

BISAN Ltd

BISAN LIMITED

(ASX: BSN)

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 7 April 2016

APPENDIX 4D HALF-YEAR ENDED 31 DECEMBER 2015

This Appendix 4D is provided to ASX in accordance with ASX Listing Rule 4.2A.

Results for announcement to the market	31 Dec 2015	Change From 31-Dec-2014
	\$	
Revenue from continuing operations	19,582	+ 0.39%
Loss from continuing operations after tax attributable to members	(119,129)	- 70%
Net loss for the period attributable to members	(119,129)	-70%

NTA Backing	31-Dec-2015 (cents)	31-Dec-2014 (cents)
Net tangible asset backing per share	(0.03)	(0.22)

Dividends

No dividend has been paid and it is not proposed to pay any dividend.

Commentary on results

Further details of the operations of Bisan Limited and its controlled entities during the period ended 31 December 2015 is contained in the accompanying financial report which forms part of this Appendix 4D.

This Appendix 4D and the accompanying report should be read in conjunction with the 2015 Annual Report of Bisan Limited and its controlled entities and the public announcements made to the ASX since the release of the Annual Report.



Avi Kimelman
Chairman

7 April 2016

BISAN Ltd

ABN 75 006 301 800

**BISAN LIMITED AND
CONTROLLED ENTITIES**

**HALF-YEAR
FINANCIAL REPORT
31 DECEMBER 2015**

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Corporate Directory

Bisan Limited
ABN 75 006 301 800

DIRECTORS	Mr Avi Kimelman Mr David Herszberg Mr Peter Chai Mr Lei Ding	Chairman Non-Executive Director Non-Executive Director Non-Executive Director
COMPANY SECRETARY	Alyn Tai	
REGISTERED OFFICE	Suite 2, 71 Kooyong Rd North Caulfield Victoria 3163	T + 61 (03) 8506 0514
SHARE REGISTER	Computershare Yarra Falls, 452 Johnston Street Abbotsford, Victoria 3067	Local call 1300 850 505 International call + 61 (0) 3 9415 4000
AUDITOR	Grant Thornton Audit Pty Ltd Level 30 525 Collins Street Melbourne, Victoria 3000	

Bisan Limited is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australia Securities Exchange. (ASX: BSN).

Directors' Report

The Directors of Bisan Limited ("Bisan" or the "Company") are pleased to present the half-year report of the Consolidated Entity for the financial period ending 31 December 2015 ("Half Year"). In accordance with the *Corporations Act 2001*, the Directors report as follows:

Directors

The Directors in office at any time during or since the end of the period to the date of this report are:

Current Directors

AVI KIMELMAN	Chairman
DAVID HERSZBERG	Non-Executive Director
PETER CHAI	Non-Executive Director
LEI DING	Non-Executive Director

Former Directors

PATRICK J VOLPE	Non-Executive Director
JONATHAN ROSEN	Non-Executive Director

Principal Activities

The principal activities, during the financial period, of the consolidated entity were investment and trading activities. There were no significant changes in those activities during the period.

Operating Results

The consolidated entity incurred a net loss of \$119,129 (2014 loss: \$397,297) for the half-year ended 31 December 2015.

The consolidated entity continues to seek other opportunities for the future with the objective of expanding its principal business activities to enhance shareholder value. Bisan may continue to increase its equity position in its investments.

Events During the Half Year

MyGeneration Smartphones

On 13 February 2015 the Company announced the establishment of a new subsidiary "MyGeneration Smartphones" in Hong Kong. MyGeneration Smartphones would sell 'brand generation' smartphones (including Apple and Samsung). The smartphones were to be sold into emerging markets to compete against local home brands and would be offered with various grades that would determine a competitive pricing model.

Bisan advised the ASX on 11 June 2015 that Mr Yehuda Szender refused to provide access to the smartphones, which were ready to be resold into the Hong Kong markets.

On 18 August 2015 the Supreme Court of Victoria ordered that Mr Yehuda Shmaya Szender pay the Group AUD 30,157.90 plus GBP 169,854.18 (both amounts include interest) together with the costs of the proceedings. Bisan is considering the available options for the enforcement of the Court orders both within and outside Australia. Significant uncertainty exists as to the ability of the Group to recover any funds from Szender.

P-Fuel

On 31 October 2015 a dispute arose between the Bisan Directors at that time and Mr Patrick Volpe, as to the exact terms and conditions as to when and how the P-Fuel loan was to be repaid or converted into equity. P-Fuel and Mr Volpe have since sent formal notice to Bisan advising the company that they have converted the loan into equity under a rights issue which P-fuel undertook. Bisan's Directors do not agree to this and the matter, together with Mr Volpe's outstanding Director's fees, is in the midst of being discussed.

Board and Management Changes and Registered Office Change

The following changes were made to the Company's Board and Management team during the Half Year:

- Mr Avi Kimelman was appointed Chairman of the Company's Board on 7 September 2015.
- On 20 October 2015:
 - Mr Ramon Jimenez resigned as Bisan's Company Secretary.
 - Mr Jonathen Rosen was appointed Non-Executive Director and Company Secretary of the Company.

The Company changed its registered office and principal place of business address and telephone number.

Options

25,523,290 options, exercisable at 8 cents (\$0.08) each, expired on 31 December 2015.

Section 249D Notices

During October and December 2015, the Company received notices under section 249D of the *Corporations Act 2001* as follows:

- One notice under section 249D from one shareholder, who holds more than 5% of the votes that may be cast at a general meeting of the Company, requesting that the Company hold a general meeting of shareholders to vote on a resolution to remove Mr Patrick Volpe as a Director of the Company.
- One notice under section 249D from two shareholders, who together hold more than 5% of the votes that may be cast at a general meeting of the Company, requesting that the Company hold a general meeting of shareholders to vote on a resolution to remove Mr Patrick Volpe as a Director of the Company.
- One notice under section 249D from one shareholder, who holds more than 5% of the votes that may be cast at a general meeting of the Company, requesting that the Company hold a general meeting of shareholders to vote on the resolutions to remove Messrs Avi Kimelman and David Herszberg as Directors of the Company and to appoint Messrs Jacob Leo Khouri and Ramon Jimenez as Directors of the Company, and to remove any other Director appointed by Bisan in the time between 1 November 2015 and the date of the meeting at which these resolutions were to be put to shareholders.
- One notice under section 249D from one shareholder, who holds more than 5% of the votes that may be cast at a general meeting of the Company, requesting that the Company hold a general meeting of shareholders to vote on a resolution to appoint Mr Matthew John Hudson as a Director of Bisan.

One of the shareholders that provided a notice to the Company under section 249D (**Requisitioning Shareholder**) purported to call a general meeting of Bisan's shareholders pursuant to section 249E of the *Corporations Act 2001*, to be held on 15 January 2016. Bisan advised shareholders on 21 December 2015 that this notice was invalid and that Bisan would be calling a general meeting of its

shareholders to be held on 29 January 2016. Bisan issued the notice of the 29 January 2016 meeting to shareholders on 22 December 2015.

Events subsequent to balance date

Except as noted below, there has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group to affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent periods.

As announced to the market on 11 January 2016, the general meeting which had been scheduled for 29 January 2016 (and the general meeting which the Requisitioning Shareholder purported to call to be held on 15 January 2016) were cancelled, all parties involved with the section 249D notices reached a conciliated position and the section 249D notices were withdrawn.

On 18 December 2015 Bisan announced that it had secured a placement to raise \$229,656.47 through the placement of 57,414,118 new shares to a number of professional and sophisticated investors. The 57,414,118 shares were issued on 11 January 2016.

On 12 January 2016 the Company announced the sudden passing of Mr Jonathen Rosen.

On 1 February 2016, the following changes were made to the Company's Board and management team:

- Appointment of Messrs Peter Chai and Lei Ding as Directors of Bisan.
- Resignation of Mr Patrick Volpe as a Director of Bisan.
- Appointment of Ms Alyn Tai as Company Secretary of Bisan.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on the following page.

Signed in accordance with a resolution of the Directors.



Avi Kimelman
Chairman
7 April 2016

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

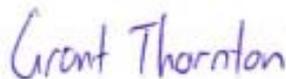
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Auditor's Independence Declaration To The Directors of Bisan Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Bisan Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Matt Hingeley
Partner - Audit & Assurance

Melbourne, 7 April 2016

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Financial Results

Bisan Limited & Controlled Entities Statement of Financial Position As at 31 December 2015

	NOTE	31 December 2015 \$	30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents		12,710	50,465
Receivables		850	19,497
Other financial assets		315,000	315,000
TOTAL CURRENT ASSETS		328,560	384,962
NON CURRENT ASSETS			
Other financial assets		523,436	563,755
Property, plant and equipment		-	2,529
TOTAL NON CURRENT ASSETS		523,436	566,284
TOTAL ASSETS		851,996	951,246
CURRENT LIABILITIES			
Trade and other payables		300,882	262,661
TOTAL CURRENT LIABILITIES		300,882	262,661
TOTAL LIABILITIES		300,882	262,661
NET ASSETS		551,114	688,585
EQUITY			
Contributed equity		14,184,070	14,202,412
Option reserve		1,456,351	1,456,351
		15,640,421	15,658,763
Accumulated losses		(15,0089,307)	(14,970,178)
TOTAL EQUITY		551,114	688,585

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Statement of Profit or Loss and Other Comprehensive Income
For the Period ended 31 December 2015

	31 December 2015 \$	31 December 2014 \$
Revenue from continuing operations	19,582	19,505
Administration expenses	(8,628)	(4,701)
Auditors remuneration	(6,300)	(6,717)
Employee benefits expense	-	(194)
Occupancy expense	(4,792)	(6,967)
Share registry expense	(6,107)	(7,513)
Impairment of other financial assets	(40,318)	-
Legal fees expense	(40,027)	-
Listing fees	(15,713)	(15,017)
Consulting fees	(16,000)	-
Directors fees expense	-	(75,000)
Due-diligence: Pencil Hill	-	(220,032)
Investment expenses	-	(55,000)
Travel expense	(826)	(163)
Secretary fees and expenses	-	(5,500)
Other expenses	-	(19,998)
Loss before income tax expense	(119,129)	(397,297)
Income tax expense (benefit)	-	-
Loss after income tax expense	(119,129)	(397,297)
Other comprehensive income	-	-
Total comprehensive income	(119,129)	(397,297)
Earnings per share for loss from continuing operations attributable to owners of the parent entity	Cents	
Basic earnings (loss) per share	(0.03)	(0.22)
Diluted earnings (loss) per share	(0.03)	(0.22)

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Statement of Changes in Equity
For the Period ended 31 December 2015

Consolidated Entity

	Contributed Equity \$	Option Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2014	12,638,759	1,456,351	(13,813,416)	281,694
Loss for the period	-	-	(397,297)	(397,297)
Available for sale asset revaluation	-	-	-	-
Total comprehensive loss for the period	-	-	(397,297)	(397,297)
Transactions with equity holders in their capacity as equity holders				
Issue of new shares	556,963	-	-	556,963
Share issue costs	(33,108)	-	-	(33,108)
At 31 December 2014	13,162,614	1,456,351	(14,210,713)	408,252
At 1 July 2015	14,202,412	1,456,351	(14,970,178)	688,585
Loss for the period	-	-	(119,129)	(119,129)
Total comprehensive loss for the period	-	-	(119,129)	(119,129)
Share issue costs	(18,342)	-	-	(18,342)
At 31 December 2015	14,184,070	1,456,351	(15,089,307)	551,114

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Consolidated Statement of Cash Flows
For the Period ended 31 December 2015

	CONSOLIDATED ENTITY	
	HALF- YEAR	
	2015	2014
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(67,238)	(406,809)
Interest received	16,080	-
Other Income	3,502	-
Refunds Received	9,901	-
Net cash outflows from operating activities	(37,755)	(406,809)
Cash flows from investing activities		
Sale of investments	-	41,528
Purchase of investments	-	(180,000)
Net cash outflows from investing activities	-	(138,472)
Cash flows from financing activities		
Proceeds from issue of shares	-	556,963
Capital raising costs	-	(3,957)
Repayment of borrowings	-	(3,500)
Net cash inflows from financing activities	-	549,506
Net increase/(decrease) in cash held	(37,755)	4,225
Cash and cash equivalents at beginning of period	50,465	57,891
Cash and cash equivalents at end of period	12,710	62,116

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Notes to the Financial Statements
For the period ended 31 December 2015

1. Basis of Preparation of the Half-Year Financial Report

a) Statement of Compliance

The half-year financial report ended 31 December 2015 is a general purpose financial report that has been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*.

b) Basis of preparation

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position, and financing and investing activities of the Company as the most recent annual financial report.

The half-year financial report should be read in conjunction with the annual financial report of Bisan Limited as at 30 June 2015.

It is also recommended that the half-year financial report be considered together with any public announcements made by Bisan Limited during the half-year ended 31 December 2015 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The half-year financial report has been prepared on a historical cost basis, except for available-for-sale financial assets held at fair value and financial assets at fair value through profit and loss.

All amounts are presented in Australian dollars.

c) Significant accounting policies and methods of computation

The half-year consolidated financial statements have been prepared using the same accounting policies and methods of computation as used in the annual financial statements for the year ended 30 June 2015.

d) Going Concern

Notwithstanding the fact that for the period ended 31 December 2015 the consolidated entity generated a loss, the financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the period ended 31 December 2015, the consolidated entity generated a loss after tax of \$119,129 (31 Dec 2014: loss of \$397,297).

Significant judgments made by the Directors in determining that the financial statements be prepared on a going concern basis include:

- Cash flow required to fund mandatory expenditure is sufficient in order for the consolidated entity to meet its obligations as and when they fall due.
- On 18 December 2015, Bisan announced that it had secured a placement to raise \$229,656 through the placement of 57,414,118 new shares to a number of professional and sophisticated investors. The 57,414,118 shares were issued on 11 January 2016.
- Further capital raising activities will be required, The Board has a track record of raising capital and has assisted the Company in raising in excess of \$1.6M in the year to 30 June 2015;
- The ability of the consolidated entity to sell its listed shares in Abilene Oil and Gas Limited or the unlisted investment in P-Fuel Limited if necessary; and
- Negotiating with key service providers, including Directors and employees, to defer payment for their services or to accept shares or other securities in lieu of payment.

For these reasons, the Directors believe the assumption of the going concern basis in the preparation of this financial report is appropriate. The financial report does not include any adjustments in relation to the recoverability or classification of recorded assets, or the amounts or classification of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

Bisan Limited & Controlled Entities
Notes to the Financial Statements
For the period ended 31 December 2015

e) Operating Segments

No information is disclosed for operating segments as no management accounts are regularly provided to the Board of Directors, other those of the consolidated entity. As such no operating segments exist.

f) Key Accounting Estimates and Judgments

The group makes estimates and assumptions concerning the future. The resulting estimates may not always equal the related results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

i. Going Concern

The financial statements have been prepared on a going concern basis as explained in Note 1(d). If this basis is not appropriate the carrying amount of assets and liabilities may be significantly different.

ii. Investments in unlisted shares

The Group holds investments in unquoted shares and accounts for these investments as available-for-sale investments. For the investment in JCL, the Directors were not able to obtain the necessary financial information to determine the fair value of the investment. Accordingly, this investment is carried at cost less impairment. In assessing for impairment, the Directors use the best information available to assess the appropriate carrying values for the investments and amount of impairment (if any). For the investment in P-Fuel, the Directors consider the acquisition cost is a reasonable estimation of the fair value.

The directors believe that Bisan does not have significant influence over P-Fuel as:

- Bisan owns less than 20% of P-fuel.
- Pat Volpe directorship and ownership in P-Fuel stemmed from prior to his involvement with Bisan.
- Pat Volpe abstained from circular resolutions in relation to P-Fuel.
- The Loan agreement between P-Fuel and Bisan was made on commercial terms.

Accordingly Bisan has not equity accounted its investment in P-Fuel.

iii. Directors' fees

No directors' fees have been accrued for due to the directors waiving their right to receive directors' fees for the period. This will be reassessed once cash flow improves.

2. Segment Reporting

The Company operates in one segment, being investment activities in Australia.

3. Contingent Liabilities

There are no contingent liabilities or commitments expected to arise.

4. Capital Raising

On 18 December 2015 Bisan announced that it had secured a placement to raise \$229,656.47 through the placement of 57,414,118 new shares to a number of professional and sophisticated investors. The 57,414,118 shares were issued on 11 January 2016.

Bisan Limited & Controlled Entities
Notes to the Financial Statements
For the period ended 31 December 2015

5. Related Party Transactions

The following related party transactions (other than remuneration of Directors and employees) occurred during the half-year on normal commercial terms and conditions:

- a) The following transactions occurred between the Company and Botswana Metals Limited (“BML”) (a company of which Patrick J Volpe was a Director during the period):
- BML invoiced the Company \$383 for the costs of repair and service for MYOB – the invoice was paid.
 - BML invoiced the Company \$1,835.05 for the reimbursement of call charges regarding My Generation Smartphones – the invoice was paid.
- b) The following transactions occurred between the Company and Cohiba Minerals Limited (“Cohiba”) (a company of which Patrick J Volpe and David Herszberg were directors during the period):
- the Company paid Cohiba \$870.83 for the provision of office space during the period the invoice was paid.
 - The Company paid Cohiba \$2,719 for the laptop that was supplied by Cohiba on 30 June 2015
- c) The following transactions occurred between the Company and P-Fuel Limited (“P-Fuel”) (a company of which Patrick J Volpe and Avi Kimelman were directors during the period):
- the Company received interest of \$16,080 from P-Fuel.

In view of his significant interest in P-Fuel, Mr Volpe did not participate in any of the decisions by the Directors regarding transactions between the Company and P-Fuel.

Mr Volpe is a Director of P-Fuel and directly owns 2.87% of P-Fuel and is a Director and Shareholder of the following companies that own shares in P-Fuel:

- Bisan Limited (in which Mr Volpe’s interest is 6.34%) holds 16.39% of P-Fuel.
 - Growthtech International Pty Ltd (in which Mr Volpe’s interest is 23%) holds 9.09% of P-Fuel.
 - Teltec Capital Pty Ltd (in which Mr Volpe’s interest is 29%) holds 3.30% of P-Fuel.
 - Nova Vita Pty Ltd (in which Mr Volpe’s interest is 47%) holds 2.64% of P-Fuel.
- d) Directors and their related entities are reimbursed for out-of-pocket expenses incurred in the performance of their duties.
- e) Mr Pat Volpe is a Director and substantial shareholder of Cohiba, a consultant to, and a shareholder of, Foxfire and a substantial Shareholder in P-Fuel. Close family members of Mr Pat Volpe are Directors and shareholders of CAP. Mr David Herszberg is a Director of Cohiba. Mr Avi Kimelman is a Director and substantial shareholder of Kushkush.
- f) The Company maintains an investment of 37,565 fully paid ordinary shares in Lemarne Corporation Limited (ASX: LMC) (“LMC”) with a book value of \$24,229 as at 31 December 2015 based on the last sale price for the shares. Shares in LMC are currently suspended from trading. Mr David Herszberg was a Director of LMC when the shares were acquired.

Bisan Limited & Controlled Entities
Notes to the Financial Statements
For the period ended 31 December 2015

6. Fair value measurement of financial instruments

This note provides an update on the judgments and estimates made by the group in determining values of the financial instruments since the last annual financial report.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2015 and 31 December 2015 on a recurring basis:

At 31 December 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total
Assets				
Held for trading investments	15,786	-	150	15,936
Available-for-sale financial assets	-	-	507,500	507,500
At 30 June 2015				
Assets				
Held for trading investments	56,105	-	150	56,255
Available-for-sale financial assets	-	-	507,500	507,500

(b) Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the last sale price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Bisan Limited & Controlled Entities
Notes to the Financial Statements
For the period ended 31 December 2015

(c) Valuation processes and fair values of other financial instruments

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts.

The fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles. Non-interest bearing related party receivables are repayable on demand, thus face value equates to fair value.

Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date. For non-traded equity investments, the fair value is an assessment by the Directors based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

The carrying amounts of financial assets and liabilities noted above equates to their fair values at balance date.

7. Contributed Equity

	31 December 2015	30 June 2015
	\$	\$
394,260,793 Fully Paid Ordinary Shares (30 June 2015 – 394,260,793)	14,184,070	14,202,412
	14,184,070	14,202,412

Movements in ordinary share capital

	31 December 2015		30 June 2015	
	No.	\$	No.	\$
Fully paid ordinary shares				
At the beginning of the period	394,260,793	14,202,412	148,523,581	12,638,759
Shares issued during the period	-	-	245,737,212	1,675,028
Share issue costs	-	(18,342)	-	(111,375)
At the end of the period	394,260,793	14,184,070	394,260,793	14,202,412

Directors' Declaration

In the opinion of the Directors of Bisan Limited (ACN 006 301 800):

1. The consolidated financial statements and accompanying notes of Bisan Limited are in accordance with the *Corporations Act 2001*, and:
 - a. comply with Accounting Standard AASB 134 *Interim Financial Reporting*; and
 - b. give a true and fair view of the financial position of the consolidated entity as at 31 December 2015 and of its performance for the half-year ended on that date, and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Avi Kimelman
Chairman
7 April 2016

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Independent Auditor's Review Report To the Members of Bisan Limited

We have reviewed the accompanying half-year financial report of Bisan Limited (“Company”), which comprises the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors’ declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half year’s end or from time to time during the half year.

Directors’ responsibility for the half-year financial report

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

Auditor’s responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Bisan Limited’s financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Bisan Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Basis for Qualified Conclusion

Since 30 June 2015 the directors have been in a dispute as to the terms of a conversion and/or repayment of the loan advanced to P-Fuel, as well as the directors fees owing since 1 July 2015 (refer to the Director's Report for additional information). As at 31 December 2015 the amount represents 36% of total assets and is classified as a current other financial asset, upon conversion it would be classified as a non-current other financial asset. Due to the nature of the dispute we were unable to satisfy ourselves as to the classification and valuation of other financial assets and the completeness of directors fees and related accrual.

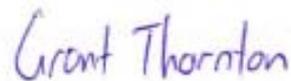
Qualified Conclusion

Based on our review, which is not an audit, except for the possible effects of the matter described in the preceding paragraph, we have not become aware of any matter that makes us believe that the consolidated half year financial report of Bisan Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Material Uncertainty Regarding Going Concern

Without qualifying our opinion we draw attention to Note 1(d) in the consolidated financial statements which indicates that the consolidated entity incurred a net loss of \$119,129 during the period ended 31 December 2015. Note 1(d) also indicates that to continue as a going concern, the consolidated entity is dependent upon obtaining necessary funds to meet its current obligations, and will need to do this through successful capital raisings. These conditions along with other matters set forth in Note 1(d), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Matt Hingeley
Partner - Audit & Assurance

Melbourne, 7 April 2016