unrelated investor's interest in that associate or joint venture;
- the remaining gain or loss be eliminated against the carrying amount of the investment in that associate or joint venture; and
- any gain or loss from remeasuring the remaining investment in the former subsidiary at fair value also be recognised only to the extent of the unrelated investor's interest in the associate or joint venture. The remaining gain or loss should be eliminated against the carrying amount of the remaining investment.

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

The application of AASB 2014-10 will result in a change in accounting policies for transactions of loss of control over subsidiaries (involving an associate or joint venture) that are businesses as per AASB 3 for which gains or losses were hitherto recognised only to the extent of the unrelated investor's interest

The transitional provisions require that the Standard should be applied prospectively to sales or contributions of subsidiaries to associates or joint ventures occurring on or after 1 January 2016. As at 31 December 2015, management is not aware of the existence of any such arrangements that would impact the financial statements of the entity going forward and as such is not capable of providing a reasonable estimate at this stage of the impact on initial application of the standard.

	Year ended 31 Dec 2015	Year ended 31 Dec 2014
	\$	\$
NOTE 2: Revenue		
Interest Revenue	<u>12,231</u>	<u>17,603</u>

NOTE 3: INCOME TAX EXPENSE

(a) The prima facie tax benefit on loss before income tax is reconciled to the income tax expense as follows:

Prima facie income tax credit on loss at 30%	(152,487)	(350,088)
Add:		
Tax effect of:		
- Acquisition costs	39,330	-
- Impairment expenses	-	284,874
- Tax losses not recognized	113,157	65,214
Income tax expense	<u>-</u>	<u>-</u>

(b) Deferred income tax

Deferred tax liabilities comprise:

Exploration and evaluation expenditure	277	16,427
Accruals	-	(4,845)
Tax losses brought to account	(277)	(11,582)
Deferred tax liability	<u>-</u>	<u>-</u>

Deferred tax assets not brought to account (gross):

Tax losses	817,928	704,771
Temporary difference	<u>-</u>	<u>-</u>

The tax losses and deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not yet probable that future taxable profit will be available against which the Company can utilise the benefits.

NOTE 4: CASH AND CASH EQUIVALENTS

Cash at bank	1,944,153	450,733
Total	<u>1,944,153</u>	<u>450,733</u>

NOTE 5: TRADE AND OTHER RECEIVABLES

Trade receivable	10,000	43,194
GST refund	28,355	1,342
Total	<u>38,355</u>	<u>44,536</u>

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

Year ended 31 Dec 2015	Year ended 31 Dec 2014
\$	\$

NOTE 6: EXPLORATION AND EVALUATION ASSETS - NON CURRENT

Beginning balance	-	909,812
Capitalised during the year	7,617	39,768
Impairment and depletion expense	(7,617)	(949,580)
Closing balance	-	-

The ultimate recoupment of costs carried forward for exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or sale of the respective areas. The Company reviews annually the carrying value of the capitalised exploration and evaluation expenditure, and will capitalise the expenditure if it considers the area of interest to be prospective. Should the particular area of interest no longer be considered prospective then the Company will make a provision for impairment in the accounts for the carrying value of the project.

The Company has relinquished its interest in its remaining tenement during the year.

NOTE 7: OTHER ASSETS

Current

Prepaid insurances, listing fees and rent	9,020	17,539
Deposit to OK IOT Group	250,000	-
Total Current	259,020	17,539

Non-current

Environmental bond deposits	-	20,000
Total Non-Current	-	20,000

Total Other Assets

259,020	37,539
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NOTE 8: PLANT AND EQUIPMENT

Equipment costs – Opening balance	39,739	39,739
Accumulated depreciation	(39,405)	(37,183)
Total Plant and Equipment – closing balance	334	2,556

NOTE 9: TRADE AND OTHER PAYABLES

Trade creditors	189,178	37,324
Accruals	71,858	16,510
Total trade and other payables	261,036	53,834

NOTE 10: CONTRIBUTED EQUITY

Issued capital comprises 161,264,438 Ordinary shares, fully paid (31 December 2014: 95,265,375)

	Number on Issue	Number on Issue
(a) Ordinary Shares Number		
Balance at the beginning of the year	95,265,375	91,205,999
Share issued during the year	65,999,063	4,059,376
Balance at the end of the financial year	161,264,438	95,265,375

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Value (\$)	Value (\$)
(b) Ordinary Shares Value		
Balance at the beginning of the year	5,913,858	5,871,289
Share issued during the year	844,985	42,569
Share issue costs	(54,400)	-
Balance at the end of the financial year	<u>6,704,443</u>	<u>5,913,858</u>

NOTE 11: SHARE OPTION RESERVE

During the year ended 31 December 2015 the Company issued no options. Previous grants of options have all now lapsed.

	Year ended 31 Dec 2015	Year ended 31 Dec 2014
NOTE 12: ACCUMULATED LOSSES	\$	\$
Accumulated losses at the beginning of the financial year	(6,116,873)	(4,949,913)
Net loss attributable to members of the entity	(508,289)	(1,166,960)
Accumulated losses at the end of the financial year	<u>(6,625,162)</u>	<u>(6,116,873)</u>

NOTE 13: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position

Cash at bank	1,944,153	450,733
Total	<u>1,944,153</u>	<u>450,733</u>

(b) Reconciliation of cash flow from operations with loss from ordinary activities after income tax

Loss from ordinary activities after income tax	(508,289)	(1,166,960)
Adjustment for non-cash items		
- depreciation	2,222	7,868
- provisions	-	14,967
- impairment	7,617	949,580
- share based payment	-	42,992
Add: Changes in working capital		
(Increase) / decrease in trade and other receivables, other assets	(235,300)	(40,245)
(Decrease) / Increase in trade and other payables	207,202	(44,484)
Cash outflow from operations	<u>(526,548)</u>	<u>(236,282)</u>

NOTE 14: AUDITORS REMUNERATION

Auditing or reviewing the financial reports	25,720	23,008
Other Services - share registry expense	15,864	11,330
Total	<u>41,584</u>	<u>34,338</u>

NOTE 15: SEGMENT INFORMATION

Primary reporting - business segments

The Company operates wholly within the gold and minerals exploration industry and has ceased this business during the year.

Secondary reporting - geographic reporting

The Company operates wholly within Australia.

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 16: KEY MANAGEMENT PERSONNEL DISCLOSURES

Information regarding individual directors' compensation and some equity instruments disclosures as required by Corporation Regulation 2M.3.03 are provided in the Remuneration Report Section of the Directors' report.

	Short term fees and benefits	Post- employment benefits	Other long term benefits	Share based payment expense	Total
	\$	\$	\$	\$	\$
2015	81,499	-	-	90,000	171,499
2014	-	-	-	42,569	42,569

Share based payment expenses

These amounts present the expense related to the issue of shares to directors in lieu of payment of directors' fees for their services.

Short-term fees and benefits

These amounts include fees and benefits paid to the executive Chairman and non-executive directors.

NOTE 17: RELATED PARTY TRANSACTIONS

	Year ended 31 Dec 2015	Year ended 31 Dec 2014
	\$	\$
Latradanick Investments ¹	14,583	1,188
Connect Capital Pty Ltd ²	52,333	-
Rent and related costs paid to Real Energy Ltd ³	27,614	26,010
Total	94,530	27,198

¹ Mr Dang Lan Nguyen is the director of Latradanick Investments and also a director of the Company.

² Mr Scott Brown is the director of Connect Capital Pty Ltd and also a director of the Company.

³ Real Energy Corporation Limited (a director related entity of Mr Scott Brown and Mr Lan Nguyen). Ardent Resources rents the office space from Real Energy. The rental period commenced February 2013 and is a non-fixed (month to month) arrangement.

NOTE 18: COMMITMENTS AND CONTINGENCIES

a) Commitments

The Company is required to meet minimum committed expenditure requirements to maintain current rights of tenure to exploration licences. These obligations may be subject to re-negotiation, may be farmed-out or may be relinquished and have not been provided for in the statement of financial position. A summary of aggregate commitments is as follows:

Operating Expenditure Commitment Tenements

Within 1 year	-	56,000
More than 1 year but not later than two years	-	20,000
Total	-	76,000

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

b) Contingent assets and liabilities

Contingent liabilities

No contingent liabilities exist as at the date of this report.

Contingent assets

No contingent assets exist as at the date of this report.

NOTE 19: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

Exposure to interest rate risk, commodity price risk and liquidity risk arises in the normal course of the business. The Company's overall financial risk management strategy is to seek to ensure that the Company is able to fund its business plans. The Company does not have derivative financial instruments as at 31 December 2015.

The Company uses various measures dependent on the types of risk to which it is exposed. These methods include cash flow risk analysis in the case of interest rate and foreign exchange risk. Financial risk management is carried Directors. The Directors provide written principles for overall risk management.

The below table summarises interest rate exposure on financial assets and financial liabilities of the Company:

	Note	Current Interest Rate %	Floating interest rate Amount \$	Non Interest Bearing \$	Total \$
2015					
Financial assets					
Cash and cash equivalents	4	2.50%	1,944,153	-	1,944,153
Trade and other receivables	5	-	-	38,355	38,355
Other financial assets	7	-	-	250,000	250,000
Financial liabilities					
Trade and other payables	9	-	-	261,036	261,036
2014					
Financial assets					
Cash and cash equivalents	4	2.50%	450,733	-	450,733
Trade and other receivables	5	-	-	44,536	44,536
Other financial assets	7	-	-	20,000	20,000
Financial liabilities					
Trade and other payables	9	-	-	53,834	53,834

(a) Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Company.

The Company's credit risk exposure is limited to cash, cash equivalents and trade receivables. Management have reduced this risk by depositing cash with financial institutions with a credit rating of AA or higher. Trade receivables which include GST refundable by the Australian Taxation Office are similarly rated AA.

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

b) Interest rate risk

The Company's main interest rate risk arises from interest earnings on its surplus cash. The Company is exposed to interest rate risk to the extent its interest earnings may fluctuate. Below is a table of impact of a 1% movement in the interest rate on the funds invested when all other variables are held constant.

	Year ended 31 Dec 2015	Year ended 31 Dec 2014
Potential impact on post-tax loss:	\$	\$
Interest rate -1%	(6,829)	(4,307)
Interest rate +1%	<u>6,829</u>	<u>4,307</u>

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to meet ongoing operational requirements, exploration expenditure, and small to medium sized opportunistic projects and investments, by keeping surplus cash available.

The Company's objective is to safeguard its ability to continue as a going concern and to maintain a conservative capital structure so that management can focus on running its core business together with being an attractive Company for shareholders and potential investors.

The Company will consider the most appropriate use of debt and equity to maximise its returns while maintaining a low risk capital structure.

(d) Fair values

The financial assets and liabilities of the Company are recognised in the statement of financial position at their amortised cost in accordance with the accounting policies in note 1.

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments:

Trade and other receivables

The carrying value less impairment provision of trade receivables is a reasonable approximation of their fair values due to the short term nature of trade receivables.

Financial liabilities

Fair value is calculated based on the present value of future principal and interest flows, discounted at the market rate of interest at the report date.

NOTE 20: EVENTS AFTER BALANCE SHEET DATE

On 15 January 2016, Ardent Resources held a general meeting where all resolutions were passed. The Company has received the funds of \$5 million for the placement and has closed the public offer pursuant to its replacement prospectus of 11 January 2016, which raises a further amount of \$489,556. The Company also conducted a 2:1 consolidation which was approved by shareholders.

The Company has applied to have its shares relisted on the ASX. On 14 March 2016 the Company received conditional approval to have shares relisted to trade on the ASX. The Company is confident it will be able to meet the required conditions and is likely to settle the IOT transaction in the next week.

Following Completion of the IOT transaction, the Company will seek changes to its Board of Directors, with all existing Directors other than Mr Scott Brown, stepping down from their positions as Directors. The outgoing Directors will be replaced on the Board by Mr Richard Woods as Chairman and a Non-Executive Director, Mr Simon Kantor as Executive Director and Chief Executive Officer, Mr Ian Duffell as Executive Director – Business Strategy (Proposed Directors).

ARDENT RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 21: EARNINGS PER SHARE

	Number	Number Weighted Average
Ordinary shares number 2015 financial year		
Balance at beginning of year	95,265,375	95,265,375
Shares issued during the year	65,999,063	21,066,969
Balance at end of year	<u>161,264,438</u>	<u>116,332,344</u>
Ordinary shares number 2014 financial year		
Balance at beginning of year	91,205,999	91,205,999
Shares issued during the year	4,059,376	2,313,288
Balance at end of year	<u>95,265,375</u>	<u>93,519,287</u>
	2015	2014
(i) Net loss for the year used to calculate basic and diluted EPS	<u>(508,289)</u>	<u>(1,166,960)</u>
Basic and Diluted - cents per share	(0.44)	(1.25)
(ii) Net loss from continuing operations used to calculated basic and diluted EPS from continue continuing operations		
Basic and Diluted - cents per share	(0.08)	-
(iii) Net loss from discontinued operations used to calculated basic and diluted EPS from continue discontinued operations		
Basic and Diluted - cents per share	(0.36)	(1.25)

NOTE 22: COMPANY DETAILS

The registered office of the Company is:
Ardent Resources Limited
Level 3, 32 Walker Street
North Sydney
NSW 2060

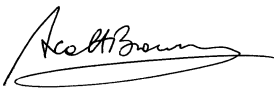
**ARDENT RESOURCES LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2015**

Directors' Declaration

The directors of Ardent Resources Limited declare that:

1. The financial statements and notes, as set out on pages 10 to 27 are in accordance with the *Corporations Act 2001*, and:
 - (i) give a true and fair view of the financial position as at 31 December 2015 and the performance for the year ended on that date of the Company; and
 - (ii) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (iii) The financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.
2. This declaration has been made after receiving declarations from the Chief Executive Officer and the Chief Financial Officer in compliance with section 295A of the *Corporations Act 2001* for the financial year ended 31 December 2015.
3. In the directors opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Scott Brown
Chairman

Sydney, dated this 17th day of March 2016



Russell Bedford NSW

Chartered Accountants

ABN 74 632 161 298
Level 29, Suncorp Place
259 George Street
Sydney NSW 2000
Australia

T: +61 2 9032 3000
F: +61 2 9251 1275
E: mail@rbnsw.com.au
W: www.rbnsw.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ARDENT RESOURCES LIMITED

Report on the financial statements

We have audited the accompanying financial statements of Ardent Resources Limited which comprises the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial statements and the directors' declaration of the company.

Directors' responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements. Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Matters Relating to Electronic Publication of the Audited Financial Report

This audit report relates to the financial report of Ardent Resources Limited for the year ended 31 December 2015 included on the website of Ardent Resources Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on this integrity. This audit report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risk arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. In addition to our audit of the financial statements we were engaged to undertake services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditors' opinion

In our opinion:

1. the financial statements of Ardent Resources Limited is in accordance with:
 - (a) the *Corporations Act* 2001, including:
 - (i) giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
2. The financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 5 to 6 of the directors' report for the year ended 31 December 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion on the Remuneration Report

In our opinion the Remuneration Report of Ardent Resources Limited for the year ended 31 December 2015, complies with section 300A of the Corporations Act 2001.

Russell Bedford NSW
Chartered Accountants



STEPHEN FISHER B.Ec C.A.
Partner

Sydney
17 March 2016

CORPORATE DIRECTORY

Directors

Scott Brown
Tiong Chiong Ee
Dang Lan Nguyen
Chan Min Son (Alternate to Tiong Chiong Ee)

Company Secretary

Clare Porta

Corporate Office

Level 3, 32 Walker Street
North Sydney NSW 2060
Telephone +61 2 8958 2226
Facsimile +61 2 9954 6408

Registered Office

Level 3, 32 Walker Street
North Sydney NSW 2060
Telephone +61 2 8958 2226
Facsimile +61 2 9954 6408

Auditors

Russell Bedford NSW
Chartered Accountants
Level 29, Suncorp Place
259 George Street
SYDNEY NSW 2000

Legal Advisor

Websters Solicitors & Barristers, Notaries
Level 11
37 Bligh Street
SYDNEY NSW 2000

Share Registry

RB Registries
Level 29, Suncorp Place
259 George Street
SYDNEY NSW 2000
Telephone +61 2 9032 3000
Facsimile +61 2 9251 1275

