



# **Tian Poh Resources Limited**

(ABN 46 168 910 978)

## **Half-Year Report**

30 June 2019

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## Corporate Information

ABN 46 168 910 978

### Directors

Mr Poh Kay Ping	<i>Managing Director &amp; CEO</i>
Mr Tan-Kang Kee Sing	<i>Non-Executive Director</i>
Mr Michael van Uffelen	<i>Non-Executive Director</i>

### Company Secretary

Mr Michael van Uffelen

### Registered Office

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Level 4  
35 – 37 Havelock Street  
West Perth WA 6005

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Email: [info@tianpoh.com](mailto:info@tianpoh.com)

### Principal Office

48 Pandan Road  
Singapore 609289

### Web Address

[www.tianpoh.com](http://www.tianpoh.com)

**ASX Code:** TPO

### Share Registry

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000

Telephone: +61 2 9290 9600  
Facsimile: +61 2 9290 9655

### Auditors

BDO Audit (WA) Pty Ltd  
38 Station Street  
Subiaco WA 6008

## Directors' Report

Your Directors present their report on Tian Poh Resources Limited (the "Company") and the entities it controlled (the "Group") for the half-year ended 30 June 2019. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

### Directors

The names of directors who held office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Poh Kay Ping	Managing Director & CEO
Mr Tan-Kang Kee Sing	Non-Executive Director
Mr Michael van Uffelen	Non-Executive Director

### Principal Activities

The principal activity during the period was the exploration for minerals in Mongolia.

### Review of Operations

- The Company held its AGM with all resolutions being passed.
- Activities, mainly the development of the Nuurst Coal Project in Mongolia, have been limited while the Company assesses funding for the next stage of development of the Company's projects.

### Significant Changes in the State of Affairs

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

### Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 15 and forms part of this Directors' report for the half-year ended 30 June 2019.

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



**Mr KP Poh**  
**Managing Director and CEO**

Singapore, 13 September 2019

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2019**

		<b>30 June 2019</b>	<b>30 June 2018</b>
	Note	\$	\$
Interest income		4,090	4,672
Finance costs	8	(19,635)	(305,029)
Employee benefits expense		(229,155)	(265,403)
General and administrative expenses		(94,566)	(218,917)
Impairment expense	4(a)	-	(96,206)
Professional Fees		(29,158)	(158,552)
Other income		-	60
<b>Loss from operating activities</b>		<b>(368,424)</b>	<b>(1,039,375)</b>
Income tax expense		-	-
<b>Loss for the period after tax</b>		<b>(368,424)</b>	<b>(1,039,375)</b>
- Other comprehensive income, net of tax		1,239	(190,080)
o Exchange differences on translation of foreign operations			
<b>Total comprehensive (loss) for the year attributable to the owners</b>		<b>(367,185)</b>	<b>(1,229,455)</b>
Basic and diluted (loss) per share (cents per share)		(0.1)	(0.5)

The accompanying notes form part of these financial statements

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2019

	Note	As at 30 June 2019 \$	As at 31 December 2018 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		68,755	64,693
Trade and other receivables		11,811	13,872
Loans receivable	4	20,951	14,816
<b>Total Current Assets</b>		<b>101,517</b>	<b>93,381</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation assets	5	5,602,151	5,557,841
Loans receivable	4	121,165	126,437
Other receivables		20,165	20,889
<b>Total Non-Current Assets</b>		<b>5,743,481</b>	<b>5,705,167</b>
<b>TOTAL ASSETS</b>		<b>5,844,998</b>	<b>5,798,548</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	961,530	775,947
Financial liabilities	4	1,591,117	1,469,732
<b>Total Current Liabilities</b>		<b>2,552,647</b>	<b>2,245,679</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities	4	106,667	-
<b>Total Current Liabilities</b>		<b>106,667</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>2,659,314</b>	<b>2,245,679</b>
<b>NET ASSETS</b>		<b>3,185,684</b>	<b>3,552,869</b>
<b>EQUITY</b>			
Issued capital	7	13,819,982	13,819,982
Reserves		32,544	31,305
Accumulated losses		(10,666,842)	(10,298,418)
<b>TOTAL SHAREHOLDERS EQUITY</b>		<b>3,185,684</b>	<b>3,552,869</b>

The accompanying notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2019

	30 June 2019	30 June 2018
	\$	\$
<b>Cash flows from Operating Activities</b>		
Payments to suppliers and employees	(171,158)	(506,838)
Interest received	4,090	4,672
<b>Net cash (outflow) from operating activities</b>	<b>(167,068)</b>	<b>(502,166)</b>
<b>Cash Flows from Investing Activities</b>		
Payment for acquisition, exploration and evaluation costs	(44,310)	(19,756)
Receipt of loan repayments	6,677	6,677
<b>Net cash (outflow) from investing activities</b>	<b>(37,633)</b>	<b>(13,079)</b>
<b>Cash Flows from Financing Activities</b>		
Advances by related parties	33,167	-
Advances from other parties	175,596	-
Repayment of borrowings	-	(1,369,883)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>208,763</b>	<b>(1,369,883)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>4,062</b>	<b>(1,885,128)</b>
Cash and cash equivalents at the beginning of the financial period	64,693	2,264,180
<b>Cash and cash equivalents at the end of the financial period</b>	<b>68,755</b>	<b>379,052</b>

The accompanying notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2019

	Ordinary Shares	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance as at 1 January 2019	<b>13,819,982</b>	<b>31,305</b>	<b>(10,298,418)</b>	<b>3,552,869</b>
Loss for the period	-	-	(368,424)	(368,424)
Net exchange differences on the translation of the financial reports of foreign subsidiaries	-	1,239	-	1,239
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>1,239</b>	<b>(368,424)</b>	<b>(367,185)</b>
<b>Balance as at 30 June 2019</b>	<b>13,819,982</b>	<b>32,544</b>	<b>(10,666,842)</b>	<b>3,185,684</b>

	Ordinary Shares	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance as at 1 January 2018	<b>13,819,982</b>	<b>(14,757)</b>	<b>(8,236,095)</b>	<b>5,569,130</b>
Loss for the period	-	-	(1,039,375)	(1,039,375)
Net exchange differences on the translation of the financial reports of foreign subsidiaries	-	(190,080)	-	(190,080)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(190,080)</b>	<b>(1,039,375)</b>	<b>(1,229,455)</b>
<b>Balance as at 30 June 2018</b>	<b>13,819,982</b>	<b>(204,837)</b>	<b>(9,275,470)</b>	<b>4,339,675</b>

The accompanying notes form part of these financial statements



## **1. CORPORATE INFORMATION**

The financial report of Tian Poh Resources Limited (the "Company") for the half-year ended 30 June 2019 was authorised for issue in accordance with a resolution of the directors on 13 September 2019.

Tian Poh Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activity of the Group during the half-year was exploration and evaluation of mineral licences in Mongolia.

## **2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

### **Basis of Preparation**

These general purpose condensed consolidated financial statements for the half-year ended 30 June 2019 have been prepared in accordance with AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year financial report should be read in conjunction with the annual financial report of the Group as at 31 December 2018.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 30 June 2019 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

### **Going concern**

The Directors are satisfied that the going concern assumption has been appropriately applied in preparing the financial statements and the historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

For the period ended 30 June 2019, the Group made a net loss after income tax of \$368,424 (2018: \$1,039,375), net working capital deficiency of \$2,451,130 (2018: \$2,152,298); net operating cash outflows of \$167,068 (2018: \$502,166) and net investing cash outflows of \$37,633 (2018: \$13,079) for the period.

The Group's ability to continue as a going concern and pay its debts as and when they fall due is dependent on the following:

- Active management of the current level of discretionary expenditure in line with the funds available to the Group;
- The ability of the Group to extend the repayment of loans and convertible notes;
- Expired convertible notes not being called upon by convertible noteholders;
- The ability to raise additional funding through either debt facilities or capital raising; and
- Continued financial support from the Directors including cash advances and a willingness to not call upon loan balances.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe the Group will continue as a going concern and be able to pay its debts as and when they fall due, for the following reasons:

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)**

- The Group has continued financial support from the Directors and their associated entities, in that they have confirmed in writing that they will not call upon their loans to be repaid within the next 12 months, unless sufficient funds are available to do so without affecting the Company's going concern;
- The Group is in the process of extending the terms of all expired convertible notes, and do not expect convertible noteholders to call upon the amounts owed;
- In addition, the Directors have also embarked on a strategy to reduce costs in line with the funds available to the Group; and
- The Directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are confident in the ability of the Group to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that may be necessary if the Group is unable to continue as a going concern.

**Adoption of new or revised accounting standards and interpretations**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half-year.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the Group:

**AASB 16 Leases**

The Group has adopted AASB 16 from 1 January 2019. The standard replaces AASB 117 Leases and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

### ***Lease liabilities***

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

As a result of the adoption of AASB 16 Leases, management has assessed their worldwide lease commitments and determined that this accounting standard does not have an impact on the statement of financial position or statement of comprehensive income due to the short-term nature of all leases.

### **Functional and presentation currency**

These financial statements are presented in Australian dollars, which is the functional currency of Tian Poh Resources Limited.

## 3. SEGMENT REPORTING

The Group operates predominately in the mineral exploration industry. For management purposes, the Group is organised into one main operating segment, which involves the exploration for minerals. All of the Group activities are inter-related and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial results of the Group as a whole.

## 4. FINANCIAL ASSETS AND LIABILITIES

	At 30 June 2019 \$	At 31 December 2018 \$
<i>Current assets</i>		
Loans receivable (a)	20,951	14,816
	<u>20,951</u>	<u>14,816</u>
<i>Non-current assets</i>		
Loans receivable (a)	121,165	126,437
	<u>121,165</u>	<u>126,437</u>
<i>Current liabilities</i>		
Related party loans (b)	419,064	382,301
Convertible notes and accrued interest (c)	527,148	505,474
Short term loans (d)	644,905	581,957
	<u>1,591,117</u>	<u>1,469,732</u>
<i>Non-current liabilities</i>		
Convertible notes and accrued interest (c)	106,667	-
	<u>106,667</u>	<u>-</u>

**4. FINANCIAL ASSETS AND LIABILITIES (continued)**

(a) Loans receivable

Loans receivable of nil (2018: \$96,206) were impaired during the period.

(b) Related party loans

\$18,650 advanced by Poh Altan Resources Company Ltd, a company controlled by Mr KP Poh, is repayable 7 days from demand and accrues interest of 6% per annum.

In addition, other related party loans from Mr KP Poh with a total of \$221,457 accrue interest at 6% per annum and have no fixed maturity date. During the period, an additional amount of \$6,430 was advanced under these terms, this amount has been included in the total above.

Other related party loan from Mr KP Poh with a total of \$178,957 are interest free and have no fixed maturity date. During the period, an additional amount of \$8,087 was advanced under these terms, this amount has been included in the total above.

(c) Convertible notes

(i) The following expired convertible notes were on issue:

- USD 192,000 convertible notes bearing 8% interest net of any applicable withholding tax, from 23 March 2016, paid annually in arrears unless redeemed or converted earlier, matured on 19 April 2019 and convertible into fully paid ordinary shares at A\$0.02 per share or is due to be repaid in cash;
- SGD 16,050 convertible notes bearing 5% interest net of any applicable withholding tax, from 16 March 2017, paid annually in arrears unless redeemed or converted earlier, matured on 15 March 2019 and convertible into fully paid ordinary shares at A\$0.015 per share or is due to be repaid in cash;
- AUD 75,000 convertible notes bearing 5% interest net of any applicable withholding tax, from 18 April 2017, paid annually in arrears unless redeemed or converted earlier, matured on 17 April 2019 and convertible into fully paid ordinary shares at A\$0.015 per share or is due to be repaid in cash; and
- AUD 60,000 - AUD convertible notes bearing 5% interest net of any applicable withholding tax, from 20 April 2017, paid annually in arrears unless redeemed or converted earlier, matured on 19 April 2019 and convertible into fully paid ordinary shares at A\$0.015 per share or is due to be repaid in cash.

The Company is in discussions with the convertible note holders to extend or convert the convertible notes.

(ii) SGD 100,000 convertible notes bearing 6% interest net of any applicable withholding tax, paid annual in arrears unless redeemed or converted earlier, maturing on 17 January 2021 and convertible into fully paid ordinary shares at \$0.005 if converted within 1 year and \$0.01 if converted after 1 year from issue.

(d) Short term loans

Short term loans are repayable 7 days from demand and accrue interest of 6% per annum.

**5. EXPLORATION AND EVALUATION ASSETS**

	<b>Half-year Ended 30 June 2019</b>	<b>Year Ended 31 December 2018</b>
	\$	\$
Opening balance	5,557,841	5,163,277
Exchange rate difference	-	325,604
Expenditure	44,310	68,960
At 30 June	<u>5,602,151</u>	<u>5,557,841</u>

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

**6. TRADE AND OTHER PAYABLES**

	<b>At 30 June 2019</b>	<b>At 31 December 2018</b>
	\$	\$
Trade payables	131,227	88,396
Accruals	830,303	687,551
	<u>961,530</u>	<u>775,947</u>

**7. CONTRIBUTED EQUITY**

	<b>Number of shares</b>	<b>\$</b>
<u>Movements in ordinary share capital:</u>		
Balance at 31 December 2018	386,512,810	13,819,982
Movements during the period	-	-
Balance at 30 June 2019	<u>386,512,810</u>	<u>13,819,982</u>
 <u>Movements in ordinary share capital:</u>		
Balance at 31 December 2017	386,512,810	13,819,982
Movements during the period	-	-
Balance at 30 June 2018	<u>386,512,810</u>	<u>13,819,982</u>

## 8. FINANCE COSTS

	Half-year Ended 30 June 2019 \$	Half-year Ended 30 June 2018 \$
Interest expense	(19,289)	(15,368)
Foreign currency gains	(346)	-
Fair value adjustment (see note 4(c))	-	(289,661)
	<u>(19,635)</u>	<u>(305,029)</u>

## 9. COMMITMENTS & CONTINGENT LIABILITIES

There has been no material change in commitments or contingent liabilities since the last annual reporting date.

## 10. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values, determined in accordance with the Company's accounting policies. All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, is described as follows:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### *Recognised fair value measurements*

The following table presents the Group's liabilities measured at fair value at 30 June 2019 and 31 December 2018:

At 30 June 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Convertible notes	-	633,815	-	633,815
<b>Total</b>	<b>-</b>	<b>633,815</b>	<b>-</b>	<b>633,815</b>

  

At 31 December 2018	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Convertible notes	-	505,474	-	505,474
<b>Total</b>	<b>-</b>	<b>505,474</b>	<b>-</b>	<b>505,474</b>

### *Fair value of other financial instruments not measured at fair value*

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

## **11. INTEREST IN SUBSIDIARIES**

The consolidated financial statements include the financial statements of Tian Poh Resources Limited and the subsidiaries listed in the following table:

<b>Name</b>	<b>Country of Incorporation</b>	<b>% Equity interest 2019</b>	<b>% Equity interest 2018</b>
Poh Golden Ger Resources Limited	Seychelles	100%	100%
Poh Golden Ger Resources Pte Ltd	Singapore	100%	100%
Poh Golden Ger Resources LLC	Mongolia	100%	100%
Amulet LLC	Mongolia	100%	100%
Mandal-Urgukh LLC	Mongolia	100%	100%
Khangailand LLC	Mongolia	100%	100%
Derong Mining Limited	Hong Kong	100%	100%
Huabei Kuangye LLC	Mongolia	100%	100%
Modun Resources LLC	Mongolia	100%	100%
Sino Poh (China) Company Limited	China	100%	100%

## **12. RELATED PARTY TRANSACTIONS**

\$18,650 was advanced by Poh Altan Resources Company Ltd, a company controlled by Mr KP Poh, during the period, is repayable 7 days from demand and accrues interest of 6% per annum.

In addition, an additional amount of \$6,430 was advanced under the terms of 6% interest per annum with no fixed repayment date from Mr KP Poh, and an additional amount of \$8,087 was advanced under the terms of interest-free with no fixed repayment date from Mr KP Poh.

Other than the items noted above, there were no other transactions with related parties during the half-year other than those that were on the same basis as stated in the 31 December 2018 Annual Report.

## **13. EVENTS AFTER BALANCE DATE**

There are no significant events subsequent to reporting date which may affect the financial position of the Group.

## DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes thereto, as set out on pages 7 to 13:
  - a. comply with Accounting Standard AASB 134: Interim Financial Reporting, Corporation Act 2001, the Corporations Regulations 2001 and mandatory professional reporting requirements; and
  - b. give a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the half-year then ended.
2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to S303 (5) of the Corporations Act 2001.



**Mr KP Poh**  
**Managing Director**

13 September 2019



DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TIAN POH RESOURCES LIMITED

As lead auditor for the review of Tian Poh Resources 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 Tian Poh Resources Limited and the entities it controlled during the period.



Jarrad Prue  
Director

BDO Audit (WA) Pty Ltd  
Perth, 13 September 2019

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tian Poh Resources Limited

### Report on the Half-Year Financial Report

#### Disclaimer of conclusion

We were engaged to review the half-year financial report of Tian Poh Resources 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.

We do not express a conclusion on the accompanying financial report of the Company. Because of the significance of the matter described in the Basis for disclaimer of conclusion section of our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on this financial report.

#### Basis for disclaimer of conclusion

As disclosed in Note 2 to the financial report, the Directors state that the consolidated financial report has been prepared on a going concern basis. In assessing the going concern basis of preparation, the Directors have made a number of assumptions including the Group's ability to extend repayments of loans and convertible notes, and securing additional funding through either debt facilities or capital raising. We have been unable to obtain sufficient appropriate evidence as to whether the Group may be able to extend its loans and convertible note repayments and secure this additional funding and hence remove significant doubt of the Group's ability to continue as a going concern for a period of twelve month's from the date of this auditor's review report.

#### 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. However, because of the matter described in the Basis for disclaimer of conclusion section of our report, we were not able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on the financial report. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.



#### 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 Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue', written in a cursive style.

Jarrad Prue  
Director

Perth, 13 September 2019