



## **WINTECH GROUP LIMITED**

**ABN 36 003 087 689**

### **Appendix 4D Interim Financial Report**

**for the half-year ended**

**31 December 2011**

**To be read in conjunction with the 30 June 2011 Annual Report  
In Compliance with Listing Rule 4.2A**

## WINTECH GROUP LIMITED

ABN 36 003 087 689

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

Current Reporting Period: Half-year ended 31 December 2011  
Previous Reporting Period: Half-year ended 31 December 2010

<b>Results to be announced to the market</b>			<b>A\$</b>
<b>Revenue from ordinary activities</b>	-		-
<b>Loss after tax attributable to members</b>	increased 1990%	to	<b>384,612</b>
<b>Loss for the half-year attributable to members</b>	increased 1990%	to	<b>384,612</b>

#### Dividends

No dividends have been paid or provided for during the half year

<b>Other Information</b>	<b>31 December 2011</b>	<b>31 December 2010</b>
<b>Net Tangible Assets per ordinary share</b>	<b>(0.000)</b>	<b>(0.000)</b>

*Refer to the Directors' Report – Review of Operations for an explanation of the above information.*

# WINTech GROUP LIMITED

ABN 36 003 087 689

## INDEX

Company Particulars	3
Directors' Report	4
Auditor's Independence Declaration	5
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Financial Statements	10
Directors' Declaration	13
Independent Auditor's Review Report	14

## COMPANY PARTICULARS

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### DIRECTORS

Mr Vincent Sweeney (Executive Chairman)  
Mr Steve Liebeskind (Non Executive Director)  
Mr Rick Taylor (Non Executive Director)

### COMPANY SECRETARY

Mr Vincent Sweeney

### AUDITORS

William Buck Audit (Vic) Pty Ltd  
Level 1, 465 Auburn Road  
Hawthorn East Vic 3123

### SOLICITORS

Slater & Gordon  
44 Market Street  
Sydney NSW 2000

### SHARE REGISTRY

Boardroom Limited  
Level 7, 207 Kent Street,  
Sydney NSW 2000

### REGISTERED OFFICE

C/- Sydney Capital Partners  
Level 6, 2 Bulletin Place  
Sydney NSW 2000  
Telephone: (61) 2 8264 2400  
Facsimile: (61) 2 8264 2411  
[www.sydneycapital.com.au](http://www.sydneycapital.com.au)

### PRINCIPAL PLACE OF BUSINESS

Level 6, 2 Bulletin Place Sydney NSW 2000

### STOCK EXCHANGE LISTING

WinTech Group Limited shares are listed on  
the Australian Securities Exchange Limited  
ASX Code: WTG

### CORPORATE ADVISORS

Sydney Capital Partners  
[www.sydneycapital.com.au](http://www.sydneycapital.com.au)

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## DIRECTORS' REPORT

The Directors present their report together with the financial statements of WinTech Group Limited (the "Company") for the half-year ended 31 December 2011, and the independent auditor's review report thereon.

### DIRECTORS

The names of the Directors in office at any time during or since the end of the half-year are:

**Vincent Sweeney** (appointed 07 October 2011)

**Steve Liebeskind** (appointed 07 October 2011)

**Rick Taylor** (appointed 07 October 2011)

King Chuen Chong (resigned 07 October 2011)

Trevor Kelly (resigned 07 October 2011)

Jeyabalan Vijayasundram (resigned 07 October 2011)

### REVIEW OF OPERATIONS

The results of the entity for the half-year ended 31 December 2011 was a loss of \$384,612 after income tax compared to 2010 which incurred a loss of \$18,402.

This result reflected re-structuring costs and was a satisfactory outcome as the company repositions itself as a resources company. Key highlights during the six months were the completion of a successful re-structure of the company and the continued funding by the ABE group and by the company advisors Sydney Capital Partners.

### SUBSEQUENT EVENTS

Since December 2011 the company has issued shares towards the acquisition of the entities and business interests of Direct Nickel Pty Limited. Refer to the ASX announcement which is repeated in Note 7 Subsequent Events in these Financial Statements for additional information. As a consequence the Company is well advanced on its planned re-positioning as an emerging global nickel producer.

Key foundations of the Company's way forward through the proposed acquisition will include:

- The proposed Indonesian Joint Venture to establish a nickel processing operation
- The PNG Mambare JV in which Direct Nickel anticipates drilling results to confirm a substantial nickel deposit and a site for a future processing operation
- The uniquely efficient, cost effective and environmentally friendly nickel laterite processing technology which is the cornerstone of the company.
- Significant international shareholders and technical partners.

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

The Lead Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* is set out on page 5 for the half-year ended 31 December 2011.

This report is signed in accordance with a resolution of the Board of Directors:

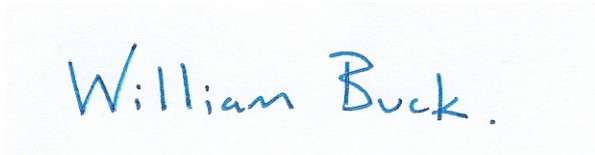


Vincent Sweeney - Chairman  
Sydney 20 January 2012

## **AUDITOR'S INDEPENDENCE DECLARATION UNDER THE SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF WINTECH GROUP LIMITED**

I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



William Buck Audit (VIC) Pty Ltd  
ABN 59 116 151 136



**H.D. Paton**  
Director

Dated this 20th day of January, 2012

Sydney  
Melbourne  
Brisbane  
Perth  
Adelaide  
Auckland

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GLOBAL ALLIANCE OF  
INDEPENDENT FIRMS

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## INCOME STATEMENT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	Note	Company	
		31 December	
		2011	2010
		\$	\$
Corporate costs		(326,000)	(130,402)
Forgiveness of debts		-	112,000
Finance Costs		(58,612)	-
		<hr/>	<hr/>
<b>Loss before income tax expense</b>		<b>(384,612)</b>	<b>(18,402)</b>
Income tax expense		-	-
		<hr/>	<hr/>
<b>Loss attributable to members of the Company</b>		<b>(384,612)</b>	<b>(18,402)</b>
Other Comprehensive Income		-	-
		<hr/>	<hr/>
<b>Total Comprehensive Income attributable to members of the Company</b>		<b>(384,612)</b>	<b>(18,402)</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Earnings per share</b>			
Basic and diluted loss per share (cents)	3	(60.74)	(28.41)

*The accompanying notes form part of these financial statements.*

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## BALANCE SHEET

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	Note	Company	
		31 December 2011 \$	30 June 2011 \$
<b>Current Assets</b>			
Cash and cash equivalents		-	-
<b>Total Current Assets</b>		-	-
<b>Total Assets</b>		-	-
<b>Current Liabilities</b>			
Trade and related party liabilities	6	<u>475,480</u>	<u>400,000</u>
<b>Total Current Liabilities</b>		<u>475,480</u>	<u>400,000</u>
<b>Total Liabilities</b>		<u>475,480</u>	<u>400,000</u>
<b>Net Deficiency</b>		<u>(475,480)</u>	<u>(400,000)</u>
<b>Equity</b>			
Contributed equity	4	500,207	77,305,875
Reserves		-	2,050,000
Accumulated losses		<u>(975,687)</u>	<u>(79,755,875)</u>
<b>Total Equity</b>		<u>(475,480)</u>	<u>(400,000)</u>

*The accompanying notes form part of these financial statements.*

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	<b>Issued Capital \$</b>	<b>Accumulated Losses \$</b>	<b>Share Based Payment Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2010</b>	77,305,875	(79,583,473)	2,000,000	(277,598)
Total comprehensive income	-	(18,402)	-	(18,402)
Settlement of creditors' claims	-	-	50,000	50,000
<b>Balance at 31 December 2010</b>	77,305,875	(79,601,875)	2,050,000	(246,000)
<b>Balance at 1 July 2011</b>	<b>77,305,875</b>	<b>(79,755,875)</b>	<b>2,050,000</b>	<b>(400,000)</b>
Total comprehensive income	-	(384,612)	-	(384,612)
Shares issued to creditors and convertible note holders	2,359,132		(2,050,000)	309,132
Reduction in share capital	(79,164,800)	79,164,800	-	-
<b>Balance at 31 December 2011</b>	<b>500,207</b>	<b>(975,687)</b>	<b>-</b>	<b>(475,480)</b>

*The accompanying notes form part of these financial statements.*



# WINTECH GROUP LIMITED

ABN 36 003 087 689

## CASH FLOW STATEMENT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	Note	Company	
		31 December	
		2011	2010
		\$	\$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		-	(18,402)
<b>Net cash used in operating activities</b>		-	(18,402)
<b>Cash flows from financing activities</b>			
Proceeds from the issue of convertible notes		-	50,000
<b>Net cash provided by financing activities</b>		-	50,000
<b>Net increase in cash and cash equivalents held</b>		-	31,958
<b>Cash and cash equivalents at the beginning of the half-year</b>		-	(31,958)
<b>Cash and cash equivalents at the end of the half-year</b>		-	-

*The accompanying notes form part of these financial statements.*

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

### 1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT

These general purpose financial statements for the interim half-year period ending 31 December 2011 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Accounting Standards.

The interim financial statements are intended to provide users with an update on the latest annual financial statements of WinTech Group Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that these financial statements be read in conjunction with the annual financial statements for the year ended 30 June 2011, together with any announcements made during the half-year.

The accounting policies have been consistently applied by the Company and are consistent with those in the June 2011 financial report.

#### *Reporting Basis and Conventions*

The half-year financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

### 2. ECONOMIC DEPENDENCY

The financial statements have been prepared on a going concern basis notwithstanding that for the half-year ended 31 December 2011 the Company incurred an operating loss of \$384,612 (to December 2010: \$18,402) and liabilities exceed assets by \$475,480 (2010: \$400,000). As at the end of the reporting period the Company owed nearly all of this to related parties of the Executive Chairman. Such related parties have agreed not to call upon these loans for a period of at least 12 months from the date of the signing of these financial statements or until such time as the Company has sufficient resources to make such repayments.

The related parties have also agreed to continue to underwrite the future expenses of the company for a period of at least 12 months from the date of the signing of these financial statements, or until such time as the Company without such advances and undertakings is able to pay its debts as and when they fall due and payable.

For these reasons, the Company believes that it will be able to meet its debts as and when they fall due and payable.

**WINTECH GROUP LIMITED**

ABN 36 003 087 689

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE HALF-YEAR ENDED 31 DECEMBER 2011****3. LOSS PER SHARE**

The earnings and weighted average number of ordinary shares used in calculation of basic earnings per share are as follows:

	<b>2011</b>	<b>2010</b>
Net loss for the half year attributed to ordinary Shareholders	(384,612)	(18,402)
Weighted average number of ordinary shares adjusted for share consolidation *	633,187	64,766

\* For details of the share consolidation refer to Note 4 Issued Capital. The comparative calculation has been amended to reflect the results of the share consolidation. This decreased the weighted average number of shares from 51,489,191 to 64,766 and increased the loss per share from 0.04 cents per share to 28.41 cents per share.

As at 31 December the Company had on issue 20m vested options, exercisable at \$15.90 (adjusted for the share consolidation) by an exercise date of 21 May 2012. As the Company is in a loss position these options are considered anti-dilutive and have therefore not been incorporated into the diluted loss per share calculation.

**4. ISSUED CAPITAL**

	<b>2011 No.</b>	<b>2011 \$</b>
<b>Issued and paid up capital</b>		
Balance at the beginning of the financial period	51,489,191	77,305,875
Shares issued October 2011 to creditors and convertible note holders*	130,000,000	2,050,000
Shares issued October 2011 on reduction of related party liabilities*	910,000,000	309,132
Reduction in share capital and consolidation of capital on 1 for 795 basis on 27 October 2011*	(1,090,116,752)	(79,164,800)
Balance at the end of the financial period	<u>1,372,439</u>	<u>500,207</u>

\* All of these movements in ordinary share capital were approved at a General Meeting of shareholders held on 7 October 2011.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of winding up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of administration.

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

### 5. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the annual reporting period.

### 6. RELATED PARTY LIABILITIES

As at 31 December 2011 a total of \$439,480 was owed to entities controlled by the Executive Chairman (June 2011: \$400,000). The amounts are secured by a fixed and floating charge over all of the assets of the Company.

### 7. SUBSEQUENT EVENTS

On 6 January 2012 the Company issued the 110 million shares and the options to invest as approved by shareholders in the EGM of October 2011, for acquisition of issued capital of Direct Nickel Pty Ltd.

The Company requested Direct Nickel to put in place a new holding company and to separate its key assets into separate subsidiaries. Whilst this restructure is being completed the WTG shares recently issued will be held by DNI Nominees Pty. Limited but will end up with the Direct Nickel Vendors and WTG will own shares in Direct Nickel Pty Limited but through a new interposed holding entity. All of the shares issued to DNI Nominees Pty. Limited are subject to voting and other restrictions until the restructure is completed to the satisfaction of the current WTG Directors.

Direct Nickel has raised additional capital since October 2011 and as WTG has raised no additional capital, there remain additional shares to be issued by WTG for the acquisition and this mechanism was set out in the Explanatory Memorandum for the EGM. These additional shares will be issued after obtaining any necessary approvals required for their issue.

## WINTECH GROUP LIMITED

ABN 36 003 087 689

### DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes set out on pages 6 to 12 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) giving a true and fair view of the Company's financial position as at 31 December 2011 for the half-year ended on that date.
2. In director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



**Vincent Sweeney**  
Chairman

Dated in Sydney, Australia on this 20<sup>th</sup> day of January 2012.

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF WINTECH GROUP LIMITED**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of WinTech Group Limited (the "company"), which comprises the balance sheet as at 31 December 2011, the income statement, the statement of changes in equity and cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the 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 control 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 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 financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the company's financial position as at 31 December 2011 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 WinTech Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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 have complied with the independence requirements of the Corporations Act 2001.

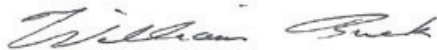
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## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF WINTECH GROUP LIMITED (CONT)**

### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of WinTech Group 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 2011 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



**William Buck Audit [Vic] Pty Ltd**

ABN 59 116 151 136



**H. D. Paton**  
**Director**

Dated this 20th day of January, 2012