

WELCOME STRANGER MINING LIMITED
ABN 69 007 670 386
FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

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WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

Welcome Stranger Mining Limited is a company limited by shares, incorporated and domiciled in Australia. Its principal place of business is Suite 8, Floor 6, 55 Miller St. Pyrmont Sydney NSW 2009. The registered office is Suit 8, Floor 6, 55 Miller St. Pyrmont Sydney NSW 2009.

DIRECTORS' REPORT

The Directors present their report on Welcome Stranger Mining Limited (Company). The following persons held office as Directors at any time during or since the end of the reporting period.

Current directors:

The details of each of the current Directors' position, date of appointment, qualifications, experience and expertise and assessment of independence is listed in the table below.

Rizwan Alikhan	Director (Non Executive) – appointed 10 July 2015
Rehan Alikhan	Director (Non Executive) – appointed 10 July 2015
Poay Meng Tan	Director (Non Executive) – appointed 10 July 2015
Tony Crimmins	Director (Non Executive) appointed 7 October 2010 and resigned 7 September 2015
George Sim	Director (Non Executive) - appointed 31 July 2013 and resigned 7 September 2015
Adrian Horbach	Director (Non Executive) - appointed 13 September 2013 and resigned 7 September 2015

Review of operations

On 13 November 2014 the Company entered into a \$57,990 convertible loan with an unrelated party. The loan may only be converted with shareholders in a general meeting voting to approve conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 18 November 2014, the Company entered into a \$83,475 convertible loan with an unrelated party. The loan may only be converted with shareholder in a general meeting voting to approve the conversion of the loan into shares at an issue price of A\$0.005 cents per share.

Auditor's Independence Declaration

The lead auditor's independence declaration for the period ended 31 December 2014 has been received and can be found on page 2 of this Half Year Report.

Signed this 30th day of September 2015 in accordance with a resolution of the Directors.

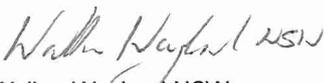


Mr Rizwan Alikhan (Director)

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF WELCOME STRANGER MINING LIMITED AND CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief, during the period ended 31 December 2014 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.


Walker Wayland NSW
Chartered Accountants


Grant Allsopp
Partner

Dated this 30th day of September 2015, Sydney

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2014

		31 Dec 2014	31 Dec 2013
	Note	\$	\$
Revenue	2	-	2,808
ASX & Registry Fees		(27,053)	(26,531)
Bank Charges		(150)	(164)
Professional Fees		(7,034)	(34,025)
Office rental		(16,800)	
Other expenses		(4,676)	(5,098)
Loss before income tax		(55,713)	(63,010)
Income tax expense		-	-
Loss for the period		(55,713)	(63,010)
Other Comprehensive Income for the period		-	-
Total Comprehensive Loss for the period		(55,713)	(63,010)
Loss attributable to members of the parent entity		(55,713)	(63,010)
Total comprehensive Loss attributable to members of the parent entity		(55,713)	(63,010)
Basic earnings per share from operations		0.0	0.0
Diluted earnings per share from operations		0.0	0.0

The above statement of comprehensive income is to be read in conjunction with the notes to the financial statements.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	31 Dec 2014 \$	30 June 2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		28,312	274
Trade and other receivables		11,060	13,701
TOTAL CURRENT ASSETS		39,372	13,975
NON-CURRENT ASSETS			
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		39,372	13,975
CURRENT LIABILITIES			
Trade and other payables		37,926	81,145
Borrowings		198,465	74,136
TOTAL CURRENT LIABILITIES		236,391	155,281
TOTAL LIABILITIES		236,391	155,281
NET DEFICIENCY IN ASSETS		(197,019)	(141,306)
EQUITY			
Contributed equity		24,631,777	24,631,777
Accumulated losses		(24,828,796)	(24,773,083)
TOTAL EQUITY		(197,019)	(141,306)

The above statement of financial position is to be read in conjunction with the notes to the financial statements.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2014

	CONTRIBUTED EQUITY	ACCUMULATED LOSSES	TOTAL
	\$	\$	\$
Balance at 1 July 2013	24,631,777	(24,704,055)	(72,278)
Profit for the period	-	(63,010)	(63,010)
Total comprehensive income for the period	-	(63,010)	((63,010))
Balance at 31 December 2013	<u>24,631,777</u>	<u>(24,767,065)</u>	<u>(135,288)</u>
Balance at 1 July 2014	24,631,777	(24,773,083)	(141,306)
Profit for the period	-	(55,713)	(55,713)
Total comprehensive income for the period	-	(55,713)	(55,713)
Balance at 31 December 2014	<u>24,631,777</u>	<u>(24,828,796)</u>	<u>(197,019)</u>

The above statement of changes in equity is to be read in conjunction with the notes to the financial statements.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2014

	31 Dec 2014	31 Dec 2013
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees (inclusive of GST)	(98,901)	(58,977)
Other Income inc receipt of GST Refunds	8,610	2,808
Net cash used in operating activities	<u>(90,291)</u>	<u>(56,169)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings received	178,265	23,086
Borrowings paid	<u>(59,936)</u>	-
Net cash provided by financing activities	118,329	20,086
CASH		
Net (decrease)/increase in cash held	28,038	(33,083)
Cash at beginning of reporting period	274	38,037
Cash at end of reporting period	<u>28,312</u>	<u>4,954</u>

The above statement of cash flows is to be read in conjunction with the notes to the financial statements.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

1. Statement of Significant Accounting Policies

Basis of Preparation

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, and Australian Accounting Standard AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by Welcome Stranger Mining Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the entities in the Consolidated Group and are consistent with those in the June 2014 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

Reporting Basis and Conventions

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

New Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for the half-year reporting period. The Group's assessment of the impact of these new standards and interpretations is that they will result in no significant changes to the amounts recognised or matters disclosed in future half-year report.

Reporting Basis and Conventions

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

Going concern

The financial statements have been prepared on a going-concern basis notwithstanding that the Consolidated Entity incurred an operating loss after income tax of \$55,713 as at 31 December 2014. (31 December 2013 loss of \$63,010). The financial statements have an excess of assets over liabilities which at 31 December 2014 was \$197,019 (30 June 2014 \$141,306).

The Company is currently in the final process of recapitalising its operations. With the ongoing support of convertible loan holders and related parties, the Directors are of the opinion that the Company will be able to meet its current trade and other payables, as well as repay its debts as and when they fall due. Therefore, the Directors are of the opinion that the financial statements be prepared on a going-concern basis.

The stated purpose of the Company on exit from liquidation is to recapitalise and to seek opportunities to enable the reinstatement of its securities to official quotation on the ASX. The Company intends to seek other business opportunities within the gold mining sector and other investments that will add shareholder value.

In the event that Welcome Stranger Mining Limited is unable to realise its object of obtaining profitable opportunities or complete any further capital raisings it will be required to realise its assets and extinguish its liabilities in a manner other than in the normal course of business such as voluntarily administration. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

	31 Dec 2014	31 Dec 2013
NOTE 2: REVENUE	\$	\$
Other Income, including GST Refund	-	2,808
Total Revenue	-	2,808

NOTE 3: DIVIDENDS

No dividend (2013: \$NIL) was declared in respect of the year ending 31 December 2014.

NOTE 4: CONTRIBUTED EQUITY

	31 Dec 2014	31 Dec 2013
	No.	No.
a. No. of shares capital issued		
No. of issued ordinary shares at beginning of period	182,409,044	182,409,044
No. of issued and paid up shares at reporting date	182,409,044	182,409,044
 b. Value of share capital issued		
	\$	\$
Value of ordinary shares at beginning of reporting period	24,631,777	24,631,777
Value of ordinary shares at reporting date	24,631,777	24,631,777

NOTE 5: SEGMENT REPORTING

Primary Reporting — Business Segments

During the year the Company was predominately dormant. The Company nowadays operates in one segment only as a holding administration company located and operating in Australia.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

NOTE 6: EVENTS AFTER THE BALANCE SHEET DATE

On 30 January 2015, the Company entered into a \$20,000 convertible loan with an unrelated party. The loan may only be converted with shareholders in general meeting voting to approve the conversion of the loan into shares at an issue price of A\$0.005 cents per share.

On 27 May 2015, the Company called a General Meeting of shareholders for 29th June 2015 to consider the following resolutions:-

- Consolidate the existing ordinary shares on a 1 new share for every 30 existing shares held;
- Issue 30 million fully paid ordinary shares to Syed Akbar Alikhan;
- Issue 20 million fully paid ordinary shares to MTAC Enterprises Pty Ltd;
- Issue 60 million fully paid ordinary shares to Good Triumph International Ltd; and
- Elect Rizwan Alikhan, Rehan Alkhan and Poay Meng Tan as directors of the Company.

If all these resolutions are passed the existing directors will resign and the company will have raised \$550,000 to pay existing creditors and consider new investments. Also, if these resolutions are passed the Company will not proceed with the previously announced transactions with NiHAO Mineral Resources International Inc (NiHAO) and Capital Gold Pty Limited (Capital Gold); and Dizon Copper-Silver Mines Inc (Dizon) and Capital Gold.

The meeting of the 29th June 2015 was deferred and held on 10th July 2015. All the above resolutions were passed and the Company has received \$550,000 to pay existing creditors and consider new investments. As a result of the consolidation the existing shares of the Company has on issue 6,079,370 shares prior to the allotment of 110 million shares on 7th August 2015. Rizwan Alikhan, Rehan Alikhan and Poay Meng Tan were appointed directors of the Company on 10th July 2015. Also, as the above resolutions were passed the Company will not proceed with the previously announced transactions with NiHAO Mineral Resources International Inc (NiHAO) and Capital Gold Pty Limited (Capital Gold); and Dizon Copper-Silver Mines Inc (Dizon) and Capital Gold.

On 7 September 2015 Tony Crimmins, George Sim and Adrian Horbach resigned as directors.

On 11 September 2015 the Company announced the acquisition of the Ye Eun Memorial Park through the issue of 835 million ordinary fully paid shares each issued at an issue price of \$0.20 cents. The Company must also issue 160 million ordinary fully paid shares to Hermes Capital Limited and HBO International Global Limited, the advisers to Ye Eun in relation to the acquisition. Completion of the acquisition is conditional upon the satisfaction of the following conditions precedent:-

- The Company obtaining all necessary shareholder approvals required by the Corporations act and the ASX Listing Rules in relation to the acquisition;
- The parties obtaining any necessary regulatory approvals on terms acceptable to the parties as are required to give effect to the acquisition, including re-compliance with chapters 1 and 2 of the ASX Listing Rules on terms required by the ASX; and
- The Company completing a capital raising of not less than \$5 million and not more than \$10 million at a price per share of \$0.20.

The Company also announced that it had raised \$550,000 from the issue of 110 million Convertible Notes. The terms of the Notes are as follows:-

- The Notes will subject to shareholder approval, convert into 110 million fully paid ordinary shares on completion of the Ye Eun transaction;
- On conversion the Noteholders will be issued with Options to subscribe for up to 220 million shares in the Company at an issue price of 10 cents per share on or before the 4th anniversary of the conversion date; and
- If not approved at a General Meeting of shareholders, the Notes must be repaid on 1 March 2016.

The funds raised will be used for working capital requirements including the cost of preparation of the proposed Notice of Meeting, the preparation of the proposed prospectus (including travel expenses and professional fees) and ASX listing fees payable on submission of the Company's application for relisting. The Notes were issued on 25 September 2015.

On 30th September 2015 the Company announced that a General Meeting of Shareholders of Welcome Stranger Mining Limited will be held on 3 November 2015 to consider the following resolutions:-

- The issue of up to 50,000,000 Shares at an issue price of 20 cents to raise \$10 million.
- To change the name of the Company to Riddock International Limited
- To acquire all of the issued shares in Ye Eun Property Development Limited and the proposed significant change in the nature and scale of the Company's activities is approved
- To issue up to 835,000,000 Shares to the Vendors
- To issue 160,000,000 Shares to Hermes Capital Limited and HBO International Global Limited
- To issue 110,000,000 Shares to the Noteholders
- To issue of 220,000,000 Options to the HBO International Global Limited

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

NOTE 6: EVENTS AFTER THE BALANCE SHEET DATE (Continued)

Other than the matters detailed above, there are no matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of these operations, or the state of the affairs of the Company in future financial periods.

NOTE 7: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities accounted for as at 31 December 2014 and there has been no change in contingent liabilities since the last annual reporting date.

WELCOME STRANGER MINING LIMITED HALF YEAR REPORT DECEMBER 2014

DIRECTORS' DECLARATION

In the opinion of the directors,

1. The financial statements and notes, as set out on pages 3 to 10 are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - b. giving a true and fair view of the Company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that Welcome Stranger Mining Limited 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.

Signed this 30th day of September 2015 in accordance with a resolution of the Board of Directors.



Mr Rizwan Alikhan (Director)

Independent Auditors Review Report

To the members of Welcome Stranger Mining Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Welcome Stranger Mining Limited which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration of Welcome Stranger Mining Limited.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation 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 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 AASB 134 Interim Financial Reporting including: giving a true and fair view of Welcome Stranger Mining Limited financial position as at 31 December 2014 and its performance for the half-year ended on that date and complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Welcome Stranger Mining 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 Welcome Stranger Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's 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 Welcome Stranger Mining Limited is not in accordance with the *Corporations Act 2001*

Including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2014 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.

Material Uncertainty Regarding Going Concern

Without qualifying our conclusion, we draw attention to Note 1 in the financial report which states that in the event that the Company is unable to realise its object of obtaining profitable opportunities or complete any further capital raisings it will be required to realise its assets and extinguish its liabilities in a manner other than in the normal course of business.



Walker Wayland NSW
Chartered Accountants



Grant Allsopp
Partner

Dated this 30th day of September 2015, Sydney