

**BIDGEE FRESH PTY LTD**

**SPECIAL PURPOSE FINANCIAL REPORT  
FOR YEAR FINANCIAL PERIOD FROM  
INCORPORATION TO 30 JUNE 2016**

# **BIDGEE FRESH PTY LTD – FINANCIAL REPORT**

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## **CORPORATE DIRECTORY**

ABN 13 605 520 125

### **Directors**

Mathew Ryan  
George Roger Commins

### **Company Secretary**

Mathew Ryan

### **Registered office**

158 Yambil Street  
Griffith, NSW  
Australia 2680  
Telephone +61 2 69641544  
Fax +61 2 69641546

### **Bankers**

Suncorp Bank  
152 Banna Avenue  
Griffith, NSW  
Australia 2680

Westpac  
242-244 Banna Avenue  
Griffith, NSW  
Australia 2680

### **Auditors**

Ernst & Young  
200 George Street  
Sydney, NSW  
Australia 2000

# **BIDGEE FRESH PTY LTD – FINANCIAL REPORT**

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# **BIDGEE FRESH PTY LTD – FINANCIAL REPORT**

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## **BIDGEE FRESH PTY LTD**

### **DIRECTORS REPORT**

#### **FOR THE PERIOD FROM INCORPORATION 28<sup>TH</sup> APRIL 2015 TO 30 JUNE 2016**

The directors present their report together with the financial report of Bidgee Fresh Pty Ltd ("Bidgee Fresh or the Company") for the period from incorporation 28 April 2015 to 30 June 2016. There are no comparatives in this report.

#### **1. Directors**

The directors of the company at any time during or since the financial period ended 30 June 2016 are:

<b>Directors</b>	<b>Appointed</b>	<b>Resigned</b>
George Benjamin Commins	28 April 2015	5 July 2016
George Roger Commins	28 April 2015	
Mathew John Ryan	3 June 2015	
Bonnie Ryan	3 June 2015	5 July 2016

#### **2. Principal Activities**

The principle activities of the Company for the period from incorporation to 30 June 2016 were growing and selling of Murray Cod Fingerlings and Murray Cod Dam System Cages.

There were no significant changes to the nature of activities of the Company during the period.

#### **3. Operating and financial review**

The loss after tax of the company for the period from Incorporation to 30 June 2016 was \$112,175.

#### **4. Significant changes in the state of affairs**

In the opinion of the directors there were no significant changes to the state of affairs of the company that occurred during the financial period.

#### **5. Environmental Regulation**

The company's operation is not subject to any significant environmental regulations. The Board believe that the company has adequate systems in place for management of its environmental requirements.

#### **6. Events subsequent to reporting date**

On 5 July 2016 3,868 Bonus shares were issued to existing shareholders on a pro rata basis to their existing shareholdings. The percentage ownership of shareholders did not change as a result of this bonus issue.

On 5 July 2016 2,166 performance rights were issued in the company. These shares are convertible to ordinary shares in 3 tranches: 3, 4 and 5 years from date of issue.

On 6 July 2016 Bidgee Fresh entered into a Heads of Agreement (HOA) with Timpetra Resources Limited, a company listed on the ASX, for the sale of the company to Timpetra.

The agreement is for Timpetra to purchase all of the shares and performance rights in Bidgee Fresh with consideration being shares and performance rights in Timpetra Resources. The agreement is subject to Timpetra successfully complying with the ASX rules to re-list their shares and to raise \$10 million by way of share issue.

## **BIDGEE FRESH PTY LTD – FINANCIAL REPORT**

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### **BIDGEE FRESH PTY LTD DIRECTORS REPORT (CONTINUED)**

Other than those items outlined above, there has not arisen in the interval between 30 June 2016 and the date of this report any item, transaction, or event of material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the company.

#### **7. Likely Developments**

Information about the likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because the directors' believe it would be likely to result in unreasonable prejudice to the company.

#### **8. Indemnification and insurance of officers and auditors**

The Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who has been an officer of the Company. During the period the company has not paid any premiums in respect to officers and directors liability insurance.

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

This report is made in accordance with a resolution of directors.



Mathew John Ryan,  
Director

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	Note	30 June 2016 \$
Fish sales		76,682
Equipment sales		286,677
Interest		17
Net gain from changes in fair value of biological assets	8	31,759
<b>Total Revenue</b>		<b>395,135</b>
Cost of sales – equipment		(286,398)
Cost of sales – fish purchases		(76,682)
Depreciation and amortisation		(22,350)
Administrative and other expenses	4	(121,880)
<b>Profit/(Loss) before tax</b>		<b>(112,175)</b>
Less Income tax expense		-
Profit/(Loss) for the period		(112,175)
Other comprehensive income		-
<b>Total comprehensive income/(loss) attributable to the members of the Company</b>		<b>(112,175)</b>

*These financial statements should be read in conjunction with the accompanying notes.*

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

		30 June 2016
	Note	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	6	47,731
Receivables	7	85,372
Biological assets	8	277,863
<b>Total current assets</b>		410,966
<b>Non-current assets</b>		
Property, plant and equipment	9	819,251
<b>Total Assets</b>		1,230,217
<b>Current liabilities</b>		
Trade and other payables	10	(360,802)
Equipment finances		(58,547)
Loans - shareholders	14	(690,020)
<b>Total current liabilities</b>		(1,109,369)
<b>Non-current liabilities</b>		
Equipment finances		(232,923)
<b>Total non-current liabilities</b>		(232,923)
<b>Total liabilities</b>		(1,342,292)
<b>Net liabilities</b>		(112,075)
<b>Shareholders' equity</b>		
Contributed equity	11	100
Retained earnings	12	(112,175)
<b>Total shareholders' equity</b>		(112,075)

*These financial statements should be read in conjunction with the accompanying notes.*

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	Contributed equity	Share based payment reserve	Retained earnings/(losses)	Total equity
<b>At 28 April 2015</b>	100	-	-	100
Comprehensive income/(loss) attributable to shareholders	-	-	(112,175)	(112,175)
<b>Total comprehensive income/(loss) for the year</b>	-	-	(112,175)	(112,175)
<b>At 30 June 2016</b>	<b>100</b>	<b>-</b>	<b>(112,175)</b>	<b>(112,075)</b>

*These financial statements should be read in conjunction with the accompanying notes.*



## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	Note	30 June 2016 \$
<i>Cash flows from operating activities</i>		
Receipts from customers		346,412
Payments and advances to suppliers and employees		(434,199)
<b>Net cash used in operating activities</b>	<b>16</b>	<b>(87,787)</b>
<i>Cash flows from investing activities</i>		
Interest received		17
Purchase of property, plant & equipment		(839,619)
<b>Net cash from/ (used in) investing activities</b>		<b>(839,602)</b>
<i>Cash flows from financing activities</i>		
Proceeds from borrowings		975,020
Proceeds from Issue of Share capital		100
<b>Net cash from/ (used in) financing activities</b>		<b>975,120</b>
Net increase/(reduction) in cash held		47,731
Cash at the beginning of the financial period		-
<b>Cash and cash equivalents at the end of the year</b>	<b>6</b>	<b>47,731</b>

*These financial statements should be read in conjunction with the accompanying notes.*

# BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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## BIDGEE FRESH PTY LTD NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

### 1) REPORTING ENTITY

Bidgee Fresh Pty Ltd (the “Company”) is a company incorporated and domiciled in Australia. The address of the Company’s registered office is at 158 Yambil Street, Griffith NSW. M & B Ryan Pty Ltd and Brigalow Enterprises Pty Ltd, companies registered in Australia are the shareholders of the Company.

The financial statements are as at and for the period from 28 April 2015 to 30 June 2016. The Company was incorporated on 28 April 2015 and started trading from July 2015. The financial statements are prepared for a period of greater than 12 months due to incorporation of the company occurring close to 30 June balance date. There are no comparatives.

The Company is a for-profit entity and is primarily involved in the growing and selling of Murray Cod Fingerlings and Murray Cod Dam System Cages.

In the opinion of directors, the Company is not publicly accountable nor a reporting entity as there are no users that are dependent upon general purpose financial reporting. The financial statements of the Company have been drawn up as special purpose financial statements for distribution to the members.

### 2) BASIS OF ACCOUNTING

#### (a) Statement of compliance

The special purpose financial statements have been prepared in accordance with the requirements of the recognition and measurement aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Boards (AASB).

The special purpose financial statements include only the disclosure requirements of the following AASBs and those disclosures considered necessary by the directors to meet the needs of the members:

1. AASB 101 *Presentation of Financial Statements*
2. AASB 107 *Statement of Cash Flows*
3. AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
4. AASB 1048 *Interpretation and Application of Standards*
5. AASB 1054 *Australian Additional Disclosures*

The financial statements were approved by the Board of Directors on 27<sup>th</sup> September 2016.

#### (b) Basis of Measurement

The financial statements have been prepared on the historical cost basis.

#### (c) Functional and presentation currency and rounding

These financial statements are presented in Australian dollars (AUD), which is the Company’s functional currency. All values are rounded to the nearest dollar unless otherwise stated.

#### (d) Going Concern

These financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and realization of assets and settlement of liabilities in the ordinary course of business.

As at 30 June 2016, the Company’s total current liabilities exceeded total current assets by \$698,403. The Company was also in a net liability position of \$112,075.

## BIDGEE FRESH PTY LTD

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

##### (d) Going Concern (continued)

The ability of the Company to continue as a going concern is dependent upon the ongoing support of its shareholders and its ability to achieve profitable operations. The Company's shareholders, MB Ryan and Commins Enterprises, have agreed to continue to make available financial support to the Company for a period of at least 12 months from the date of this report, or until such time as the Company resumes profitability and is financially self-sufficient.

Subsequent to 30 June 2016, the Directors of the Company note the Company entered into heads of Agreement to sell the Company to Timpetra Resources Limited. Should this transaction occur, Timpetra will extinguish the Shareholder Loan liabilities in full, significantly improving the Company's financial position.

In the event the company is unable to continue as a going concern, the company may not be able to realise its assets and extinguish its liabilities at the amounts stated within this report. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

### 3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the period presented in these financial statements, and have been applied consistently by the Company

#### (a) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with a maturity of three months or less.

#### (b) Trade and other receivables

Trade receivables, which are due for settlement no more than 30 days from the date of the final invoice, are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

#### (c) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short term nature are not discounted. They represent liabilities for goods and services provided to Bidgee Fresh prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

#### (d) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## BIDGEE FRESH PTY LTD NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2016

### (e) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

### (f) Contributed equity

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

### (g) Revenue recognition

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

#### *Interest*

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

#### *Dividends*

Revenue is recognised when the shareholder's right to receive the payment is established.

#### *Fish Sales*

Revenue is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership and title to the fish have passed in accordance with freight & delivery terms.

#### *Cage Sales*

Revenue is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership and title to the cage systems have passed in accordance with freight & delivery terms.

### (h) Income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

### BIDGEE FRESH PTY LTD NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

#### (h) Income tax (continued)

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets and liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- when the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will not reverse in the foreseeable future and a taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred income tax to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

#### (i) Goods and services

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of the asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

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

### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

##### (j) Biological assets

Biological assets comprise Murray Cod live fish. Biological assets are measured at their fair value less costs to sell in accordance with AASB 141 Agriculture, with any changes to fair value recognised immediately in the statement of comprehensive income.

Fair value of a biological asset is based on its present location and condition. If an active or other effective market exists for a biological asset or agricultural produce in its present location and condition, the quoted price in that market is the appropriate basis for determining the fair value of that asset. If an active market does not exist then we use one of the following, when available, in determining fair value:

- the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the end of the reporting period; or
- market prices, in markets accessible to the entity, for similar assets with adjustments to reflect differences; or
- sector benchmarks.

##### (k) Fair value

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 30 June 2016:

30 June 2016	Level 1 \$.	Level2 \$	Level3 \$	Total \$
Biological assets – current	-	-	277,863	277,863
Total	-	-	277,863	277,863

The biological assets of the Company are considered Level 3 and are valued internally by the Company as there is no observable market for them. The value is based on the estimated exit price per kilogram and the value changes for the average weight of each animal as it progresses through the growth and transformation cycle. The average weight of the animal is sample measured periodically, and the value is determined by applying the average weight to the estimated price based on staged weight values (100 gram stages). The lifecycle of the animal is approximately 2 years to minimum initial harvest size. The value per animal is based on this weight estimate, multiplied by the expected market price at the relevant point of transformation. Significant changes in any of the significant unobservable inputs in isolation would result in significant changes in fair value measurement.

The fair value of all other financial assets and financial liabilities in the statement of financial position approximate their carrying value given their short term nature.

### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

##### (l) Property, plant and equipment

Plant and equipment is initially recognized at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the company. Plant and equipment also includes leasehold property held under a finance lease (see note (m)). These assets are subsequently measured using the cost model, being cost less subsequent depreciation and impairment losses.

Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of buildings, plant and equipment. The following depreciation rates are applied:

- Filters and Aeration Feeders: 10%
- Tanks: 5%
- Pumps: 10%
- Electrical and Plumbing: 5%
- Other Plant and Equipment: 5% to 10%

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within other income or other expenses.

##### (m) Leased assets

###### *Finance leases*

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. Where the company is a lessee in this type of arrangement, the related asset is recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognize as a finance lease liability. Leases of land and buildings are classified separately and are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is recognised initially.

See note (l) for the depreciation methods and useful lives for assets held under finance lease. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

###### **Operating leases**

All other leases are treated as operating leases. Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

##### (n) Use of judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

##### *Significant judgements*

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

##### Fair Value of Biological Assets

Management values the fish held as biological assets at their fair value in accordance with AASB 141 Agriculture. Estimated fair values are based on actual selling prices achieved historically and other relevant factors assessed that impact fair value. These estimates may vary from the sale proceeds ultimately achieved by the company.

##### *Significant Estimates*

The following are significant management estimates in applying the accounting policies of the Company. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

##### Biological Assets

Management estimates the number of fish held in biological assets based on a management's process for monitoring and managing its livestock. Each tank of fish is weighed and sorted at least monthly, with sample counts taken within that tank, and average weight used to determine the total number of fish on hand. This method is consistent with Industry Standard. This estimate may vary from the actual total number of fish held by the company.



## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

#### 4) ADMINISTRATIVE AND OTHER EXPENSES

	30 June 2016 \$
Audit and related fees	20,600
Accounting and consulting fees	10,576
Interest	6,470
Meeting expenses	1,903
Service fees	65,000
Repairs and maintenance	10,691
Other administrative expenses	6,640
Total	121,880

#### 5) AUDITORS' REMUNERATION

	30 June 2016 \$
Remuneration of the auditor of the company for:	
- auditing the financial report	20,600
Total	20,600

#### 6) CASH AND CASH EQUIVALENTS

	30 June 2016 \$
Cash at bank and in hand (a)	47,731
Total	47,731

(a) The effective interest rate on short-term bank deposits was 2.0%

#### 7) RECEIVABLES

	30 June 2016 \$
Trade debtors	16,947
GST receivable	68,425
Total	85,372

#### 8) BIOLOGICAL ASSETS - CURRENT

	30 June 2016 \$
Live murray cod fingerlings held for sale	
Carrying amount at the beginning of period	-
Add:	
Fingerling purchases	215,200
Growing costs	30,904
Gain from physical changes at fair value	31,759
Carrying amount at end of period	277,863

Biological assets are measured at fair value at the end of the period. Refer to accounting policy note (k).

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

#### 9) PROPERTY, PLANT & EQUIPMENT

	30 June 2016
	\$
Property, plant and equipment	
Opening Balance as at incorporation date	-
Additions	834,090
Capitalised Borrowing Costs	1,982
Depreciation	(16,821)
Carrying amount at end of period	819,251

Assets are held as security with lien from equipment finance funding.

#### 10) CURRENT LIABILITIES

##### Trade and other payables

	30 June 2016
	\$
Trade creditors	(338,142)
Accrued Expenses	(22,660)
Carrying amount at end of period	(360,802)

#### 11) CONTRIBUTED EQUITY

	30 June 2016
	\$
Opening balance at incorporation date	-
Share Allotment	100
Capital reduction	-
Closing balance at 30 June 2016	100
	Shares
Opening balance at incorporation date	-
Share allotment	100
Closing balance at 30 June 2016	100

##### Ordinary shares

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

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

#### 12) RETAINED EARNINGS

	30 June 2016
	\$
Opening balance	-
After tax profit/(loss) attributable to the equity holders of the company during the year	(112,175)
Dividends	-
Closing balance	(112,175)

#### 13) CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and liabilities outstanding at 30 June 2016.

#### 14) Loans - Shareholders

##### Loans from directors and director-related entities:

There is loan's from entities related to directors to the company as follows:

	30 June 2016
	\$
M & B Ryan Pty Ltd	420,020
Brigalow Enterprises Pty Ltd	270,000
Total	690,020

Loans provided by director related entities have been provided interest free and are at call. The Directors have provided letters of financial support to the company stating the loans will not be call upon in the 12 months from the date of this report.

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

##### 15) SUBSEQUENT EVENTS

There has been two events subsequent to balance date:

- a) Acquisition of the company by Timpetra Resources Ltd.

On 6 July 2016 a binding heads of agreement was signed with Timpetra Resources Ltd. The agreement is for Timpetra to purchase all of the shares and performance rights in Bidgee Fresh with consideration being shares and performance rights in Timpetra Resources. The agreement is subject to Timpetra successfully complying with ASX rules to re-list their shares and to raise \$10 million by way of share issue.

- b) Issue of bonus shares and performance rights

On 5 July 2016 3,868 Bonus shares were issued to existing shareholders on a pro rata basis to their existing shareholdings. The percentage ownership of shareholders did not change as a result of this bonus issue.

On 5 July 2016 2,166 performance rights were issued in the company. These shares are convertible to ordinary shares in 3 tranches: 3, 4 and 5 years from date of issue.

Other than those items outlined above, there has not arisen in the interval between 30 June 2016 and the date of this report any item, transaction, or event of material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the company.

##### 16) RECONCILIATION OF NET PROFIT AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	30 June 2016 \$
Profit/(loss) after income tax expense for the year	(112,175)
Adjustments :	
Subtract interest	(17)
Subtract Capitalised borrowing costs	(1,982)
Change in operating assets and liabilities:	
(Increase) in trade and other receivables	(85,372)
Increase in trade and other payables	367,272
(Increase) in inventories	(277,863)
Increase in provisions	22,350
Net cash used in operating activities	(87,787)

## BIDGEE FRESH PTY LTD – FINANCIAL REPORT

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### BIDGEE FRESH PTY LTD DIRECTORS' DECLARATION

In the opinion of the directors:

- a) the Company is not a reporting entity;
- b) the financial statements and notes of Bidgee Fresh Pty Ltd are special purpose financial statements prepared in accordance with the requirements of the recognition, measurement aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian accounting standards board (AASB) and basis of preparation described in Note 1;
- c) the financial statements and notes present fairly, the company's financial position as at 30 June 2016 and of its performance for the period from incorporation date 28 April 2015 until 30 June 2016.
- d) 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.

On behalf of the Board



Mathew Ryan  
Chairman

Date: 27-9-16

## **Independent auditor's report to the members of Bidgee Fresh Pty Limited**

### **Report on the financial report**

We have audited the accompanying special purpose financial report of Bidgee Fresh Pty Limited (the Company), which comprises the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

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

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of the Australian Accounting Standards Board and to meet the needs of the members. The directors are also responsible for such controls as they determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

### **Independence**

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

### **Basis for Qualified Opinion**

Biological assets of \$277,863 are recorded in the statement of financial position as at 30 June 2016 and a net fair value gain attributable to the biological assets of \$31,759 has been recorded in the statement of comprehensive income for the period. We were appointed auditors of the company subsequent to 30 June 2016 and were unable to attend a physical count of the biological assets. Accordingly, we have been unable to assess the quantum and size of the biological assets on hand as at 30 June 2016 and have been unable to obtain sufficient appropriate audit evidence as to the carrying amount of these biological assets as at 30 June 2016 or the fair value gain recorded as income.

## Qualified Opinion

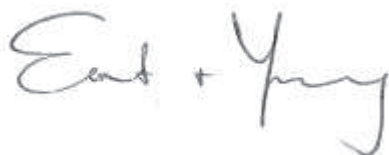
In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Bidgee Fresh Pty Limited presents fairly, in all material respects, the financial position of Bidgee Fresh Pty Limited as of 30 June 2016 and its financial performance and its cash flows for the financial period then ended in accordance with the accounting policies described in Note 1 to the financial statements.

## Emphasis of Matter

Without qualifying our opinion further, we draw attention to Note 1 in the financial report which describes the principal conditions that raise doubt about the entity's ability to continue as a going concern. As identified in Note 1, the entity's ability to continue as a going concern is reliant on obtaining additional funding and continued shareholder support. As a result of these matters there is a significant uncertainty whether the entity will continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

## Basis of Accounting

Without modifying our opinion further, we draw attention to Note 1 to the special purpose financial statements which describe the basis of accounting. The special purpose financial statements are prepared to assist Bidgee Fresh Pty Limited to meet the requirements of the directors. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for Bidgee Fresh Pty Limited and the directors and should not be distributed to parties other than Bidgee Fresh Pty Limited or the directors.



Ernst & Young



Scott Jarrett  
Partner  
Sydney

27 September 2016