For personal use only

# ASAPLUS RESOURCES LIMITED

(Incorporated in Singapore)
(Company reg no: ARBN 158 717 492)

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
## 31 DECEMBER 2020

For personal use only

**ASAPLUS RESOURCES LIMITED**
***(Incorporated in Singapore)***
***(Company reg no: ARBN 158 717 492)***

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTHS ENDED 31 DECEMBER 2020**

**INDEX**


| | PAGE |
|---|---|
| Directors' report | 1 |
| Statement by Directors | 2 |
| Independent auditors' review report to the member | 3 |
| Condensed consolidated statement of financial position | 4 |
| Condensed consolidated statement of comprehensive income | 5 |
| Condensed consolidated statement of changes in equity | 6 |
| Condensed consolidated statement of cash flows | 7 |
| Notes to the condensed consolidated interim financial statements | 8 - 16 |


*The condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 30 June 2020 and any public announcements made by Asaplus Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Australian Securities Exchange ("ASX") Listing Rules.*

**ASAPLUS RESOURCES LIMITED**
**DIRECTORS' REPORT**
**FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020**

The Directors are pleased to present their report and the condensed consolidated interim financial statements of Asaplus Resources Limited for the six months ended 31 December 2020.

## DIRECTORS

The Directors of the Company in office during the period were as follows:

| Name | Particulars |
|---|---|
| LAU Eng Foo (Andy) | Non-executive Director/Non-independent Director |
| LIM Kian Gam, Dominic | Independent Non-executive Director |
| DING Poi Bor | Managing Director |
| ONG Yih Ching | Independent Non-executive Director |

## REVIEW OF OPERATIONS

Asaplus Resources Limited (ASX Code: AJY) and its subsidiaries has not commenced commercial operations. During the period, the subsidiary, Hongji Mining Co., Limited has focussed on development of it's Beikeng Mine and all necessary development works are more or less substantially completed to bring it to the final operational stage before commencing commercial mining operations.

This is the major contributing factor for the continued consolidated net loss reported for this reporting period.

For personal use only

**ASAPLUS RESOURCES LIMITED**

**STATEMENT BY DIRECTORS**

In the opinion of the Directors, the accompanying condensed consolidated statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, together with notes thereon, are drawn up so as to give a true and fair view of the financial position of the Group as at 31 December 2020 and of their financial performance and cash flows of the Group for the six months ended on that date and as at the date of this statement there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors

DING POI BOR
**Managing Director**

ONG YIH CHING
**Independent Director**

15 MAR 2021

For personal use only

天健新加坡会计师事务所
Pan-China Singapore PAC
Incorporated with Limited Liability

UEN No. 201603521D

80 South Bridge Road
#04-01/02
Golden Castle Building
Singapore 058710
Tel : (+65) 6438 3524
Fax: (+65) 6438 3524

For personal use only

# INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE MEMBER OF ASAPLUS RESOURCES LIMITED

(Company reg no: ARBN 158 717 492)

## Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of ASAPLUS RESOURCES LIMITED as at 31 December 2020 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-months period then ended, and notes to the condensed consolidated interim financial statements ("the condensed consolidated interim financial statements"). The Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with SFRS (I) 1-34 Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the Singapore Standards on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, 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 Singapore Standards on Auditing 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.

## Emphasis of Matter

We draw attention to Note 3 of the financial statements, which highlights that the Group incurred a net loss of A$335,652 during the interim period ended 31 December 2020 and as at 31 December 2020, the Company's current liabilities exceeded its current assets by A$514,440. This indicates that a material uncertainty exist that may cast doubt on the Company's ability to continue as a going concern.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at and for the six months ended 31 December 2020 are not presented fairly, in all material aspects, in accordance with SFRS(I) 1-34 Interim Financial Reporting.

Pan-China Singapore PAC

**Pan-China Singapore PAC**
Public Accountants and Chartered Accountants

Singapore, 15 MAR 2021

For personal use only

**ASAPLUS RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2020**

| | Note | Group 31.12.2020 A$ | 30.6.2020 A$ |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 6 | 255,494 | 276,806 |
| Exploration and evaluation assets | 7 | 681,734 | 800,723 |
| Goodwill | 8 | - | - |
| | | 937,228 | 1,077,529 |
| **CURRENT ASSETS** | | | |
| Inventories | 9 | 672,301 | 694,959 |
| Other receivables | | 854,538 | 938,122 |
| Cash and bank balances | | 233,396 | 221,866 |
| | | 1,760,235 | 1,854,947 |
| **TOTAL ASSETS** | | 2,697,463 | 2,932,476 |
| **EQUITY AND LIABILITIES** | | | |
| **CAPITAL AND RESERVES** | | | |
| Share capital | 10 | 18,630,751 | 18,630,751 |
| Accumulated losses | | (18,653,476) | (18,354,963) |
| Foreign currency translation reserves | | 1,755,795 | 1,788,179 |
| | | 1,733,070 | 2,063,967 |
| Non-controlling interest | | (1,310,282) | (1,273,143) |
| **SHAREHOLDERS' EQUITY** | | 422,788 | 790,824 |
| **CURRENT LIABILITY** | | | |
| Other payables | | 2,274,675 | 2,141,652 |
| **TOTAL LIABILITY** | | 2,274,675 | 2,141,652 |
| **TOTAL EQUITY AND LIABILITY** | | 2,697,463 | 2,932,476 |

The accompanying notes form an integral part of the financial statements

For personal use only

**ASAPLUS RESOURCES LIMITED**

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020

| | Note | Group 1.7.2020 to 31.12.2020 A$ | 1.7.2019 to 31.12.2019 A$ |
|---|---|---|---|
| Revenue | | - | - |
| Cost of sales | | - | - |
| Gross profit | | - | - |
| Other operating income | | 893 | 19,644,553 |
| Administration expenses | | (195,501) | (185,402) |
| Other operating expense | | (141,044) | (20,536,540) |
| Loss before tax | | (335,652) | (1,077,389) |
| Income tax expense | | - | - |
| Loss and total comprehensive loss for the period | | (335,652) | (1,077,389) |
| Attributable to | | | |
| Owners of the Company | | (298,513) | (1,847,424) |
| Non-controlling interests | | (37,139) | 770,035 |
| | | (335,652) | (1,077,389) |
| **Other comprehensive income:** | | | |
| Items that are or may be reclassified subsequently to profit or loss: | | | |
| Foreign currency translation differences | | (32,384) | (16,200) |
| Loss and total comprehensive loss for the period | | (368,036) | (1,093,589) |
| **Loss per share:** | | | |
| Basic – cents per share | 11 | (0.002) | (0.008) |
| Diluted – cents per share | 11 | (0.002) | (0.008) |

The accompanying notes form an integral part of the financial statements

For personal use only

**ASAPLUS RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020**

| | Share capital A$ | Accumulated losses attributable to Owners of the Company A$ | Foreign currency translation reserve A$ | Non-controlling interests A$ | Total A$ |
|---|---|---|---|---|---|
| As at 1 July 2020 | 18,630,751 | (18,354,963) | 1,788,179 | (1,273,143) | 790,824 |
| Loss and total comprehensive loss for the period | - | (298,513) | (32,384) | (37,139) | (368,036) |
| As at 31 December 2020 | 18,630,751 | (18,653,476) | 1,755,795 | (1,310,282) | 422,788 |

| | Share capital A$ | Accumulated losses attributable to Owners of the Company A$ | Foreign currency translation reserve A$ | Non-controlling interests A$ | Total A$ |
|---|---|---|---|---|---|
| As at 1 July 2019 | 18,630,751 | (17,020,567) | 1,803,075 | (939,544) | 2,473,715 |
| Loss and total comprehensive loss for the period | - | (1,847,424) | (16,200) | 770,035 | (1,093,589) |
| As at 31 December 2019 | 18,630,751 | (18,867,991) | 1,786,875 | (169,509) | 1,380,126 |

The accompanying notes form an integral part of the financial statements

For personal use only

**ASAPLUS RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020**

| | Group | |
|---|---|---|
| | 1.7.2020 to 31.12.2020 A$ | 1.7.2019 to 31.12.2019 A$ |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Loss before tax | (335,652) | (1,077,389) |
| Adjustment for: | | |
| Amortisation of evaluation assets | 98,846 | 102,376 |
| Depreciation of property, plant and equipment | 19,320 | 6,655 |
| Exploration assets transferred | - | (429,913) |
| Inventories depreciated | - | 55,716 |
| Provision for doubtful debts | - | 19,614,188 |
| Unrealised foreign exchange loss | - | (22,943) |
| Waiver of debts | - | (19,650,369) |
| Operating loss before working capital changes | (217,486) | (1,401,679) |
| Decrease in inventories | 22,658 | 101,203 |
| Decrease in other receivables | 83,584 | 81,055 |
| Increase in other payables | 133,023 | 765,545 |
| Net cash from/(used in) operating activities | 21,779 | (453,876) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Exploration expenditure | (5,964) | (140,067) |
| Purchase of property, plant and equipment | (7,033) | (3,712) |
| Net cash used in investing activities | (12,997) | (143,779) |
| Net increase/(decrease) in cash and cash equivalents | 8,782 | (597,655) |
| Effect of exchange rate changes on cash and cash equivalents | 2,748 | 533,455 |
| Cash and cash equivalents at beginning of the period | 221,866 | 446,717 |
| Cash and cash equivalents at end of the period | 233,396 | 382,517 |
| **Cash and cash equivalents comprise:** | | |
| Cash and bank balances | 233,396 | 382,517 |

The accompanying notes form an integral part of the financial statements

For personal use only

**ASAPLUS RESOURCES LIMITED**
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**
**FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020**

## 1 NATURE OF OPERATIONS

The condensed consolidated interim financial statements of Asaplus Resources Limited for the period ended 31 December 2020 was authorised for issue in accordance with a resolution of the Director on the date of the Statement by Directors.

The principal activities of the Company and the Group comprise the following:

- exploration, mining and marketing of iron
- investment holdings
- trading of copper strips
- evaluation and assessment of strategic investment and project opportunities
- consulting services

## 2 GENERAL INFORMATION AND BASIS OF PREPARATION

The condensed consolidated interim financial statements are for the six months ended 31 December 2020 and are presented in Australian Dollars which is the Company's functional currency. They have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with Financial Reporting Standards in Singapore, and should be read in conjunction with the consolidated financial statements of the Group for the period ended 30 June 2020.

Asaplus Resources Limited is the Group's ultimate parent company. The Company was incorporated under the laws of Singapore as a public company limited by shares on 24 April 2012 and was registered as a foreign company in Australia on 22 June 2012.

The Company was listed on the Australian Securities Exchange on 16 November 2012. The registered office of the Company in Singapore is located at 60 Paya Lebar Road, Paya Lebar Square #08-55, Singapore 409051.

## 3 GOING CONCERN BASIS

The Group incurred a net loss of A$335,652 during the interim period ended 31 December 2020. Also, the Group's current liabilities exceeded its current assets by A$514,440. Accordingly, the ability of the Group to meet its obligations is therefore dependent on the viable operations existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than the amounts at which they are currently recorded in the financial position. In addition, the Group may have to provide for further liabilities that might arise. The financial statements do not included such adjustment, as the Directors are optimistic that the Group will operate in a profitable manner in the foreseeable future, and accordingly they believe that it is appropriate for the financial statements of the Company to be prepared on the going concern basis.

For personal use only

## 4 SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted on the last annual financial statements for the period ended 30 June 2020, except for the adoption of the following accounting standards that became effective after 1 January 2021 onwards:

Amendment to SFRS(I) 4, SFRS(I) 7, SFRS(I) 9, SFRS(I) 16 and SFRS(I) 1-39 – Interest Rate Benchmark Reform – Phase 2

The adoption of these new or amended SFRS(I) and Interpretations of SFRS(I), where relevant to the Group, did not result in substantial changes to the Group's accounting policies or any significant impact on the Group's financial statements.

## 5 ACCOUNTING ESTIMATES AND MANAGEMENT JUDGEMENTS DUE TO THE COVID-19 PANDEMIC

When preparing the condensed consolidated interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Due to the currently unforeseeable global consequences of the COVID-19 pandemic, these accounting estimates and management judgements are subject to increased uncertainty. Actual amounts may differ from the estimates and management judgements; changes can have a material impact on the condensed consolidated interim financial statements.

For personal use only

## 6 PROPERTY, PLANT AND EQUIPMENT

| | As at 1 July 2020 A$ | Additions A$ | Exchange difference A$ | As at 31 December 2020 A$ |
|---|---|---|---|---|
| **Cost** | | | | |
| Computer | 7,532 | - | 1,732 | 9,264 |
| Office equipment | 5,220 | - | 8,388 | 13,608 |
| Furniture, fittings and fixtures | 13,378 | - | (7,849) | 5,529 |
| Motor vehicles | 167,363 | - | (8,439) | 158,924 |
| Equipment tools | 168,226 | 7,033 | (8,607) | 166,652 |
| Storage room | 122,573 | - | (3,996) | 118,577 |
| | 484,292 | 7,033 | (18,771) | 472,554 |

| | As at 1 July 2020 A$ | Charges for the period A$ | Exchange difference A$ | As at 31 December 2020 A$ |
|---|---|---|---|---|
| **Accumulated Depreciation** | | | | |
| Computer | 6,623 | 100 | 1,959 | 8,682 |
| Office equipment | 3,917 | 371 | 7,705 | 11,993 |
| Furniture, fittings and fixtures | 10,825 | 524 | (8,582) | 2,767 |
| Motor vehicles | 137,208 | 7,913 | (7,454) | 137,667 |
| Equipment tools | 36,166 | 7,566 | (2,959) | 40,773 |
| Storage room | 12,747 | 2,846 | (415) | 15,178 |
| | 207,486 | 19,320 | (9,746) | 217,060 |

| | 31.12.2020 A$ | 30.6.2020 A$ |
|---|---|---|
| **Carrying Amounts** | | |
| Computer | 582 | 909 |
| Office equipment | 1,615 | 1,303 |
| Furniture, fittings and fixtures | 2,762 | 2,553 |
| Motor vehicles | 21,257 | 30,155 |
| Equipment tools | 125,879 | 132,060 |
| Storage room | 103,399 | 109,826 |
| | 255,494 | 276,806 |

For personal use only

## 7 EXPLORATION AND EVALUATION ASSETS

| | Group | |
|---|---|---|
| | 31.12.2020 | 30.6.2020 |
| | A$ | A$ |
| Balance at beginning of the period | 800,723 | 945,544 |
| Amortisation during the period | (98,846) | (205,150) |
| Expenditure incurred during the period | 5,964 | - |
| Transferred | - | 67,553 |
| Foreign exchange differences | (26,107) | (7,224) |
| Balance at end of the period | 681,734 | 800,723 |

Exploration and evaluation assets comprise the cost of obtained Exploration License in relation to the Beikeng Mine and related cost of search for mineral resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource in the Beikeng Mine.

## 8 GOODWILL

| | Group | |
|---|---|---|
| | 31.12.2020 | 30.6.2020 |
| | A$ | A$ |
| Goodwill | 9,988,661 | 9,988,661 |
| Less: Impairment loss | (9,988,661) | (9,988,661) |
| Balance at beginning and end of the period | - | - |

Goodwill arises from acquisition of subsidiary in which purchase consideration of the subsidiary was higher than valuation of net tangible assets.

## 9 INVENTORIES

| | Group | |
|---|---|---|
| | 31.12.2020 | 30.6.2020 |
| | A$ | A$ |
| Balance at beginning of the period | 694,959 | 825,400 |
| Additions during the period | - | 99,635 |
| Transferred | - | 210,076 |
| Expensed during the period | - | (433,862) |
| Foreign exchange differences | (22,658) | (6,290) |
| Balance at end of the period | 672,301 | 694,959 |
| Inventories at the lower of cost and net realisable value | 672,301 | 694,959 |

Inventories are stated at the lower of costs and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a weighted average method.

## 10 SHARE CAPITAL

| | Group | |
|---|---|---|
| | **31.12.2020** | **30.6.2020** |
| **Number of shares (units)** | | |
| At beginning/end of the period | 136,000,000 | 136,000,000 |
| **Issued and Paid-up (A$)** | | |
| At beginning/end of the period | 18,630,751 | 18,630,751 |

## 11 LOSS PER SHARE

The loss per share is calculated based on the consolidated losses attributable to owners of the parent divided by the weighted average number of ordinary shares during the period.

The following table reflects the profit or loss and share data used in the computation of basic and diluted loss per share from continuing operations for the period ended 31 December 2020.

| | Group | |
|---|---|---|
| | **31.12.2020** | **31.12.2019** |
| Weighted average number of ordinary shares for the purpose of calculating basic loss per share | 136,000,000 | 136,000,000 |
| Effect of dilutive potential ordinary shares: | | |
| Share options | - | - |
| Weighted average number of ordinary shares for the purpose of calculating diluted loss per share | 136,000,000 | 136,000,000 |

Loss figures are calculated as follows:

| | Group | |
|---|---|---|
| | **31.12.2020 A$** | **31.12.2019 A$** |
| Loss for the purpose of calculating basic and diluted loss per share | (335,652) | (1,077,389) |

As at the date of the financial statement, none of the options were exercised during the period.



For personal use only

## 12 NET TANGIBLE ASSET BACKING PER SECURITY

| | Group | |
|---|---|---|
| | **31.12.2020** | **30.6.2020** |
| | **A$** | **A$** |
| Net tangible assets | 422,788 | 790,824 |
| Number of issued shares | 136,000,000 | 136,000,000 |
| **Net tangible asset backing per share** | 0.003 cents | 0.006 cents |

## 13 RELATED PARTY DISCLOSURE

During the interim period, there were no related party transactions except for:

**COMPENSATION OF KEY MANAGEMENT PERSONNEL**

| | **1.7.2020 to 31.12.2020** | **1.7.2019 to 31.12.2019** |
|---|---|---|
| | **A$** | **A$** |
| Short term benefits | 20,849 | 12,043 |

Key management personnel comprise Directors of the Group and other persons in the Group, having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

## 14 SEGMENT REPORTING

The Group identities its operating segments based on the regular internal financial information reported to the executive Directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive Directors are determined following the Group's major products and services. The Group has identified the following reportable segments:

- Mining – exploration and mining of iron ore
- Trading and consulting service – trading of copper strips and providing consulting service

For personal use only

(a) Segment results, assets and liabilities

| 31 December 2020 | Mining A$ | Trading and consulting service A$ | Others* A$ | Total A$ |
|---|---|---|---|---|
| Revenue | | | | |
| From external customers | - | - | - | - |
| From other segments | - | - | - | - |
| Segment revenues | - | - | - | - |
| Segment operating loss before tax | (277,412) | (395) | (57,845) | (335,652) |
| Segment assets | 2,421,106 | 3,683,201 | 9,707,903 | 15,812,210 |
| Segment liabilities | 214,704 | 1,644,076 | 614,695 | 2,473,475 |

| 31 December 2019 | Mining A$ | Trading and consulting service A$ | Others* A$ | Total A$ |
|---|---|---|---|---|
| Revenue | | | | |
| From external customers | - | - | - | - |
| From other segments | - | - | - | - |
| Segment revenues | - | - | - | - |
| Segment operating profit/(loss) before tax | 6,111,318 | (2,157,182) | (5,031,525) | (1,077,389) |
| **30 June 2020** | | | | |
| Segment assets | 2,677,100 | 3,417,503 | 12,083,301 | 18,177,904 |
| Segment liabilities | 117,432 | 1,452,885 | 571,335 | 2,141,652 |

*Others relate to the corporate activities of the Company as well as the other operating segments that are not reportable.



For personal use only

(b) Reconciliations of reportable segment profit or loss, assets and liabilities to its consolidated financial statement:

**Loss before taxation**

| | 1.7.2020 to 31.12.2020 A$ | 1.7.2019 to 31.12.2019 A$ |
|---|---|---|
| Reportable segments loss before taxation | (335,652) | (1,077,389) |
| Unallocated income | - | - |
| | (335,652) | (1,077,389) |

**Assets**

| | 31.12.2020 A$ | 30.6.2020 A$ |
|---|---|---|
| Segments assets | 15,812,210 | 18,177,904 |
| Elimination of inter-segment assets | (13,114,747) | (15,245,428) |
| Consolidated assets | 2,697,463 | 2,932,476 |

**Liabilities**

| | 31.12.2020 A$ | 30.6.2020 A$ |
|---|---|---|
| Segments liabilities | 2,473,475 | 2,141,652 |
| Elimination of inter-segment liabilities | (198,800) | - |
| Consolidated liabilities | 2,274,675 | 2,141,652 |

## 15 OPERATING LEASE COMMITMENTS

| | Group | |
|---|---|---|
| | 31.12.2020 A$ | 31.12.2019 A$ |
| Not later than one year | 7,084 | 7,466 |
| Later than one year but not later than five years | 11,806 | 17,245 |
| | 18,890 | 24,711 |

The Group has operating lease commitments in respect of rental of office premise. The lease is non-cancellable within 1 year.

Operating lease payments represents rents payable by the Company for office premises and other operating facilities. Lease is negotiated for a term of 3 years and rentals are fixed for an average of 1 to 3 years. Certain office premise has the options to renew for another one year at market rate subject to agreement by both parties.



For personal use only

For personal use only

## 16 FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to A$ equivalent) for the translation of foreign currency balances at the statement of financial position date are as follows:

| | 31.12.2020 A$ | 30.6.2020 A$ |
|---|---|---|
| Chinese Reminbi | 0.1988 | 0.2055 |

## 17 SEASONAL/CYCLICAL FACTORS

The operations of the Company were not significantly affected by seasonality and cyclical factors.

## 18 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the six months ended 31 December 2020.

## 19 DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayments of debt and equity securities during the six months ended 31 December 2020.

## 20 DIVIDEND PAID

No dividend paid during the reporting period.

## 21 CONTINGENT LIABILITIES

There are no contingent liabilities as at the date of these financial statements.

## 22 PLANNED CAPITAL EXPENDITURE

Not being commitments for capital expenditure, the Group budgets to make the following capital expenditure, with such modifications as it considers necessary, in the reporting period ended 31 December 2020:

| **Proposed use of funds** | **Amount in RMB** | **Approximate equivalent in A$** |
|---|---|---|
| Continuing development and construction costs of a processing plant to process ore to be extracted from the Group's Beikeng Mine | 280,000 | 55,664 |
| Acquisition and development costs for additional stockpile area | 500,000 | 99,400 |
| **Total planned capital expenditure** | 780,000 | 155,064 |