



ACN 606 338 907

**FINANCIAL REPORT**

**FOR THE PERIOD ENDED**

**30 JUNE 2016**

For personal use only

	Page
Corporate Directory	2
Directors' Report	3
Auditor's Independence Declaration	7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	17
Independent Auditor's Report	18

For personal use only

**DIRECTORS**

Ron N. Gajewski (appointed 10 June 2015)  
Wade S Johnson (appointed 10 June 2015)  
Craig A Nelmes (appointed 10 June 2015)

**COMPANY SECRETARY**

Craig A Nelmes (appointed 10 June 2015)

**PRINCIPAL AND REGISTERED  
OFFICE**

Level 2, Suite 9  
389 Oxford Street  
Mt. Hawthorn WA 6016

Telephone: (08) 9380 6789

Facsimile: (08) 9380 6761

**LEGAL ADVISERS**

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000

**BANKERS**

ANZ Banking Corporation  
Level 1  
1275 Hay Street  
West Perth, WA 6005

**AUDITORS**

Ernst & Young  
200 George Street  
Sydney NSW 2000

For personal use only

The directors of Hogans Resources Pty Ltd (the "Company") submit herewith the financial report for the period from 10 June 2015 (date of incorporation) to 30 June 2016, and the auditor's report thereon. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

## **DIRECTORS**

The names and particulars of the directors of the Company during or since the end of the financial period are as follows. Directors were in office for the entire period unless otherwise stated.

### **Ron N. Gajewski**

B.Bus.

Director

Appointed 10 June 2015

Mr Gajewski is an accountant by profession, with many years of experience as a director of public listed companies and as a corporate advisor to public companies. He has held directorships with mining companies listed in both Canada and Australia.

During the past three years he has also served as a director of the following listed companies:

Burey Gold Limited (appointed 23 March 2005, resigned 12 August 2014)

Carnavale Resources Ltd (appointed 18 October 2006)

Explaurum Limited (*formerly Erongo Energy Ltd*) (appointed 9 July 2007, resigned 27 November 2013)

### **Craig Nelmes**

B.Bus

Director

Appointed 10 June 2015

Craig Nelmes is an Accountant with over 20 years experience in the mining sector in Australia and overseas, and including seven years with international accounting firm Deloitte. Since 2007, Mr. Nelmes has been a Manager with Corporate Consultants Pty Ltd, a Company providing accounting, secretarial and administrative services to several ASX and/or TSX listed entities.

Since 2013, he has also served as the Company Secretary of De Grey Mining Limited.

### **Wade Johnson**

Bsc Hons

Director

Appointed 10 June 2015

Mr Johnson is a geologist with over 25 years' experience in mineral exploration with a focus on Gold in Western Australia. He was most recently exploration manager for Kalnorth Gold Mines Limited where he oversaw the exploration and development of the company's gold tenements over a period of five years. Prior to this, he was with Newmont Mining Corp. for 10 years where he held senior roles as Exploration Manager for Australia and then as Exploration Manager for Asia Pacific. During this time, he was responsible for the management of green-fields exploration programs and project generation across the Yilgarn, Tanami, North Queensland and the Lachlan Belt (NSW) with a significant amount of activity in Western Australia.

During the past three years he has not served as a director of any listed companies.

***Directors' interests***

The interests of each Director in the shares and options of the consolidated entity at the date of this report are as follows:

<i>Name</i>	<i>Ordinary shares</i>
R Gajewski	2,500,000
C Nelmes	2,500,000
W Johnson	2,500,000

**SHARE OPTIONS**

As at 30 June 2016, there were no options over unissued ordinary shares in the Company outstanding.

There were no options issued after 30 June 2016 and up to the date of this report.

**PRINCIPAL ACTIVITIES**

The principal activity of the Company during the year was the acquisition and management of mineral exploration projects within Australia.

**RESULTS AND REVIEW OF OPERATIONS**

The result of the Company for the financial period ended 30 June 2016 was a loss after tax of \$14,724.

The Company was incorporated on 10 June 2015 as a special purpose vehicle to secure exploration and prospecting licences. On 23 July 2015, Hogans entered into an agreement with Mr. Fred Saunders and Rocky Reef Mining Pty Ltd to acquire a semi-contiguous land package in excess of 200km<sup>2</sup> comprising of exploration and prospecting licences. This agreement was replaced by an agreement dated 4 April 2016 (as further amended on 12 July 2016).

The Company tenements are located adjacent to ASX listed Lefroy Exploration Limited's (formerly US Masters Holdings Limited) tenements at Lake Lefroy. The Lefroy Project is located in the heart of a highly endowed gold district in the Eastern Goldfields of Western Australia, being some 15km east of the St Ives camp (~12Mozgold produced since 1980) operated by Goldfields and 5km from Daisy Milano underground gold mine and currently owned by Silver Lake Resources. The tenements also surround and cover the strike extensions of the Coogee Open pit which was operated by Ramelius Resources during 2014 and are considered prospective for the discovery of new gold systems.

**LIKELY DEVELOPMENTS**

The Company's focus over the next financial year will be finalise the completion of its acquisition by ASX listed entity Lefroy Exploration Limited (ASX:LEX).

**SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the Company during the financial year.

## **SUBSEQUENT EVENTS**

Since the end of the financial period and to the date of this report, no matter or circumstance has arisen which 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 in the subsequent financial year, except for the following;

On 26 July 2016, the Company entered into a share sale deed in relation to the 100% acquisition of the Company by ASX listed Lefroy Exploration Limited ("LEX"), with the intension of amalgamating contiguous tenements held by LEX and the Company into one project area so as will allow for the comprehensive drill evaluation of these targets.

The Share Sale Deed, is subject to the satisfaction of certain conditions precedent, under which LEX has agreed to acquire 100% of the issued share capital of Hogans in consideration for LEX issuing up to a maximum of 7,600,000 shares to the Company's Shareholders on a prorata basis. The key conditions precedent being;

- (i) LEX obtaining shareholders' approval under ASX Listing Rule 11.1.2;
- (ii) LEX re-complying with Chapters 1 and 2 of the ASX Listing Rules; and
- (iii) LEX, subject to shareholder approval, conduct a capital raising under a full form prospectus to raise a minimum of A\$2.5 million.

In the event that all the above are met, Company Director, Mr. Wade Johnson will be appointed as Managing Director of LEX, effective from date of its ASX re-admission.

## **DIVIDENDS PAID OR RECOMMENDED**

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

## **INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

## **PROCEEDINGS ON BEHALF OF COMPANY**

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## **AUDITOR'S INDEPENDENCE DECLARATION**

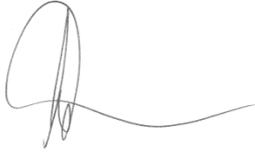
The lead auditor's independence declaration for the year ended 30 June 2016 has been received and forms part of the Directors' report and can be found on page 7 of the financial report.

**NON-AUDIT SERVICES**

There have been no non-audit services provided by the Company's auditor during the year.

Signed in accordance with a resolution of the directors made pursuant to s 298(2) of the Corporations Act 2001.

On behalf of the Directors.



**Craig Nelmes  
Director**

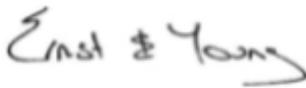
2 September 2016  
Perth, Western Australia

For personal use only

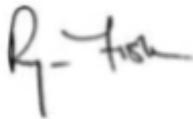
## Auditor's Independence Declaration to the Directors of Hogans Resources Pty Ltd

As lead auditor for the audit of Hogans Resources Pty Ltd for the financial period ended 30 June 2016, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Ernst & Young



Ryan Fisk  
Partner  
Sydney  
2 September 2016

For personal use only

**Hogans Resources Pty Ltd**  
**Statement of Comprehensive Income**  
**For the period ended 30 June 2016**

	Note	2016 \$
<b>Revenue</b>		
Consulting income		35,943
		<u>35,943</u>
<b>Expenditure</b>		
Audit fees		(4,000)
Director and employee expenses		(31,251)
Legal fees		(8,419)
Other corporate and administration expenses		<u>(6,997)</u>
Profit/(loss) before income tax		(14,724)
Income tax expense		<u>-</u>
<b>Profit/(loss) after income tax from continuing operations</b>		<u>(14,724)</u>
<b>Other Comprehensive income/(loss)</b>		
<i>Items that may be reclassified to profit or loss</i>		-
		<u>-</u>
<b>Total comprehensive loss for the year</b>		<u><u>(14,724)</u></u>

*The accompanying notes form part of these financial statements*

For personal use only

**Hogans Resources Pty Ltd**  
**Statement of Financial Position**  
**As at 30 June 2016**

	Note	2016 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2	71,696
Trade and other receivables	3	6,362
<b>Total current assets</b>		<u>78,058</u>
<b>Non-current assets</b>		
Deferred exploration expenditure	4	53,962
		<u>53,962</u>
<b>Total assets</b>		<u>132,020</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	5	79,495
Employee benefits		2,249
<b>Total current liabilities</b>		<u>81,744</u>
<b>Total liabilities</b>		<u>81,744</u>
<b>Net assets</b>		<u>50,276</u>
<b>Equity</b>		
Issued capital	6	65,000
Accumulated losses		(14,724)
<b>Total equity</b>		<u>50,276</u>

*The accompanying notes form part of these financial statements*

For personal use only

**Hogans Resources Pty Ltd**  
**Statement of Changes in Equity**  
**As at 30 June 2016**

<b>2016</b>	<b>Issued capital</b>	<b>Accumulated losses</b>	<b>Total</b>
	\$	\$	\$
<i>Opening Balance</i>	-	-	-
Loss for the period	-	(14,724)	(14,724)
<i>Total comprehensive loss for the period</i>	-	(14,724)	(14,724)
Shares issued during the year	65,000	-	65,000
<i>Balance as at 30 June 2016</i>	<b>65,000</b>	<b>(14,724)</b>	<b>50,274</b>

For personal use only

Hogans Resources Pty Ltd  
Statement of Cash Flows  
As at 30 June 2016

	Note	2016 \$
<b>Cash flows from operating activities</b>		
Receipts from customers		32,800
Payments to suppliers and employees		<u>(14,775)</u>
<b>Net cash outflows from operating activities</b>		<u>18,025</u>
<b>Cash flows from investing activities</b>		
Payments for exploration expenditure		<u>(11,329)</u>
<b>Net cash outflows from investing activities</b>		<u>(11,329)</u>
<b>Cash flows from financing activities</b>		
Proceeds from share issue		<u>65,000</u>
<b>Net cash inflows from financing activities</b>		<u>65,000</u>
<b>Net increase in cash and cash equivalents held</b>		71,696
Cash and cash equivalents at the beginning of the period		<u>-</u>
<b>Cash and cash equivalents at the end of the period</b>	2	<u>71,696</u>

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(a) General information*

Hogans Resources Pty Ltd (the Company) is a company limited by shares incorporated and domiciled in Australia, and which was incorporated on the 10<sup>th</sup> day of June 2015.

The financial period covers the period from 10 June 2015 to 30 June 2016, a period longer than one year. In the 20 day period from incorporation (10 June 2015) to 30 June 2015 the Company was inactive.

The nature of the operations and principal activity of the Company is to acquire interests (directly and indirectly) and manage mineral exploration projects.

*(b) Basis of preparation*

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The Group is a for-profit, private sector entity which is not publicly accountable. Therefore, the consolidated financial statements for the Group are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs) .

The general purpose financial statements were authorised for issue by the directors on 29 August 2016.

*Historical cost convention*

These financial statements have been prepared on an accruals basis under the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

*Adoption of new and revised standards*

In the period ended 30 June 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 30 June 2016. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group.

*Going concern*

The financial report has been prepared on a going concern basis which assumes the commercial realisation of the future potential of the Company's assets and discharge of its liabilities in the normal course of business.

Although, the Company recorded a loss of \$14,724 for the period and had a net current asset deficiency of \$3,686, the Directors believe that it is appropriate to prepare the financial statements on a going concern basis for the following reasons:

- (i) The Company is advanced with a corporate transaction (as explained in Note 8) which will see it acquired 100% by US Masters Holdings Limited, and which will result in the Company being appropriately funded for at least the next 12-18 months.
- (ii) Although, the Company has annual exploration commitments (as explained in Note 7) it also has contractual arrangements in place for active prospecting to be undertaken on its tenements which will substantially meet those commitments.
- (iii) In the event that (i) does not eventuate, the Company is confident in its capacity to raise additional equity funds.

Should the company be unable to raise capital, there is a material uncertainty whether the company will be able to continue as a going concern and therefore, whether it will be able to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

*Critical accounting estimates*

The preparation of financial statements requires the use of certain critical accounting estimates and that management exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements is in relation to the accounting for exploration expenditures.

**(c) Exploration, evaluation and development expenditure**

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
  - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

**(d) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Rendering of consulting services - revenue arising from consulting services transactions are recognised by the Group on an accruals basis as and when services have been provided. Provision is (where applicable) made for uncollectible debts arising from such services.

**(e) Cash and cash equivalents**

Cash reserves in the statement of financial position comprise cash at bank and in hand.

**(f) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the net asset or part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

are recognised initially, they are measured at fair value, net of transaction costs except for those financial assets

**(g) Trade and other payables**

Trade and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

**(h) Trade and other receivables**

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

**(i) Contributed equity**

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

**2. CASH AND CASH EQUIVALENTS**

	2016
	\$
<b>Current</b>	
Cash at bank and in hand (i)	71,696
	71,696
	71,696

(i) Cash at bank is held in a non-interest bearing operating account.

**3. TRADE AND OTHER RECEIVABLES**

	2016
	\$
<b>Current</b>	
Trade receivables (i)	6,362
	6,362
	6,362

(ii) Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value and the Company does not face any significant credit risk exposure as at balance date.

For personal use only

**4. DEFERRED EXPLORATION EXPENDITURE**

	<b>2016</b>
	\$
<b>Non-current</b>	
Exploration and evaluation phase (i) (ii)	53,962
	53,962
	53,962

- (i) All expenditures were incurred in the current period.
- (ii) The recoupment of costs carried forward in relation to the exploration and evaluation phase activities on the Company's tenement package is dependent upon the successful development and commercial exploitation or sale of the respective tenement(s).
- (iii) The balance includes \$2,500 with respect to shares issued in consideration for the acquisition of the Hogans project tenements.

**5. TRADE, OTHER PAYABLES AND EMPLOYEE BENEFITS**

	<b>2016</b>
	\$
Trade and other payables (i)	79,495
Employee benefits	2,249
	81,744
	81,744

- (i) Trade and other payables amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**6. ISSUED CAPITAL**

**(a) Issued capital**

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

**(b) Movements in share capital**

	<b>2016</b>	<b>2016</b>
	<b>Number</b>	<b>\$</b>
<i>Balance at beginning of year/period</i>	-	-
Issued during the year:		
Movement for the year	11,100,000	65,000
<i>Balance at end of year</i>	11,100,000	65,000
	11,100,000	65,000

**(c) Share Options**

During the period to the 30 June 2016, there were no options over unissued ordinary shares in the Company.

## **7. COMMITMENTS AND CONTINGENCIES**

The Company has annual commitments of \$131,120 including annual rents and rates on its East Kalgoorlie tenement package. The former vendors of these tenements have retained their prospecting rights and submit periodical expenditure declarations which are utilised in meeting these expenditure obligations. Also refer to Note 8 "Events Subsequent to Balance Date".

The Company does not have any contingent liabilities as at balance date.

## **8. EVENTS SUBSEQUENT TO BALANCE DATE**

Since the end of the financial period and to the date of this report, no matter or circumstance has arisen which 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 in the subsequent financial year, except as follows;

On 26 July 2016, the Company entered into a share sale deed in relation to the 100% acquisition of the Company with ASX listed Lefroy Exploration Limited ("LEX"), with the intention of amalgamating a contiguous tenements held by LEX and the Company into one project area so as will allow for the comprehensive drill evaluation of these targets.

The Share Sale Deed, is subject to the satisfaction of certain conditions precedent, under which LEX has agreed to acquire 100% of the issued share capital of Hogans in consideration for LEX issuing up to a maximum of 7,600,000 shares to the Company's Shareholders on a prorata basis. The key conditions precedent being;

- (iv) LEX obtaining shareholders' approval under ASX Listing Rule 11.1.2;
- (v) LEX re-complying with Chapters 1 and 2 of the ASX Listing Rules; and
- (vi) LEX, subject to shareholder approval, conduct a capital raising under a full form prospectus to raise a minimum of A\$2.5 million.

In the event that all the above are met, Company Director, Mr. Wade Johnson will be appointed as Managing Director of LEX, effective from date of its ASX re-admission.

In accordance with a resolution of the directors of Hogans Resources Pty Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of Hogans Resources Pty Ltd for the financial period ended 30 June 2016 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations 2001;
- (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.

On behalf of the Board.



**Craig Nelmes**  
**Director**

2 September 2016  
Perth, Western Australia

## Independent auditor's report to the members of Hogans Resources Pty Ltd

### Report on the financial report

We have audited the accompanying financial report of Hogans Resources Pty Ltd, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### *Directors' responsibility for the financial report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

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

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

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

### *Independence*

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

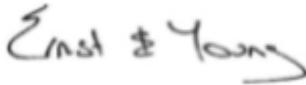
### **Opinion**

In our opinion the financial report of Hogans Resources Pty Ltd is in accordance with the *Corporations Act 2001*, including:

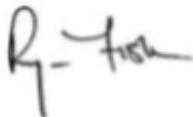
- (a) giving a true and fair view of the financial position of Hogans Resources Pty Ltd at 30 June 2016 and of its performance for the period ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 1(b) in the financial report which describes the principal conditions that raise doubt about the consolidated entity's ability to continue as a going concern. As a result of these matters, there is material uncertainty whether the consolidated entity will continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.



Ernst & Young



Ryan Fisk  
Partner  
Sydney  
2 September 2016

For personal use only