



**Antilles Oil and Gas Ltd**

ACN 111 823 762

## HALF YEAR REPORT

30 June 2018

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The information contained in this document should be read in conjunction with Antilles Oil and Gas Ltd's annual report for the year ended 31 December 2017 and any public announcements made by the company in accordance with the continuous disclosure obligations arising from the Corporations Act 2001 and the ASX Listing rules.

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
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## ANTILLES OIL AND GAS LTD – HALF YEAR REPORT

### DIRECTORS REPORT

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Your directors present their report of the consolidated entity (“the Group”) consisting of Antilles Oil and Gas Ltd (“the Company”) and the entities it controlled as at the end of, or during, the half year ended 30 June 2018.

#### DIRECTORS

The following persons were directors of the Company during the half year and until the date of this report:

Damian Black	Non-Executive Director
David Wheeler	Non-Executive Director
Ranko Matic	Non-Executive Director

#### PRINCIPAL ACTIVITIES

The principle continuing activities of the Company during the financial period were the exploration and acquisition of petroleum and gas properties.

#### OPERATING RESULTS

The net operating loss of the Group for the half year ended 30 June 2018 after income tax amounted to \$285,668 (half year ended 30 June 2017: loss \$82,869). Further details are supplied in the Review of Operations section below.

#### DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared during the half year and the Directors do not recommend the payment of a dividend.

#### REVIEW OF OPERATIONS

During the half year, the Company signed a binding term sheet whereby it was granted an exclusive option to acquire 100% of the issued capital of HomeStay Care Pty Ltd (ACN 612 594 475) and its subsidiary companies (HomeStay) (Acquisition), which required the Company’s securities to be suspended from trading on the ASX.

On 16 May 2018, the Company confirmed it had completed its due diligence on the Acquisition and continued to work for the remainder of the quarter on the preparation of a more detailed announcement regarding details of the HomeStay Acquisition.

The Company issued a detailed announcement for the Acquisition on 23 July 2018, which resulted in the Company’s suspension being lifted and securities’ trading returning to normal.

The Company’s Annual General Meeting was held on 31 May 2018, with all resolutions passed except for the approval of the 10% placement facility available under Listing Rule 7.1A. The resolutions passed included the cancellation of the Company’s partly paid shares and convertible preference shares that were on issue. General meetings for the partly paid shareholders and convertible preference shareholders were also scheduled to be held on 31 May 2018, however due to the lack of a quorum for the convertible preference shareholders, this general meeting was not able to be held.

On 22 August 2018 the Company issued a Prospectus for the issue of up to 200,000,000 ordinary shares at a price of \$0.02 each, to raise up to \$4,000,000 with a minimum subscription of \$3,000,000. A Supplementary Prospectus was issued on 4 September 2018 with additional information on the HomeStay business.

The Company held a general meeting of ordinary and preference shareholders on 23 August 2018 where all resolutions were passed. Refer to Note 9 Subsequent Events for more details on the general meeting.

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT  
DIRECTORS REPORT**

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**HomeStay**

The HomeStay group provides technology enabled care to the aged care industry. Through its proprietary Internet of Things (IOT) platform (HomeStay IoT Platform), HomeStay assists seniors and the elderly to remain living independently in their homes for longer. The HomeStay IoT Platform is a unified technology care platform offering on demand care services, healthcare data management and lifestyle monitoring via its “Intelligent Homes”.

HomeStay was founded in 2016 after identifying a need for the provision of better, smarter, more efficient and consistent care to senior adults to enable them to stay in their homes longer through the use of technology. In addition, HomeStay provides families peace of mind through participation, communication and transparency to ensure that their loved ones are being looked after.

The HomeStay IOT Platform connects with various sensors, including wearables and sensors on home appliances, to provide ongoing monitoring to assist in the care of elderly users. The platform is driven by artificial intelligence, machine learning and predictive analytics that provide real time alerts and preventative interventions that allow senior adults to stay in their homes longer.

A more detailed description of the HomeStay IoT Platform is set out in Section 1.6 of the Company’s Notice of Meeting lodged on the ASX on 23 July 2018.

**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 3.

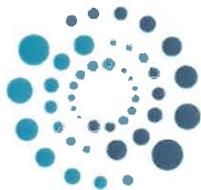
This report is made in accordance with a resolution of directors.

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



**DAMIAN BLACK**  
Non-Executive Director

13th September 2018



Greenwich & Co

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## Auditor's Independence Declaration

To those charged with the governance of Antilles Oil and Gas Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2018 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.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Rafay Nabeel  
Audit Director

Perth

13 September 2018

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 30 JUNE 2018**

	Notes	Half Year 2018 \$	Half Year 2017 \$
Interest income		2,990	9,555
Forgiveness of debt		-	73,521
Director fees and salary		(45,000)	(45,000)
Audit expense		(7,317)	(7,162)
Professional services expenses		(90,030)	(62,662)
Regulatory expenses		(5,660)	(10,910)
Consultancy fees		(14,880)	-
Depreciation expenses		-	(7,555)
Exclusivity fee - HomeStay	5	(100,000)	-
Administrative expenses		(25,771)	(32,656)
Loss before income tax		(285,668)	(82,869)
Income tax expense		-	-
Loss for the half year		(285,668)	(82,869)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Exchange differences on translation of foreign operations		71,021	(67,411)
Total other comprehensive income for the half year, net of tax		71,021	(67,411)
Total profit or loss and other comprehensive income		(214,647)	(150,280)
Loss per share			
Basic and diluted (cents per share)		(0.16)	(0.05)

*The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes to the consolidated interim financial report.*

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT  
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 30 JUNE 2018**

		<b>30 June 2018</b>	<b>31 December 2017</b>
	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,180,302	2,663,785
Trade and other receivables	6	316,022	8,161
<b>Total current assets</b>		<b>2,496,324</b>	<b>2,671,946</b>
<b>Total assets</b>		<b>2,496,324</b>	<b>2,671,946</b>
<b>Current liabilities</b>			
Trade and other payables		96,722	57,697
<b>Total current liabilities</b>		<b>96,722</b>	<b>57,697</b>
<b>Total liabilities</b>		<b>96,722</b>	<b>57,697</b>
<b>Net assets</b>		<b>2,399,602</b>	<b>2,614,249</b>
<b>Equity</b>			
Issued share capital	7	36,027,797	36,177,797
Reserves		(2,577,019)	(2,648,040)
Accumulated losses		(31,051,176)	(30,915,508)
<b>Total equity</b>		<b>2,399,602</b>	<b>2,614,249</b>

*The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes to the consolidated interim financial report.*

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 30 JUNE 2018**

	Issued Capital	Foreign Currency Translation Reserve	Share Based Payment Reserve	Accumulated Losses	TOTAL
Period ended 30 June 2018	\$	\$	\$	\$	\$
Balance at beginning of period	36,177,797	(2,648,040)	-	(30,915,508)	2,614,249
<b>Comprehensive income</b>					
Loss for the half year	-	-	-	(285,668)	(285,668)
Currency translation on foreign operations	-	71,021	-	-	71,021
<b>Total comprehensive income for half year</b>	-	71,021	-	(285,668)	(214,647)
<b>Transactions with owners in their capacity as owners</b>					
Cancellation of partly paid shares	(150,000)	-	-	150,000	-
<b>Total transactions with owners and other transfers</b>	(150,000)	-	-	150,000	-
<b>Balance at 30 June 2018</b>	<b>36,027,797</b>	<b>(2,577,019)</b>	<b>-</b>	<b>(31,051,176)</b>	<b>2,399,602</b>
Period ended 30 June 2017	\$	\$	\$	\$	\$
Balance at beginning of period	36,177,797	(2,548,429)	1,682,831	(32,393,139)	2,919,060
<b>Comprehensive income</b>					
Loss for the half year	-	-	-	(82,869)	(82,869)
Currency translation on foreign operations	-	(67,411)	-	-	(67,411)
<b>Total comprehensive income for half year</b>	-	(67,411)	-	(82,869)	(150,280)
<b>Transactions with owners in their capacity as owners</b>					
Issues of share capital, net of transaction costs	-	-	(82,731)	82,731	-
<b>Total transactions with owners and other transfers</b>	-	-	(82,731)	82,731	-
<b>Balance at 30 June 2017</b>	<b>36,177,797</b>	<b>(2,615,840)</b>	<b>1,600,100</b>	<b>(32,393,277)</b>	<b>2,768,780</b>

*The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes to the consolidated interim financial report*

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT  
 CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE HALF YEAR ENDED 30 JUNE 2018**

	<b>Half year 2018 \$</b>	<b>Half year 2017 \$</b>
<b>Cash flows from operating activities</b>		
Payments to suppliers & employees	(157,492)	(151,355)
Payments for exploration costs	-	(38,205)
Interest received	2,990	9,555
Net cash (used in) operating activities	(154,502)	(180,005)
<b>Cash flows from investing activities</b>		
Transfer of bank bond into cash and cash equivalents	-	1,323,825
Payment of option fee	(100,000)	-
Net cash provided by financing activities	(100,000)	1,323,825
<b>Cash flows from financing activities</b>		
Payment of loan	(300,000)	-
Net cash provided by financing activities	(300,000)	-
<b>Net increase in cash and cash equivalents</b>	(554,502)	1,143,820
Cash and cash equivalents at the beginning of the financial period	2,663,784	1,642,800
Exchange rate changes on cash	71,020	(6,137)
Cash and cash equivalents at the end of the financial period	2,180,302	2,780,483

*The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes to the consolidated interim financial report.*

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT**

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**1. REPORTING ENTITY**

Antilles Oil and Gas Ltd (“Antilles” or “the Company”) is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the half year ending 30 June 2018 comprises Antilles and its subsidiaries (together referred to as the “consolidated entity”).

The annual financial report of the consolidated entity as at and for the year ended 31 December 2017 is available upon request from Antilles’s website, [www.antillesoilandgas.com.au](http://www.antillesoilandgas.com.au), the ASX website or the company’s registered office at Level 2, 22 Mount Street, PERTH, Western Australia 6000.

**2. STATEMENT OF COMPLIANCE**

The consolidated half year financial report is a general purpose financial report which has been prepared in accordance with AASB 134: *Interim Financial Reporting* and *the Corporations Act 2001*.

The consolidated half year financial report does not include all of the notes and information normally included in an annual financial report. Accordingly this report should be read in conjunction with the consolidated annual financial report for the year ended 31 December 2017 and any public announcements made by Antilles Oil and Gas Ltd during the half year in accordance with the continuous disclosure requirements of *the Corporations Act 2001* and the *ASX Listing Rules*.

This consolidated half year financial report was approved by the Board of Directors on 13th September 2018.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in the preparation of the half-year financial report are consistent with those followed and disclosed in the Company’s 2017 Annual Financial Report for the financial year ended 31 December 2017, except for the impact of the standards, interpretations and amendments described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

**New Accounting Standards for Application in Future Periods**

There are a number of new Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group and have not been applied in preparing these half year consolidated financial statements. The Group does not plan to adopt these standards early and they are not expected to have a material impact on the Group in the current or future reporting periods.

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT**

**4. SEGMENT INFORMATION**

Management has determined the operating segments based on reports reviewed by the Board of Directors for making strategic decisions. The current Board of Directors monitors the business based on operational and geographic factors, and has determined that there is only one relevant business segment, being the exploration and evaluation of oil and gas properties.

The consolidated entity is domiciled in Australia and the entities revenues, losses and assets are split into the following geographical segments:

	USA \$	South America \$	Australia \$	Total \$
<b>2018</b>				
Revenues – half year to 30 June 2018	-	-	2,990	2,990
Segment loss – half year to 30 June 2018	-	-	(285,668)	(285,668)
Segment assets – as at 30 June 2018	2,059	6,185	2,488,079	2,496,323

	USA \$	South America \$	Australia \$	Total \$
<b>2017</b>				
Revenues – half year to 30 June 2017	-	-	9,555	9,555
Segment loss – half year to 30 June 2017	-	72,105	(154,974)	(82,869)
Segment assets – as at 31 December 2017	1,951	6,185	2,663,810	2,671,946

**5. OPTION FEE**

	30 June 2018 \$	31 December 2017 \$
Option Fee - HomeStay	100,000	-
	100,000	-

Upon execution of the HomeStay binding terms sheet (Agreement), the Company paid an exclusivity fee of \$100,000 to HomeStay, which will be refundable in the event that any of the conditions precedent are not satisfied within the period required due to the acts or omissions of HomeStay, HomeStay breaches the Agreement or HomeStay undertakes an alternative transaction to the Proposed Acquisition (Exclusivity Fee).

In consideration for the Exclusivity Fee, HomeStay granted the Company an exclusive option to:

- undertake due diligence on HomeStay for the purpose of considering the Proposed Acquisition (which has been completed, as announced on 16 May 2018); and
- procure HomeStay to compel the HomeStay Shareholders to accept offers for their HomeStay shares so that the Company can acquire 100% of the issued capital of HomeStay.

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT**

**6. TRADE AND OTHER RECEIVABLES**

	<b>30 June 2018</b>	31 December 2017
	\$	\$
Trade receivables	16,022	8,161
Loan to HomeStay (i)	300,000	-
	316,022	8,161

- (i) As part of the acquisition terms of the HomeStay business, the Company provided a short term loan to HomeStay Care Pty Ltd. The terms of the loan are:
- Interest free and unsecured;
  - Repayment date is 28 November 2018; or three months after any of the following:
    - a person acquiring an interest in HomeStay (in any manner whatsoever) entitling such person to at least 50 per cent of the votes in a general meeting of the shareholders of HomeStay or obtains rights to appoint a majority of the board of directors of HomeStay, or HomeStay enters into an agreement with respect to any of the foregoing;
    - HomeStay applying for admission to listing on a stock exchange;
    - HomeStay completing a capital raising of an amount equal to or greater than 150% of the outstanding Loan; or
    - HomeStay disposing or agreeing to dispose (in any matter whatsoever) of a material part of its business or interest therein or enters into an arrangement with a person to jointly develop a material part of the business of HomeStay in such a manner that is determined by the Company to constitute a joint venture arrangement.

**7. EQUITY SECURITIES ISSUED**

During the half year, the Company has issued no securities.

As at 30 June 2018, there were on issue:

- 162,898,654 fully paid ordinary shares (31 December 2017: 162,898,654)
- Nil \$0.01 partly paid ordinary shares (\$0.19 remaining) (31 December 2017: 15,000,000)
- 3,000,000 unlisted options with an expiry date of 23 June 2020 and exercise price of \$0.20 (31 December 2017: 3,000,000)
- 9 Convertible Preference Shares (31 December 2017: 9)

**8. CONTINGENT ASSETS AND LIABILITIES**

During the due diligence process of the Company's US subsidiaries, it was noted that the two subsidiaries Advance Energy & Production Inc and Advance Wolfberry Inc had not lodged their US tax returns for the last two financial years. There is potential that a penalty of up to US\$10,000 per tax return per subsidiary may be imposed. The Company has engaged a US tax attorney to work to reduce any final penalties that might be imposed.

Since the last annual reporting date, there has been no other changes in any contingent liabilities or contingent assets.

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT**

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**9. SUBSEQUENT EVENTS**

Subsequent to the end of the half-year the Company lodged a notice of general meeting of ordinary shareholders and a general meeting of preference shareholders to vote on various resolutions, including:

- The proposed acquisition of the HomeStay business;
- The consolidation of its issued capital on the basis that every security on issue would be consolidated to approximately 0.8287 securities;
- The issue of up to 200,000,000 shares at a price of \$0.02 each under a prospectus;
- The issue of up to 50,000,000 shares pursuant to a convertible loan facility;
- The issue of other securities to various parties associated with the HomeStay transaction;
- The election of two new directors upon the settlement of the HomeStay transaction;
- The change of the Company's name to HomeStay Care Ltd upon settlement of the HomeStay transaction;
- The adoption of an incentive performance rights plan; and
- The cancellation of the nine preference shares on issue.

The Company lodged a prospectus with ASIC on 22 August 2018 for the offer of up to 200,000,000 shares at a price of \$0.02 each.

All of the resolutions put to the general meetings held on 23 August 2018 were passed. The Company's securities were suspended from trading from the ASX on 24 August 2018, and at the time of this report the Company is in the process of re-complying with Chapters 1 and 2 of the ASX Listing Rules. The Company expects to be relisted on the ASX once the settlement of the HomeStay business has occurred, which is expected to be later in September 2018.

No other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

**ANTILLES OIL AND GAS LTD – HALF YEAR REPORT  
DIRECTORS DECLARATION  
FOR THE HALF YEAR ENDED 30 JUNE 2018**

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In the opinion of the directors of Antilles Oil and Gas Ltd (“the Company”):

1. The financial statement and notes, as set out in this half-year report, are in accordance with the *Corporations Act 2001* including:
  - (a) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2018 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date; and
  - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
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.



**DAMIAN BLACK**  
Non-Executive Director  
13th September 2018

## Independent Auditor's Review Report

To the members of Antilles Oil and Gas Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Antilles Oil and Gas Limited, which comprises the consolidated condensed statement of financial position as at 30 June 2018, the consolidated condensed statement of profit or loss, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity and the consolidated condensed 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 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 (including Australian Accounting Interpretations) 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 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 30 June 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 Antilles Oil and Gas 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Antilles Oil and Gas Limited would be in the same terms if given to the directors as at the time of this auditor's review report.

**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 Antilles Oil and Gas Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Antilles Oil and Gas Limited's financial position as at 30 June 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Greenwich & Co Audit Pty Ltd

**Greenwich & Co Audit Pty Ltd**



**Rafay Nabeel**

Audit Director

13 September 2018

Perth

Western Australia