



IRONBARK CAPITAL LIMITED

APPENDIX 4D

FOR THE HALF-YEAR ENDED

31 DECEMBER 2018

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The documents comprise the information required under Listing Rule 4.2A and should be read in conjunction with the Annual Report as at 30 June 2018.

RESULTS FOR ANNOUNCEMENT TO THE MARKET HALF-YEAR ENDED 31 DECEMBER 2018

The previous corresponding period is the half-year ended 31 December 2017. The Half-Year Financial Report has been subject to review by the Company's auditors.

- Net profit after tax for the half-year was \$1.30 million, down 31.0% from the \$1.88 million profit in the previous corresponding period.
- Investment revenue from ordinary activities, which includes unrealised losses was \$1.54 million, 39.5% down from the \$2.55 million in the previous corresponding period.
- NTA per share before provision for tax on unrealised losses was 53.3 cents, compared to 53.7 cents from the previous period.
- NTA per share after provision for tax on unrealised losses was 54 cents, compared to 54.4 cents from the previous period.
- The interim dividend paid on 18th September 2018 was 0.85 cents per share, fully franked.
- The previous corresponding period was 0.75 cents per share fully franked.
- The Dividend Reinvestment Plan remains suspended.
- It is the Directors' policy to only pay fully franked dividends and to distribute the majority of franking credits received each year, subject to the availability of profits. Franking credits are generated by receiving fully franked dividends from shares held in the Company's investment portfolio, and from the payment of corporate tax on its other investment income, namely share option premiums, unfranked income and net realised gains.

I will provide a brief comment on Ironbark's results for the half-year and the investment performance.

Investment Performance

For the latest half-year the portfolio returned 3.2% inclusive of franking credits compared to the portfolio benchmark (1 year swap + 6%p.a.) which returned 4.0% for the half-year. This was a good result given the sharp falls in the market in the latter months of the half-year with the S&P/ASX 300 Accumulation recording negative 7.0% for the half-year.

The investment manager's report by Kaplan Funds Management (KFM) which follows, sets out in detail the investment experience in the latest half-year.

Results for the Half-Year

The positive performance of the portfolio contributed to the \$1.30m profit after tax for the half-year, down on the previous corresponding half-year. Income from the trading portfolio was \$1.54m, which included unrealised losses of \$1.05m, a reflection of the market downturn.

The MER of 0.9% reflected some one-off costs associated with the buy-back compared to the prior year MER of 0.8% on an annualised basis.

Corporate profits and accumulated franking credits allowed Ironbark to declare a fully franked dividend in August 2018, which was paid on 18 September 2018.

Dividend Outlook

Ironbark has always had a policy to distribute its franking credits as fully franked dividends in a timely manner, when company profits allow. Currently the franking balance is approximately 2 cents per share and the constraint is availability of profits. In order to maximise the dividend for shareholders, we will not make a formal announcement until March 2019.

Recent Buy-Back

In keeping with Ironbark's policy of offering shareholders every 3 years participation in a buy-back, Ironbark implemented an on-market buy-back for a period of 1 month ending 21 December 2018. This was the first time for an on-market buy-back, which proved satisfactory in allowing shareholders the option to exit some or all of their shareholding at a price near NTA. Approximately 3% of shareholders representing 10.3% of issued capital (14 million shares) participated in this buy-back. The issued capital currently stands at 123 million shares.

Ironbark Outlook

Markets will continue to feel the impact of global trade tensions, Brexit negotiations, and a general growth slowdown, with the uncertainty of an election year locally all adding to continued volatility.

In this environment the strategy of a low volatility, absolute return portfolio paying fully franked dividends is more relevant than ever.

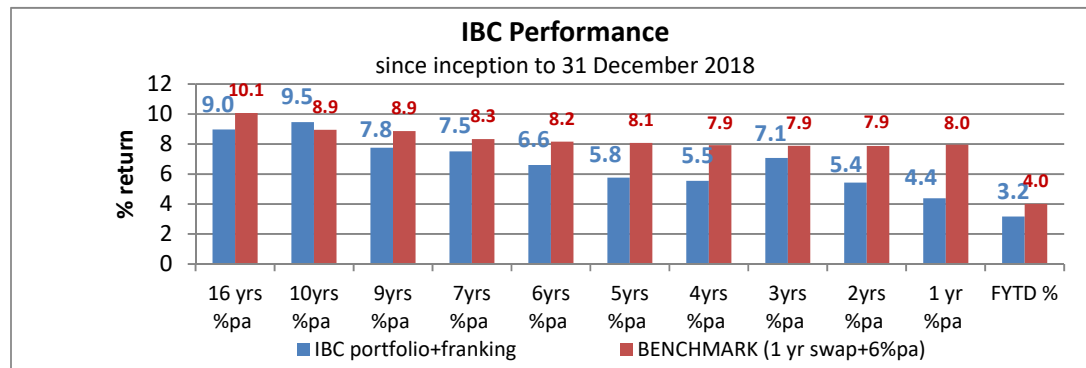
Michael J Cole AM
Chairman

Investment Manager Report –half year to 31 December 2018

The manager's focus is to deliver consistent returns over market cycles with relatively low volatility and a high fully franked dividend yield from the portfolio. The portfolio successfully demonstrated its resilience to adverse market conditions over the six-month period by returning 3.2% or 10% above the sharemarket ASX Accumulation Index. The investment return objective is the 1 year swap rate plus 6%.

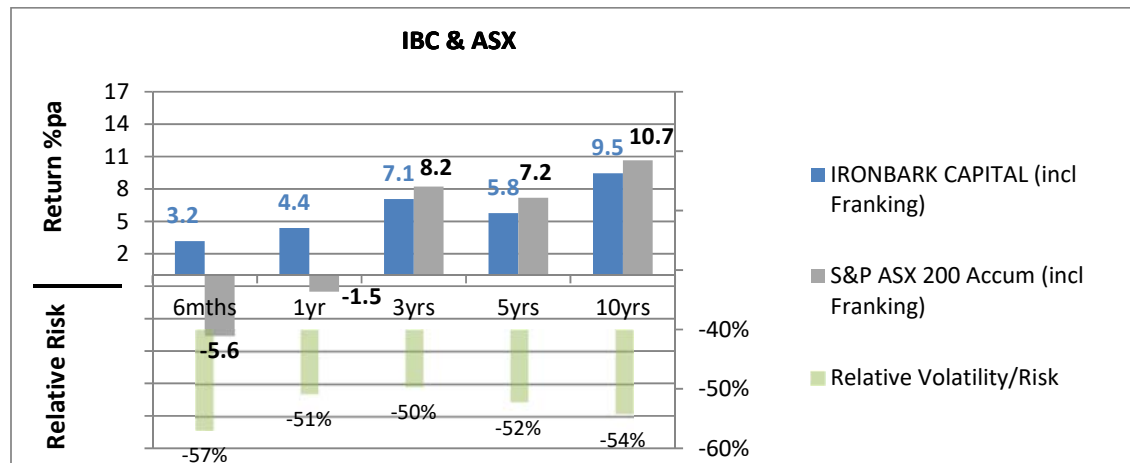
Performance measurement includes franking credits and option premium income. Franking credits are a significant source of return from IBC's hybrid investments and for shareholders. Option premium income is generated from buy & write activity and varies with market conditions. Over the half year period, realised option premium income was approximately \$440,000. The calculation of the portfolio's current running yield of 7.4% excludes option income because realised option premiums are highly variable from year to year.

IBC recorded a portfolio return of 3.17% over the December half year period, underperforming its benchmark return of 4.01%, but delivered a sound result compared to the -6.8% decline in the ASX Accumulation Index. Since inception (16 years) including two years of the disastrous GFC, the portfolio achieved a return of 9.0%pa with risk measuring approximately 52% of equity market risk.



IBC's focus on income generation and capital preservation from a balanced portfolio structure coupled with active asset allocation has delivered superior risk adjusted returns compared to the equity market.

Over the 10-year period the portfolio's return was 9.5%pa with 54% less risk than the ASX200 Accumulation Index return of 10.7%pa (inclusive of franking credits). Over the past 1-year, a return of 4.4% was delivered with 51% less risk than the equities market that fell -1.5% (inclusive of franking credits) in the same period.



Portfolio

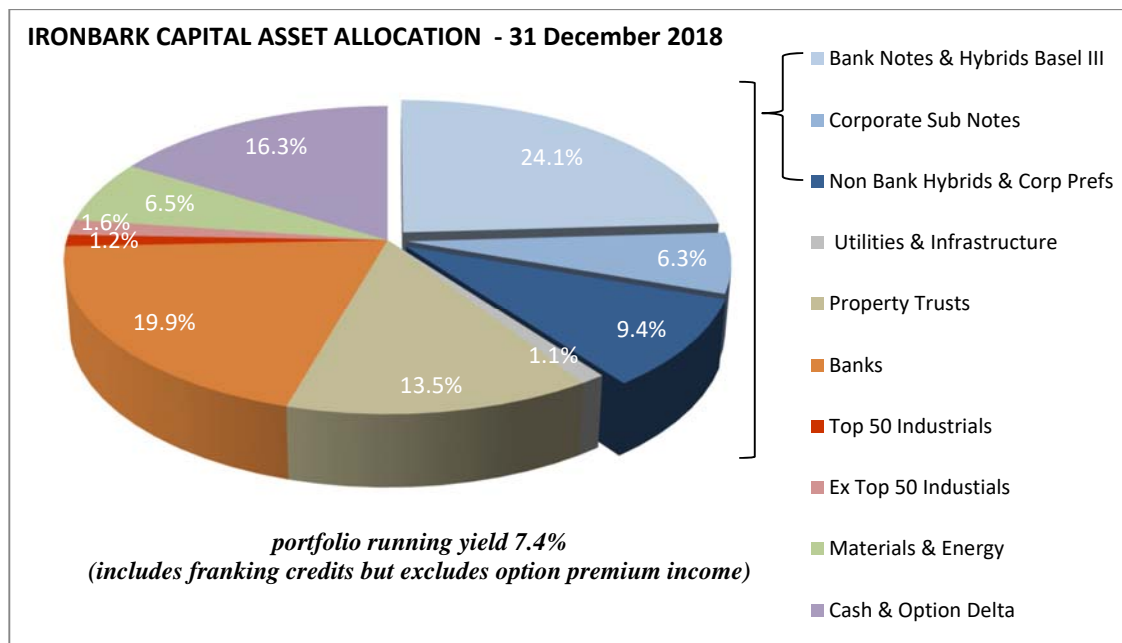
The portfolio is structured with an emphasis on income through yield orientated securities (hybrids and corporate bonds, utilities, property trusts) and buy & write positions in Banks, BHP, Telstra and other leading companies. The portfolio's running yield was 7.4% inclusive of franking credits but excluding option premium income.

The buy & write strategy involves buying selective shares and selling, subject to appropriate timing, call options over those shares. This strategy gives away some of the upside potential from a shareholding but generates option premium income consistent with the income emphasis of the portfolio.

The portfolio is diversified across 26 different entities. Higher risk exposures in banks, industrials and resources are largely held through buy & write option positions for income enhancement or added protection. The portfolio's hybrid and corporate bond holdings are mostly floating rate securities with little duration risk.

Approximately 40% of the portfolio was held in hybrids and corporate bonds and 28% in buy & writes in Banks, Telstra and BHP. The balance is represented by: property trusts 13.5%, mid-cap and small companies 1.6%, utilities 1.1% and cash & option delta 16.3%.

Asset allocation reflects a cautious stance.



Portfolio Performance-half year to 31 December 2018

The portfolio delivered a return of 3.17% for the 6 months to December from good security selection and defensive asset allocation.

Corporate credit and hybrid securities representing 40% of the portfolio outperformed the sector's 3.2% return. Hybrid securities performed well following the digestion of new issues by CBA and WBC. The market demand supply balance remains orderly with new issues largely replacement securities. CBAPC Perls VI and CWNHA notes were redeemed from the portfolio, and SVWPA (up 30%) was exited through a favourable conversion offer. The portfolio participated in the issue of unlisted Suncorp subordinate notes that replaced maturing listed SUNPD notes. The floating rate structures of corporate debt and hybrid securities continued to benefit from the bank bill reference rate trading over 50bps higher than the official cash rate.

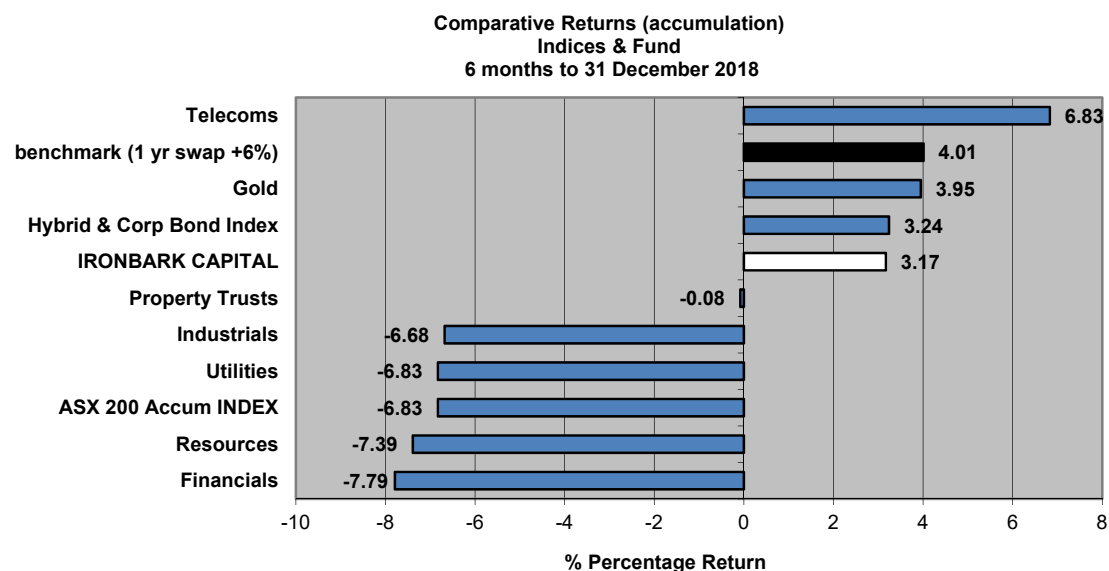
The manager introduced unlisted investment grade corporate debt early in the year to improve diversity and better access to higher ranking capital in subordinate and senior notes. The unlisted market is very liquid, and the listed market is increasingly becoming concentrated with financial tier 1 hybrid securities.

New loss absorbing capital requirements were announced by APRA to increase bank capital by 4%-5% of risk weighted assets. This will largely be funded by new supply of Tier 2 subordinated notes. The proposed implementation date is 2023. The increase in capital is considered credit positive for the banks and for senior bonds supported by more lower ranking capital.

The equities market fell heavily during the period, down -6.83%, alongside substantial declines in major overseas markets. The portfolio's buy & write positions in BHP (up +3.6%), Telstra (up +11.6%) and the banks (down -7.8%) experienced mixed results and outperformed the ASX Index. The high physical weighting to BHP was maintained. BHP's performance was assisted by capital management returning US\$10bn to shareholders via a buy back and special dividend.

The portfolio's holdings in property trusts outperformed the sector's steady return with corporate activity a feature. The portfolio exited Investa Office Fund and Folkestone under takeover bids.

Cash exposure (including option delta) was 16% at the end of the period reflecting the manager's cautious outlook.



Ironbark Capital Limited
ABN 89 008 108 227
Portfolio Shareholdings as at 31 December 2018

Portfolio Shareholdings at 31 December 2018

ASX Code	Security	Market Value* \$'000	% of portfolio	% exposure**
Banks				
ANZ	ANZ Banking Group Limited	2,670	4.1	3.5
CBA	Commonwealth Bank of Australia Limited	6,098	9.4	6.6
CYB	CYBG PLC	58	0.1	0.1
NAB	National Australia Bank Limited	1,988	3.1	2.6
WBC	Westpac Banking Corporation Limited	5,087	7.9	7.2
		15,901	24.6	20.0
Hybrids & Corporate Bonds				
AGLHA	AGL Energy Limited - Subordinated Notes	819	1.3	1.3
AMP011227	AMP Limited - Subordinated Notes (Unlisted)	487	0.8	0.8
AMPPA	AMP Limited - Capital Notes	310	0.5	0.5
ANZPG	ANZ Banking Group Limited - Capital Notes	731	1.1	1.1
BENPG	Bendigo & Adelaide Bank Limited - Capital Notes	1,104	1.7	1.7
BOQPE	Bank of Queensland Limited - Capital Notes	2,297	3.6	3.6
CBAPD/PG	Commonwealth Bank of Australia Perls VII & X	1,386	2.1	2.1
CGFPB	Challenger Limited - Capital Notes	523	0.8	0.8
CTX170425	Caltex Australia Limited - Fixed Rate Bonds (Unlisted)	509	0.8	0.8
CWNHB	Crown Limited - Subordinated Notes	364	0.6	0.6
IAG150624	Insurance Australia Group - Subordinated Notes (Unlisted)	498	0.8	0.8
IAGPD	Insurance Australia Group Limited - Capital Notes	2,102	3.3	3.3
IANG	Insurance Australia Group Limited - Perpetual Reset Exchangeable Notes	2,584	4.0	4.0
MQGPB/PC	Macquarie Group Limited - Capital Notes	1,058	1.6	1.6
NABHA	National Australia Bank Limited Income Securities	919	1.4	1.4
NABPA/PD	National Australia Bank Limited - Capital Notes	2,237	3.4	3.4
QUBHA	Qube Holdings Limited - Subordinated Notes	1,394	2.2	2.2
RHCPA	Ramsay Healthcare Limited - Perpetual Preference Securities	587	0.9	0.9
SUN051228	Suncorp Group Limited - Subordinated Notes (Unlisted)	502	0.8	0.8
SUNPF/PG	Suncorp Group Limited - Capital Notes	2,940	4.6	4.6
WBCPG/PH	Westpac Banking Group Corporation Limited - Capital Notes	2,374	3.7	3.7
		25,725	40.0	40.0
Large industrial				
TLS	Telstra Corporation Limited	844	1.3	1.2
		844	1.3	1.2
Materials & Energy				
BHP	BHP Billiton Limited	7,993	12.4	6.5
		7,993	12.4	6.5
Property				
CLW	Charter Hall Long WALE REIT	4,356	6.7	6.7
CMA	Centuria Metropolitan REIT	183	0.3	0.3
GOZ	Growthpoint Properties	395	0.6	0.6
VVR	VIVA Energy REIT	3,816	5.9	5.9
		8,750	13.5	13.5
Small Industrial				
PYG	Paygroup Limited	81	0.1	0.1
SDF	Steadfast Group Limited	963	1.5	1.5
		1,044	1.6	1.6

Portfolio Shareholdings at 31 December 2018 (continued)

ASX Code	Security	Market Value* \$'000	% of portfolio	% exposure**
SKI	Utilities & Infrastructure			
	Spark Infrastructure Group	722	1.1	1.1
		722	1.1	1.1
	Cash	3,517	5.5	16.1
		64,496	100.0	100.0

*Includes market value of options written against holdings

**Includes option delta written against holdings

Ironbark Capital Limited
ABN 89 008 108 227

Financial Report
For the half-year ended 31 December 2018

Directors	Michael J Cole AM Chairman B Ec, M Ec (Syd), F Fin Ross J Finley B Comm (NSW) Ian J Hunter BA LLB (Syd), MBA (MGSM)
Company Secretary	Jill Brewster MBA (MGSM), AGIA, ACIS, FIPA, FFA
Principal Registered Office	Suite 607 180 Ocean Street Edgecliff NSW 2027 Telephone: (02) 8917 0399
Share Registrar	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 Shareholder enquiries telephone: (02) 9290 9600
Investment Manager	Kaplan Funds Management Pty Limited Suite 607 180 Ocean Street Edgecliff NSW 2027 Telephone: (02) 8917 0300
Accounting & Administration	Kaplan Funds Management Pty Limited Suite 607 180 Ocean Street Edgecliff NSW 2027 Telephone: (02) 8917 0399 Fax: (02) 8917 0355
Auditors	MNSA Pty Ltd Level 1 283 George Street Sydney NSW 2000
Website	www.ironbarkcapital.com
Company Secretarial & all other enquiries	Telephone: (02) 8917 0399 Email: enquiries@ironbarkcapital.com
Stock Exchange	Australian Securities Exchange ASX code: IBC

Directors' Report

Your Directors present their report on the Company for the half-year ended 31 December 2018.

Directors

The following persons were Directors of Ironbark Capital Limited during the period and up to the date of this report:

Michael J Cole, Chairman
Ross J Finley
Ian J Hunter

Review of Operations

The profit from ordinary activities after income tax for the half-year to 31 December 2018 was \$1,299,000 (2017: \$1,882,000).

14,092,106 shares representing 10.3% of issued capital were bought back in the on-market buy-back during the November and December 2018 period. The total amount paid was \$7.3 million.

An interim dividend was paid on 18 September 2018 of 0.85 cents per share, fully franked.

Rounding of amounts

The Company is of a kind referred to in Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the Directors' Report and Financial Report. Amounts in the Directors' Report and Financial Report have been rounded off in accordance with that instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

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



Michael J Cole AM
Chairman

Sydney
15 February 2019



IRONBARK CAPITAL LIMITED
ABN 89 008 108 227

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE
CORPORATIONS ACT 2001
TO THE DIRECTORS OF IRONBARK CAPITAL LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2018 there have been no contraventions of:

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

MNSA Pty Ltd

MNSA Pty Ltd

Sam Danieli
Director

Sydney
15^h February 2019

Ironbark Capital Limited
ABN 89 008 108 227
Statement of Profit or Loss and Other
Comprehensive Income
For the half-year ended 31 December 2018

		Half-year ended	
		31 December	31 December
		2018	2017
	Notes	\$'000	\$'000
Investment income from trading portfolio			
Revenue	3	1,970	1,929
Net (loss)/gain on trading portfolio		(427)	622
Total investment income from trading portfolio		1,543	2,551
Expenses			
Management fees		(147)	(150)
Brokerage expense		(24)	(12)
Accounting fees		(25)	(22)
Share registry fees		(16)	(16)
Custody fees		(17)	(13)
Tax fees		(6)	(5)
Directors' liability insurance		(10)	(9)
Legal fees		(11)	-
Directors' fees		(33)	(33)
ASX fees		(26)	(25)
Audit fees		(14)	(14)
Option fees		(8)	(8)
Other expenses		(26)	(26)
Total expenses		(363)	(333)
Profit before income tax		1,180	2,218
Income tax benefit/(expense)		119	(336)
Net profit for the period		1,299	1,882
Other comprehensive income for the period net of tax		-	-
Total comprehensive income for the period		1,299	1,882
		Cents	Cents
Basic and diluted earnings per share	6	0.96	1.37

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Ironbark Capital Limited
ABN 89 008 108 227
Statement of Financial Position
As at 31 December 2018

	Notes	31 December 2018 \$'000	30 June 2018 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		3,517	314
Trade and other receivables		252	1,227
Trading portfolio		60,979	70,411
Other assets		32	3
Total current assets		64,780	71,955
Non- current assets			
Deferred tax assets		1,980	1,791
Total non-current assets		1,980	1,791
Total assets		66,760	73,746
LIABILITIES			
Current liabilities			
Trade and other payables		144	64
Current tax liabilities		72	-
Total current liabilities		216	64
Non-current liabilities			
Deferred tax liabilities		6	7
Total non-current liabilities		6	7
Total liabilities		222	71
Net assets		66,538	73,675
Equity			
Issued capital	7	67,374	74,644
Profit reserve		822	527
Accumulated losses		(1,658)	(1,496)
Total equity		66,538	73,675

The above Statement of Financial Position should be read in conjunction with the accompanying notes

Ironbark Capital Limited
ABN 89 008 108 227
Statement of Changes in Equity
For the half-year ended 31 December 2018

	Notes	Issued capital \$'000	Profit reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2018		74,644	527	(1,496)	73,675
Profit for the period		-	-	1,299	1,299
Transfer to profit reserve		-	1,461	(1,461)	-
Total comprehensive income for the period		74,644	1,988	(1,658)	74,974
Transactions with owners in their capacity as owners:					
Dividends paid	5	-	(1,166)	-	(1,166)
Buy-back of shares	7(b),(c)	(7,270)	-	-	(7,270)
Balance at 31 December 2018		67,374	822	(1,658)	66,538
Balance at 1 July 2017		74,663	786	(1,496)	73,953
Profit for the period		-	-	1,882	1,882
Transfer to profit reserve		-	1,882	(1,882)	-
Total comprehensive income for the period		74,663	2,668	(1,496)	75,835
Transactions with owners in their capacity as owners:					
Transaction costs on contributions of equity		(19)	-	-	(19)
Dividends paid	5	-	(1,029)	-	(1,029)
Balance at 31 December 2017		74,644	1,639	(1,496)	74,787

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

Ironbark Capital Limited
ABN 89 008 108 227
Statement of Cash Flows
For the half-year ended 31 December 2018

	Notes	Half-year ended	
		31 December	31 December
		2018	2017
		\$'000	\$'000
Cash flows from operating activities			
Interest received		172	257
Net proceeds from sale of trading portfolio		9,773	(5,268)
Dividends & trust distributions received		2,079	1,922
Other income received		2	26
Management fees paid		(148)	(148)
Other expenses paid		(239)	(257)
Tax refund received		-	102
Net cash outflow from operating activities		11,639	(3,366)
Cash flows from financing activities			
Dividends paid to shareholders	5	(1,166)	(1,029)
Payment for shares bought back		(7,270)	-
Transaction costs paid for rights issue		-	(24)
Net cash outflow from financing activities		(8,436)	(1,053)
Net decrease in cash and cash equivalents		3,203	(4,419)
Cash and cash equivalents at beginning of period		314	6,565
Cash and cash equivalents at the end of period		3,517	2,146

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

1. Basis of preparation of half-year report

This general purpose interim financial report for the half-year ended 31 December 2018 has been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Ironbark Capital Limited. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2018, together with any public announcements made during the following half-year. The accounting policies adopted are consistent with those of the previous financial year end and corresponding interim reporting period.

This interim financial report was authorised for issue on 15 February 2019.

2. Segment information

The Company has only one reportable segment. The Company operates predominantly in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and from the sale of its trading portfolio.

3. Revenue

	Half-year ended	
	31 December 2018	31 December 2017
	\$'000	\$'000
Dividends	1,409	1,372
Interest	165	278
Distributions	394	253
Other income	2	26
	1,970	1,929

4. Fair value measurements

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

4. Fair value measurements (continued)

The following table presents the Company's financial assets and liabilities measured and recognised at fair value according to the fair value hierarchy at 31 December 2018:

31 December 2018

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Trading portfolio	58,983	1,996	-	60,979
Total	58,983	1,996	-	60,979

30 June 2018

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Trading portfolio	67,886	2,525	-	70,411
Total	67,886	2,525	-	70,411

There were no transfers between levels for recurring fair value measurements during the period. The Company's policy is to recognise transfers into and out of fair value hierarchy as at the end of the reporting period.

5. Dividends

(a) Ordinary Shares

	Half-year ended	
	31 December 2018	31 December 2017
	\$'000	\$'000
Dividends provided for or paid during the half-year	1,166	1,029

(b) Dividend rate

Dividends provided for or paid and fully franked at 27.5% tax rate (2018: 27.5%).

	Record Date	Dividend Rate	Total Amount \$'000	Date of Payment	% Franked
2019					
Ordinary shares – Interim	31/08/2018	0.85cps	\$1,166	18/09/2018	100
2018					
Ordinary shares – Interim	31/08/2017	0.75cps	\$1,029	20/09/2017	100

6. Earnings per share

(a) Basic and diluted earnings per share

	Half-year ended	
	31 December 2018	31 December 2017
	Cents	Cents
From continuing operations attributable to the ordinary equity holders of the company	0.96	1.37

(b) Weighted average number of shares used as denominator

	Half-year ended	
	31 December 2018	31 December 2017
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	135,313,493	137,258,651

7. Issued capital

(a) Issued capital

	31 December 2018	30 June 2018	31 December 2018	30 June 2018
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	123,166,545	137,258,651	67,374	74,644

(b) Movement in ordinary share capital

	Number of shares	\$'000
Balance at 1 July 2018	137,258,651	74,644
On-market share buyback	(14,092,106)	(7,270)
Balance at 31 December 2018	123,166,545	67,374

(c) On-market share buyback

14,092,106 shares representing 10.3% of issued capital were bought back in the on-market buyback during the November and December 2018 period. The total amount paid was \$7.3 million.

8. Contingencies

The Investment Management Agreement entered into by the Company with Kaplan Funds Management Pty Ltd may be terminated by either party giving to the other no less than one-year written notice of its intention to do so.

The Company had no other contingent liabilities at 31 December 2018 (2017: nil).

9. Events occurring after the reporting period

No matter or circumstance has occurred subsequent to the period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company or economic entity in subsequent financial years.

In the Directors' opinion:

- (a) the Interim Financial Statements and notes set out on pages 13 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and
 - (ii) giving a true and fair view of the entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

A handwritten signature in black ink, appearing to read 'Michael Cole', with a stylized flourish at the end.

Michael J Cole AM
Chairman

Sydney
15 February 2019



IRONBARK CAPITAL LIMITED
ABN 89 008 108 227

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
IRONBARK CAPITAL LIMITED**
ABN 89 008 108 227

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Ironbark Capital Limited, which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows 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 Half-year Financial Report

The directors of Ironbark Capital 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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and 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 half-year 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 2018 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 Ironbark Capital 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 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*.

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 Ironbark Capital Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of Ironbark Capital Limited's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

MNSA Pty Ltd

MNSA Pty Ltd

Sam Danieli
Director

Sydney
15th February 2019