

1. Company details

Name of entity:	Molopo Energy Ltd
ABN:	79 003 152 154
Reporting period:	For the half-year ended 30 June 2019
Previous period:	For the half-year ended 30 June 2018

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	3.4% to	150
Loss from ordinary activities after tax attributable to the owners of Molopo Energy Ltd	down	98.9% to	(437)
Loss for the half-year attributable to the owners of Molopo Energy Ltd	down	98.9% to	(437)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$437,000 (30 June 2018: \$40,678,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	5.06	5.29

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

7. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

8. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

9. Attachments

Details of attachments (if any):

The Interim Report of Molopo Energy Ltd for the half-year ended 30 June 2019 is attached.

10. Signed

Signed



Date: 5 September 2019

Anthony Hartnell AM
Independent Non-executive Director

Molopo Energy Ltd

ABN 79 003 152 154

Interim Report - 30 June 2019

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General information

The financial statements cover Molopo Energy Ltd as a consolidated entity consisting of Molopo Energy Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Molopo Energy Ltd's functional and presentation currency.

Molopo Energy Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

C/- Accosec & Associates
Suite 3, Level 2, 470 Collins Street
Melbourne Victoria, 3000 Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 5 September 2019.

Directors	<p>Roger Corbett AO (Independent Non-executive Chairman)</p> <p>William Johnson (Non-executive Director)</p> <p>Ralph Curton (Independent Non-executive Director)</p> <p>Anthony Hartnell AM (Independent Non-executive Director)</p>
Company secretary	Andrew Metcalfe
Registered office	<p>C/- Accosec & Associates</p> <p>Suite 3, Level 2, 470 Collins Street</p> <p>Melbourne Victoria, 3000 Australia</p>
Principal place of business	<p>C/- Accosec & Associates</p> <p>Suite 3, Level 2, 470 Collins Street</p> <p>Melbourne Victoria, 3000 Australia</p>
Share register	<p>Computershare Investor Services Pty Ltd</p> <p>Yarra Falls</p> <p>452 Johnston Street</p> <p>Abbotsford VIC 3067</p> <p>Australia</p> <p>Telephone: (61 3) 9415 4000</p>
Auditor	<p>BDO East Coast Partnership</p> <p>Collins Square, Tower 4</p> <p>Level 18, 727 Collins Street</p> <p>Melbourne, Victoria 3008</p> <p>Australia</p>
Bankers	<p>National Australia Bank Limited</p> <p>330 Collins Street, Melbourne, VIC, 3000, Australia</p> <p>National Bank of Canada</p> <p>301 – 6th Avenue, Calgary, AB T2P 4M9, Canada</p>
Stock exchange listing	<p>Molopo Energy Ltd shares are listed on the Australian Securities Exchange (ASX code: MPO)</p> <p>Australian Securities Exchange Limited</p> <p>Level 4, North Tower, 525 Collins Street</p> <p>Melbourne, VIC 3000</p> <p>Australia</p>
Website	www.molopoenergy.com

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Molopo Energy Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2019.

Directors

The following persons were Directors of Molopo Energy Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Roger Corbett - Independent Non-Executive Chairman (appointed 31 May 2018)

William Johnson - Non-Executive Director (appointed 31 May 2018)

Ralph Curton - Non-Executive Director (appointed 31 May 2018)

Anthony Hartnell - Non-Executive Director (appointed 31 May 2018)

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$437,000 (30 June 2018: \$40,678,000).

Executive Summary

The Current Directors of Molopo (Corbett, Johnson, Curton and Hartnell) were elected on 31 May 2018 and immediately commenced and continue to undertake detailed investigations into the Orient/Drawbridge Transactions that were entered into by former directors of the Company.

The Orient/Drawbridge Transactions were entered into by former Directors of Molopo without seeking shareholder approval which the Current Directors maintain was in breach of ASX Listing Rules, ASX continuous disclosure obligations and provisions of the Corporations Act. This has been supported by the subsequent findings of the Takeovers Panel.

The Orient Transaction involved a US\$14 Million investment by Molopo to acquire all issued shares in Orient FRC Limited. As a wholly owned subsidiary of Molopo, Orient committed to the Drawbridge Transactions and acquired a 30% non-voting A class share interest in Drawbridge, in consideration for which Molopo transferred the whole of its interest in Orient to Drawbridge and contributed an additional US\$18 Million under the Contribution Agreement in February 2018 and incurred a further US\$3 Million of associated expenses.

Sopris Energy Investments Ltd., which is the majority 70% shareholder of Drawbridge, holds 100% of the voting rights in Drawbridge which it appears to have acquired without contributing any cash or other assets to the transaction.

In the year ended 31 December 2018, the Current Directors resolved that they could not identify evidence to support a value for the oil & gas exploration and production assets held by Drawbridge and accordingly Molopo's investment through Orient was impaired to Nil, as reported in the 31 December 2018 Annual Report.

Although the Current Directors have impaired the investment in full, they continue to vigorously pursue legal proceedings against the Former Directors of the Company responsible for entering into these transactions to hold them accountable for breach of directors' duties with the objective of recovering as much value as possible for Molopo shareholders.

The Current Directors remain firmly of the view that the litigation proceedings against the Former Directors provides the best opportunity for Molopo shareholders to recover any value from the actions undertaken by Former Directors entering into the Orient Transactions and the Drawbridge Transactions.

Suspension from trading on ASX

Molopo's shares have been suspended from trading since 27 July 2017 as a result of failing to satisfy ASX's requirement for a sufficient level of operations.

As previously reported, the Company is not pursuing any new oil and gas activities (outside of those which it holds indirectly through its interest in Drawbridge) and would consider this only when the actions against the Former Directors are completed. It is therefore likely that trading in the Company's shares will remain suspended for the foreseeable future.

Drawbridge Operations

No operations update has been received from Drawbridge since December 2018.

Legal actions

Molopo has initiated the legal actions against former directors of Molopo, Baljit Johal, Richard Matthews, Matthew Cudmore, Ronnen Rosengart and subsequently Alexandre Gabovich (Former Directors). Molopo notified its D&O Insurers that the company was making a claim under the policies against those Former Directors. These proceedings were commenced in the Supreme Court of Victoria against the Former Directors for breach of their directors' duties in relation to committing Molopo to the Orient/Drawbridge Transactions.

Molopo will continue to vigorously pursue its claims in the Supreme Court of Victoria against the Former Directors and is confident that these proceedings will result in a successful recovery against the Former Directors.

As previously reported Molopo Energy Canada Limited (MECL), a wholly owned subsidiary of the Company, continues to defend the long-standing legal action in Canada against MECL, pursuant to Court consent orders for case management of those proceedings. No further material developments in those proceedings have been advised.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Rounding of amounts

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Anthony Hartnell AM
Independent Non-executive Director

5 September 2019

DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF MOLOPO ENERGY LIMITED

As lead auditor for the review of Molopo Energy Limited for the half-year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Molopo Energy Limited and the entities it controlled during the period.

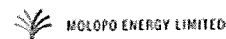


James Mooney
Partner

BDO East Coast Partnership

Melbourne, 5 September 2019

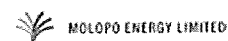
Molopo Energy Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2019



		Consolidated	
	Note	30 June 2019	30 June 2018
		\$'000	\$'000
Revenue			
Other income	3	765	178
Interest revenue		150	145
Expenses			
Salary and employee benefits expense		(185)	(598)
Impairment of investments	4	-	(46,366)
Reversal of provisions		-	8,497
Administration		(509)	(450)
Legal, management and consulting fees		(658)	(2,084)
Total expenses		<u>(1,352)</u>	<u>(41,001)</u>
Loss before income tax expense		(437)	(40,678)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax expense for the half-year attributable to the owners of Molopo Energy Ltd		(437)	(40,678)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>(127)</u>	<u>2,266</u>
Other comprehensive income for the half-year, net of tax		<u>(127)</u>	<u>2,266</u>
Total comprehensive income for the half-year attributable to the owners of Molopo Energy Ltd		<u>(564)</u>	<u>(38,412)</u>
		Cents	Cents
Basic loss per share	14	(0.18)	(16.33)
Diluted loss per share	14	(0.18)	(16.33)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

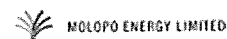
Molopo Energy Ltd
Statement of financial position
As at 30 June 2019



		Consolidated	
		31 December	
	Note	30 June 2019	2018
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents	5	12,334	13,325
Trade and other receivables	6	537	18
Other	7	226	507
Total current assets		<u>13,097</u>	<u>13,850</u>
Total assets		<u>13,097</u>	<u>13,850</u>
Liabilities			
Current liabilities			
Trade and other payables	8	<u>499</u>	<u>688</u>
Total current liabilities		<u>499</u>	<u>688</u>
Total liabilities		<u>499</u>	<u>688</u>
Net assets		<u>12,598</u>	<u>13,162</u>
Equity			
Issued capital	9	157,321	157,321
Reserves	10	(1,678)	(1,551)
Accumulated losses	11	<u>(143,045)</u>	<u>(142,608)</u>
Total equity		<u>12,598</u>	<u>13,162</u>

The above statement of financial position should be read in conjunction with the accompanying notes

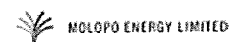
Molopo Energy Ltd
Statement of changes in equity
For the half-year ended 30 June 2019



	Issued capital \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Consolidated				
Balance at 1 January 2018	157,321	(4,061)	(100,621)	52,639
Loss after income tax expense for the half-year	-	-	(40,678)	(40,678)
Other comprehensive income for the half-year, net of tax	-	2,266	-	2,266
Total comprehensive income for the half-year	-	2,266	(40,678)	(38,412)
Balance at 30 June 2018	157,321	(1,795)	(141,299)	14,227
	Issued capital \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Consolidated				
Balance at 1 January 2019	157,321	(1,551)	(142,608)	13,162
Loss after income tax expense for the half-year	-	-	(437)	(437)
Other comprehensive income for the half-year, net of tax	-	(127)	-	(127)
Total comprehensive income for the half-year	-	(127)	(437)	(564)
Balance at 30 June 2019	157,321	(1,678)	(143,045)	12,598

The above statement of changes in equity should be read in conjunction with the accompanying notes

Molopo Energy Ltd
Statement of cash flows
For the half-year ended 30 June 2019



Consolidated
30 June 2019 30 June 2018
\$'000 \$'000

Cash flows from operating activities

Payments to suppliers and employees
Interest received

(1,241) (4,165)
165 164

Net cash used in operating activities

(1,076) (4,001)

Cash flows from investing activities

Payment for purchase of subsidiary, net of cash acquired
Cash outflow on disposal of subsidiary

- (8,169)
- (20,892)

Net cash used in investing activities

- (29,061)

Cash flows from financing activities

Net cash from financing activities

- -

Net decrease in cash and cash equivalents

(1,076) (33,062)

Cash and cash equivalents at the beginning of the financial half-year

13,325 47,689

Effects of exchange rate changes on cash and cash equivalents

85 402

Cash and cash equivalents at the end of the financial half-year

12,334 15,029

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 June 2019 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2018 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases

The standard is applicable for accounting periods starting 1 January 2019. AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee will recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Depreciation of the asset and interest on the liability will be recognised. As the consolidated entity has no operating leases, there is no impact from the implementation of AASB 16.

Going concern

The consolidated entity is considered a going concern as its current assets exceed its current liabilities by \$12,598,000 at the reporting date, and there is no indication that in the 12 month period from the date of this report that the consolidated entity will be in a position that it cannot meet its future commitments as and when they fall due.

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into 3 operating segments: Australia, Canada & USA. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Note 2. Operating segments (continued)

Operating segment information

Consolidated - 30 June 2019	Australia \$'000	Canada \$'000	USA \$'000	Total \$'000
EBITDA	(587)	-	-	(587)
Interest revenue	130	1	19	150
Profit/(loss) before income tax expense	(457)	1	19	(437)
Income tax expense				-
Loss after income tax expense				(437)
Assets				
Segment assets	11,133	1,708	256	13,097
Total assets				13,097
Liabilities				
Segment liabilities	499	-	-	499
Total liabilities				499
Consolidated - 30 June 2018	Australia \$'000	Canada \$'000	USA \$'000	Total \$'000
EBITDA	(3,153)	8,718	(46,388)	(40,823)
Interest revenue	122	-	23	145
Profit/(loss) before income tax expense	(3,031)	8,718	(46,365)	(40,678)
Income tax expense				-
Loss after income tax expense				(40,678)
Consolidated - 31 December 2018				
Assets				
Segment assets	4,825	8,772	253	13,850
Total assets				13,850
Liabilities				
Segment liabilities	688	-	-	688
Total liabilities				688

Note 3. Other income

	Consolidated	
	30 June 2019 \$'000	30 June 2018 \$'000
Net foreign exchange gain	232	178
Other income – refund of withholding tax	533	-
Other income	765	178

Note 4. Expenses

Consolidated	
30 June 2019	30 June 2018
\$'000	\$'000

Loss before income tax includes the following specific expenses:

Impairment

Investment in Drawbridge Energy Holdings Ltd

-	46,366
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Note 5. Current assets - cash and cash equivalents

Consolidated	
30 June 2019	31 December 2018
\$'000	\$'000

Cash at bank
Cash on deposit

2,550	6,208
9,784	7,117
<u>12,334</u>	<u>13,325</u>

Note 6. Current assets - trade and other receivables

Consolidated	
30 June 2019	31 December 2018
\$'000	\$'000

Other receivables
Interest receivable

533	-
4	18
<u>537</u>	<u>18</u>

Note 7. Current assets - other

Consolidated	
30 June 2019	31 December 2018
\$'000	\$'000

Prepayments

226	507
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Note 8. Current liabilities - trade and other payables

Consolidated	
30 June 2019	31 December 2018
\$'000	\$'000

Trade payables

499	688
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Note 9. Equity - issued capital

	Consolidated		Consolidated	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	<u>249,040,648</u>	<u>249,040,648</u>	<u>157,321</u>	<u>157,321</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 10. Equity - reserves

	Consolidated	
	30 June 2019	31 December 2018
	\$'000	\$'000
Foreign currency reserve	<u>(1,678)</u>	<u>(1,551)</u>

Note 11. Equity - accumulated losses

	Consolidated	
	30 June 2019	31 December 2018
	\$'000	\$'000
Accumulated losses at the beginning of the financial half-year	(142,608)	(101,174)
Loss after income tax expense for the half-year	<u>(437)</u>	<u>(41,434)</u>
Accumulated losses at the end of the financial half-year	<u>(143,045)</u>	<u>(142,608)</u>

Note 12. Contingent liabilities

There exists a series of historical legal actions initiated in Canada concerning the Company and Molopo Energy Canada Ltd. ("MECL"), a wholly owned subsidiary of the Company, all of which relate to the sale by MECL of its interests in various oil and gas assets on 1 March 2011, summarised as follows:

1. One of MECL's former joint venture partners (3105682 Nova Scotia ULC ("310 ULC")) commenced legal action in 2011 against MECL claiming MECL breached various agreements relating to the relevant joint venture, including breach of fiduciary duties, trust and good faith. 310 ULC has sought declarations, accountings, damages of 25% revenue, C\$35.0 (A\$35.5) million general damages, C\$1.0 (A\$1.0) million punitive and aggravated damages, interest, GST and indemnity costs.

Note 12. Contingent liabilities (continued)

The Group has previously made a C\$8.4 million provision in its prior financial statements in relation to this litigation. Molopo Energy Limited as parent company, is itself not a party to these proceedings. Whilst the litigation commenced in 2011, it is considered that the legal action will not be heard in court for at least a further 2 years. Given the information presented it was determined to write-back the provision to Nil in its prior financial statements and reflect the legal action as a contingent liability.

2. 310 ULC also commenced legal action in 2013 against the purchaser of MECL's interests in the assets, Legacy Oil & Gas Inc. ("Legacy"), as successor in title to MECL, claiming that Legacy continued some breaches allegedly committed by MECL and committed further breaches of the agreements relating to the relevant joint venture, including breaches of fiduciary duties, trust and good faith. 310 ULC has sought declarations, accountings, damages of 25% revenue, C\$90.0 (A\$90.2) million general damages, C\$1.0 (A\$1.0) million punitive and aggravated damages, interest, GST and indemnity costs.

Legacy has issued a third-party notice to both MECL and Molopo on the basis of indemnities provided by MECL to Legacy in the sale agreement between MECL and Legacy, and a guarantee provided by Molopo to Legacy in relation to MECL's obligations under the sale agreement. In June 2015, Legacy was acquired by Crescent Point Energy Corporation, an oil and gas company based in Calgary, Canada.

MECL and Molopo have not yet been required to file any defence to the third-party claim.

Note 13. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2019	31 December 2018
		%	%
Molopo USA LLC	USA	100.00%	100.00%
Molopo Energy Texas LLC	USA	100.00%	100.00%
Orient FRC Limited	British Virgin Islands	100.00%	100.00%
Molopo Energy Holdings Ltd	Canada	100.00%	100.00%
Molopo Energy Canada Ltd	Canada	100.00%	100.00%
Molopo Canada Calico Ltd	Canada	100.00%	100.00%

Note 14. Earnings per share


	Consolidated	
	30 June 2019 \$'000	30 June 2018 \$'000
Loss after income tax attributable to the owners of Molopo Energy Ltd	(437)	(40,678)
	Cents	Cents
Basic loss per share	(0.18)	(16.33)
Diluted loss per share	(0.18)	(16.33)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	249,040,648	249,040,648
Weighted average number of ordinary shares used in calculating diluted earnings per share	249,040,648	249,040,648

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Anthony Hartnell AM
Independent Non-executive Director

5 September 2019

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Molopo Energy Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Molopo Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

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 the Group is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 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 the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2019 and its financial 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 the Group, 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 the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO East Coast Partnership

A handwritten signature in black ink, appearing to read 'James Mooney', is written over a faint, stylized 'BDO' logo.

James Mooney
Partner

Melbourne, 5 September 2019