

1. Company details

Name of entity:	ASF Group Limited
ABN:	50 008 924 570
Reporting period:	For the year ended 30 June 2016
Previous period:	For the year ended 30 June 2015

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	75.1% to	1,119
Loss from ordinary activities after tax attributable to the owners of ASF Group Limited	up	7.2% to	(15,253)
Loss for the year attributable to the owners of ASF Group Limited	up	7.2% to	(15,253)

Dividends

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

Comments

The loss for the Group after providing for income tax and non-controlling interest amounted to \$15,253,000 (30 June 2015: \$14,226,000).

Refer to the attached Operating and Financial Review for detailed commentary.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.53)	2.41

4. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
China Coal Resources Pty Ltd	25.00%	25.00%	(183)	(283)
Kaili International Resource Ltd *	-	20.00%	-	-
Rey Resources Limited	17.47%	18.26%	(703)	(1,917)
ActivEX Limited	18.93%	19.55%	(179)	(153)
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			(1,065)	(2,353)
Income tax on operating activities			-	-

* Entity de-registered in October 2015.

5. Audit qualification or review

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

The financial statements are currently being audited and an audit opinion, modified with an emphasis of matter paragraph regarding continued operations and future funding, is expected to be issued.

6. Attachments

Details of attachments (if any):

The Operating and financial review and Preliminary Financial Report of ASF Group Limited for the year ended 30 June 2016 is attached.

7. Signed

A handwritten signature in black ink, appearing to be 'Min Yang', written over a horizontal line.

Signed _____

Date: 30 August 2016

Min Yang
Chairman

Operating and financial review

Financial results and commentary

Revenue from continuing operations of ASF Group Limited ('the company') and its controlled entities (referred to hereafter as the 'Group') for the year ended 30 June 2016 was \$1,119,000 (2015: \$639,000). With the launching of the Hope Island project in the Gold Coast, property marketing services performed briskly and provided revenue contributions to the Group for the year.

Due to the uneven softening of the resources sector as well as volatility in the financial markets, the Group's results were adversely affected. For the financial year ended 30 June 2016, the Group recorded an impairment loss in the fair value of its investments in listed companies. Consolidated loss after tax attributable to members of the Group amounted to \$15,253,000 (2015: \$14,226,000), which was attributed by the following:

- Impairment of listed investments of \$6,411,000;
- Share of losses of associates of \$1,065,000;
- Write off of tenement assets of \$1,346,000; and
- Interest expenses and other finance costs \$805,000.

Financial position

During the year, the company obtained convertible loan facilities from a series of sophisticated investors for an aggregate principal amount of \$10 million. As of the date of this report, the facility has been fully drawn down and not converted.

In September 2015, the company further announced that it had obtained an irrevocable commitment from Star Diamond Developments Limited for the granting of a standby convertible note facility of up to \$5 million, which secures additional source of funds for the company if required. The term of the irrevocable commitment has been extended to 31 December 2016 with maturity date being 12 months from the date of initial drawdown of the facility. As of the date of this report, the facility has not been drawn down.

Finance costs amounted to \$805,000 (2015: \$484,000) largely representing interest on the convertible loan facilities.

Net assets as at 30 June 2016 were \$12,447,000, compared to \$28,249,000 at 30 June 2015. The decrease in net assets was predominantly due to:

- Decrease in the net fair value of listed investments of \$6,411,000; and
- Increase in outstanding convertible loans (including interests) of approximately \$10,789,000.

In accordance with the terms of the aforementioned convertible loan, the company may at any time prior to the maturity date of 31 December 2016 elect to convert the entire loan into ordinary shares of the company or other wholly owned subsidiaries of the company. Upon conversion of the said loan, the net asset position will be significantly improved.

During the financial year, the company bought back 582,894 shares for a cost of \$180,000. On 12 April 2016, the Company announced the extension of buyback program for a further 12 months from 26 April 2016. This signals continued confidence in the future performance of the company's asset base.

As of 30 June 2016, the Group maintained a cash balance of \$2,497,000.

Principal Investments

ActivEX Limited ('AIV')

AIV is an ASX listed mineral exploration company holding a number of prospective tenements, principally targeting copper-gold and gold mineralisation in Queensland. AIV also holds a potash project in Western Australia, which has an established resource and a granted mining lease.

In May 2016, the Group subscribed for additional 30 million AIV shares under its 1 for 4 non-renounceable rights issue at a price of \$0.01 per share and now holds 18.93% of the issued capital of AIV.

Rey Resources Limited ('REY')

REY is an ASX listed resource exploration and development company with a large tenement holding in the Canning Basin, Western Australia in oil & gas plus coal. The principal activity of REY is exploring for and developing energy resources in Western Australia's Canning Basin.

Following the subscription in April 2016 of additional 43 million entitlement shares, the Group is now holding 173 million shares representing approximately 17.47% of the issued capital of REY.

Key Petroleum Limited ('KEY')

KEY is an ASX listed Australian oil and gas operating company focused on exploration in conventional and unconventional projects in the North Perth and Canning Basins in Western Australia. Acreage within the Canning Basin portfolio consists of a number of exciting development and exploration opportunities.

As at 30 June 2016, the Company, through its wholly owned subsidiary ASF Oil & Gas Holdings Pty Ltd, holds 19.54% of the issued capital of KEY.

Metaliko Resources Limited ('MKO')

MKO was incorporated in October 2010 with a focus on advanced stage gold exploration projects with identified gold mineralization. Its project portfolio is located on, or adjacent to, the regional structures associated with the renowned major gold deposits of the Eastern Goldfields in Western Australia.

During the year, the Group further subscribed for 14.6 million entitlement shares. As at 30 June 2016, the Group holds 16.55% of the issued capital of MKO.

Kaili Resources Limited ('KLR')

KLR is a resources exploration company which holds 2 coal tenements in Queensland.

As of 30 June 2016, the Group held an interest of 2.24% of the issued capital of KLR.

Civil & Mining Resources Pty Ltd ('CMR')

Civil and Mining Resources (CMR), trading as CMR Coal, is a privately owned company with a substantial coal tenement portfolio in Queensland. CMR's tenements are located throughout all the major coal-bearing basins in Queensland and are situated in close proximity to operating mines, infrastructure and proven economic coal resources. The major assets of which comprise 19 Exploration Permits for Coal (EPCs) and 1 Mineral Development Licence (MDL) in Queensland. CMR offers a significant portfolio of prospective hard coking, PCI and thermal coal projects ranging from likelihood of immediate to longer-term development timeframes.

As at 30 June 2016, the company together with its subsidiary, ASF Resources Limited, held an aggregate of 68.97% of the issued share capital of CMR.

In November 2015, CMR announced that Mineral Development Licence (MDL) had been granted on its Dawson West Project (EPC2427), which covers an area of 6173 hectares within the Bowen Basin Queensland for a term of 5 years. CMR will commence intensive activities to determine the commercial viability of the significant Dawson West coal resource and aims to have the bulk sample pit operational by 2016-17.

The Dawson West Project is a greenfield coal project, 100% owned by CMR. An agreement is currently in place allowing LD Operations Pty Ltd an option to acquire up to 12.5% of the project during the subsequent feasibility stages, via a farm-in agreement through their related company, LD Dawson Pty Ltd.

Minerals and Resources

China Coal Resources Pty Limited ('CCR')

CCR managed two joint ventures with the Group in Queensland and Tasmania however during the reporting period with projects being surrendered to the respective government authorities.

In Tasmania, CCR managed one base metal project located in the north of the state (Wilmont). The project was relinquished during the reporting period

In Queensland CCR managed 1 tenement at Somersford Creek (EPC2859). During the reporting period CCR relinquished EPC 2859.

ASF Coal Pty Limited ('ASF Coal')

ASF Coal currently holds 5 licences in SE Queensland. EPC 1508(Leyburn) was relinquished during the reporting period.

The other ASF Coal tenements include EPC1861 (Mt Hope), EPC2094 (Glenrowan), EPC2110 (Cooyar Creek), EPC2208 (Taroom 2) and EPC1982 (McAllister) which was granted on the April 2015 for a period of 5 years until April 2020 with the other tenements granted in August and November 2013 and due to expire in 2018. ASF Coal is currently reviewing all tenements with a view to drill testing the highest priority targets in 2016/2017. The tenement are prospective for thermal coal associated with the Walloon Coal Measures.

Austin Resources Pty Ltd ('Austin Resources')

Austin Resource holds a single licence near the northern Tasmanian town of Derby (EL23/2011) which is prospective for tin and gold in palaeoalluvial channels which have been mined historically. The licence expires on 12/09/2016 and the company is currently reviewing options for the project moving forwards. Approved exploration programs are in place with Mines and Resources Tasmania.

ASF Copper Pty Ltd ('ASF Copper')

ASF Copper hold a single licence located on the West Coast of Tasmania near the small fishing village of Temma (EL44/2011) where limited historical drilling has intersected iron and copper mineralisation at relatively shallow depths. The licence is granted until 2/4/2017 and the company have a surficial geochemical/geophysical survey approved to further evaluate and extend the known copper/iron mineralisation.

Property Marketing and Services

ASF Properties Pty Ltd ('ASFP'), a wholly-owned subsidiary of the company, continues to provide international property and marketing services to investors in Australia and China. It represents an important strategic platform for China-based investors to access the Australian real estate market.

Since 2015, ASFP has undertaken a development management role on a waterfront development project named 'The Peninsula, Hope Island' and situated at Hope Island, Gold Coast. The Peninsula Hope Island, which includes 45 House lots, 27 Townhouses and 115 Apartments across three buildings, is Gold Coast's very last waterfront development released at the exclusive Hope Island Resort. The project is master planned by AECOM, a premier, fully integrated professional and technical services firm positioned to design, build, finance and operate infrastructure assets around the world for public and private-sector clients. ASFP is also working extensively on the project with a number of domestic professional companies relating to project management, architecture, landscaping and building etc. During the period, the Stage I waterfront lots have been nearly sold out. Stage II of the project includes 17 townhouses and one block of 40 apartment units was released. Currently 40% of the townhouses have been sold and a number of enquiries have been received in regard to the apartment units. It is expected that the project will continue to provide revenue contribution to ASFP in the year ahead.

There are other development projects in the pipeline awaiting development approvals in the coming weeks and will proceed with ASFP undertaking a similar development management role.

Fund Management and Advisory Services

ASF Capital Pty Limited ('ASF Capital') is a financial platform within the Group to develop ASF's core strategy:

"Investigate, develop and present opportunities to establish the two way capital flows between Australia and China".

ASF Capital holds an Australian Financial Services Licence (No 245578) and operates as the investment banking arm of ASF Group Limited.

After having been issued the AFSL in May 2013, ASF Capital has been assessing a number of investment structuring opportunities both in Australia and China with an eye towards the most fitting ones. The goal is to work with entities from both countries to expand their investment activities in Australia using a Funds Management platform.

Principally, ASF Capital investigates direct and indirect investments in resources, tourism infrastructure and property development in Australia. This together with the establishment of general investment vehicles to provide opportunities for both local and international investors continues to be the principle activity of ASF Capital.

ASF Capital also formed a Venture Fund in which it will seek to invest into Australian and overseas innovative technologies.

Gold Coast Integrated Resort, Queensland

ASF Consortium Pty Ltd, a wholly owned subsidiary of the Group, continues to be the sole proponent to the Queensland Government for a proposed multi-billion dollar Gold Coast Integrated Resort ('GCIR') at the Main Beach area of the Gold Coast, Queensland, Australia.

On 4th August 2015, Minister Anthony Lynham announced an agreement between the State Government and ASF Consortium to commence the process for the development of GCIR on a five hectare site between SeaWorld and the Versace Hotel.

On 10th May 2016, as per the next phases of the IRD process, a Preliminary Detailed Proposal was submitted by ASF Consortium to the State responding to a request for a preliminary detailed proposal.

Early June 2016, the Preliminary Detailed Proposal was approved by the State's assessment panel. ASF Consortium is currently awaiting the release of a Request for Detailed Proposal.

Albert Island, London

In August 2016, the company announced that it has been selected as one of three final round bidders to proceed with the Invitation to Participate in Negotiation stage for the development of Albert Island, London, UK, a multi-billion dollar development initiative.

Albert Island, is a 10 hectare site located in the Royal Docks, London Borough of Newham, is one of the last remaining sites to be proposed for development in the Royal Docks area, which is a location of strategic priority for the Mayor of London. The company's vision is to build the Royal Eastern Gateway into a trade, cultural and marine hub to blend Eastern and Western trade and cultural links. It will be a place to showcase recognized Chinese products to UK and European buyers and operate as a European hub for Sino-UK business to design, develop, distribute and wholesale manufactured goods on a Business-to-Business basis.

Matters subsequent to the end of the financial year

In July 2016, the Group disposed of 73 million shares in MKO at a price of 6 cents per share representing a gross profit of 100% compared with the cost of 3 cents per share.

In August 2016, the Group acquired an aggregate 45 million shares in MKO, representing approximately 10.19% of the issued capital of MKO for 6 cents per share.

In August 2016, the company announced that it has been selected one of three final round bidders to proceed with the Invitation to Participate in Negotiation stage for the development of Albert Island, London, UK.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

ASF Group Limited

ABN 50 008 924 570

Preliminary Financial Report - 30 June 2016

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ASF Group Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2016



	Note	Consolidated 2016 \$'000	2015 \$'000
Revenue	1	1,119	639
Other income		5	-
Expenses			
Commission and fee expenses		(344)	(302)
Consultancy expenses		(1,499)	(4,286)
Marketing expenses		(473)	(122)
Employee benefits expense		(2,089)	(2,525)
Depreciation and amortisation expense		(222)	(36)
Impairment of investments in associates		(6,411)	(190)
Impairment of assets		(1,363)	(1,465)
Net fair value movements on other financial assets		1,082	(719)
Legal and professional fees		(1,099)	(877)
Corporate and administration expenses		(1,123)	(1,444)
Occupancy expense		(1,342)	(678)
Share of profits or losses of associates		(1,065)	(2,353)
Finance costs		(805)	(484)
Loss before income tax expense		(15,629)	(14,842)
Income tax expense		-	-
Loss after income tax expense for the year		(15,629)	(14,842)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		7	(364)
Other comprehensive income for the year, net of tax		7	(364)
Total comprehensive income for the year		<u>(15,622)</u>	<u>(15,206)</u>
Loss for the year is attributable to:			
Non-controlling interest		(376)	(616)
Owners of ASF Group Limited		(15,253)	(14,226)
		<u>(15,629)</u>	<u>(14,842)</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(376)	(616)
Owners of ASF Group Limited		(15,246)	(14,590)
		<u>(15,622)</u>	<u>(15,206)</u>
		Cents	Cents
Basic earnings per share	8	(2.53)	(2.56)
Diluted earnings per share	8	(2.53)	(2.56)

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

	Note	Consolidated 2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents		2,497	4,229
Trade and other receivables		181	101
Other		522	537
Total current assets		<u>3,200</u>	<u>4,867</u>
Non-current assets			
Deposits		420	339
Investments accounted for using the equity method	2	6,395	12,917
Financial assets at fair value through profit or loss	3	4,426	2,907
Property, plant and equipment		502	356
Intangibles	4	15,639	13,684
Total non-current assets		<u>27,382</u>	<u>30,203</u>
Total assets		<u>30,582</u>	<u>35,070</u>
Liabilities			
Current liabilities			
Trade and other payables		1,443	942
Borrowings	5	16,608	5,819
Employee benefits		84	60
Total current liabilities		<u>18,135</u>	<u>6,821</u>
Total liabilities		<u>18,135</u>	<u>6,821</u>
Net assets		<u>12,447</u>	<u>28,249</u>
Equity			
Issued capital	6	101,703	101,883
Reserves		(833)	(840)
Accumulated losses		(87,224)	(71,971)
Equity attributable to the owners of ASF Group Limited		<u>13,646</u>	<u>29,072</u>
Non-controlling interest		(1,199)	(823)
Total equity		<u>12,447</u>	<u>28,249</u>

ASF Group Limited
Statement of changes in equity
For the year ended 30 June 2016



Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2014	73,029	2,686	(57,745)	329	18,299
Loss after income tax expense for the year	-	-	(14,226)	(616)	(14,842)
Other comprehensive income for the year, net of tax	-	(364)	-	-	(364)
Total comprehensive income for the year	-	(364)	(14,226)	(616)	(15,206)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 6)	29,830	-	-	-	29,830
Share buy-back (note 6)	(976)	-	-	-	(976)
Change in non-controlling interests	-	(3,162)	-	(536)	(3,698)
Balance at 30 June 2015	<u>101,883</u>	<u>(840)</u>	<u>(71,971)</u>	<u>(823)</u>	<u>28,249</u>
Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2015	101,883	(840)	(71,971)	(823)	28,249
Loss after income tax expense for the year	-	-	(15,253)	(376)	(15,629)
Other comprehensive income for the year, net of tax	-	7	-	-	7
Total comprehensive income for the year	-	7	(15,253)	(376)	(15,622)
<i>Transactions with owners in their capacity as owners:</i>					
Share buy-back (note 6)	(180)	-	-	-	(180)
Balance at 30 June 2016	<u>101,703</u>	<u>(833)</u>	<u>(87,224)</u>	<u>(1,199)</u>	<u>12,447</u>

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

	Consolidated	
	2016	2015
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	919	1,738
Payments to suppliers (inclusive of GST)	(7,527)	(8,292)
Interest received	103	71
	<u> </u>	<u> </u>
Net cash used in operating activities	(6,505)	(6,483)
Cash flows from investing activities		
Payments for investment in other financial assets	(438)	(2,037)
Payments for property, plant and equipment	(390)	(289)
Payments for intangibles	(3,301)	(9,673)
Payments for investment in associates	(954)	(2,300)
Proceeds from disposal of property, plant and equipment	21	-
	<u> </u>	<u> </u>
Net cash used in investing activities	(5,062)	(14,299)
Cash flows from financing activities		
Proceeds from borrowings	10,000	6,000
Repayment of borrowings	-	(2,122)
Proceeds from issue of shares	-	19,640
Payments for share buy-backs	(180)	(974)
	<u> </u>	<u> </u>
Net cash from financing activities	9,820	22,544
Net increase/(decrease) in cash and cash equivalents	(1,747)	1,762
Cash and cash equivalents at the beginning of the financial year	4,229	2,309
Effects of exchange rate changes on cash and cash equivalents	15	158
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	<u>2,497</u>	<u>4,229</u>

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

Note 1. Revenue

	Consolidated	
	2016	2015
	\$'000	\$'000
<i>Sales revenue</i>		
Commission revenue	655	384
Fund management and advisory service	110	105
Corporate services	216	79
	<u>981</u>	<u>568</u>
<i>Other revenue</i>		
Interest	103	71
Other revenue	35	-
	<u>138</u>	<u>71</u>
Revenue	<u>1,119</u>	<u>639</u>

Note 2. Non-current assets - investments accounted for using the equity method

	Consolidated	
	2016	2015
	\$'000	\$'000
China Coal Resources Pty Ltd	-	184
Rey Resources Limited (ASX: REY)	5,027	11,391
ActivEX Limited (ASX: AIV)	1,368	1,342
	<u>6,395</u>	<u>12,917</u>

Note 3. Non-current assets - financial assets at fair value through profit or loss

	Consolidated	
	2016	2015
	\$'000	\$'000
Investment in Kaili Resources Limited (ASX: KLR)	57	330
Investment in Key Petroleum Ltd (ASX: KEY)	423	706
Investment in Metaliko Resources Ltd (ASX: MKO)	3,946	1,871
	<u>4,426</u>	<u>2,907</u>

Note 4. Non-current assets - intangibles

	Consolidated	
	2016	2015
	\$'000	\$'000
Mining exploration and evaluation expenditures - at cost	6,649	5,914
Less: Impairment	(1,561)	(215)
	<u>5,088</u>	<u>5,699</u>
Capitalised project costs - at cost	11,790	9,224
Less: Impairment	(1,239)	(1,239)
	<u>10,551</u>	<u>7,985</u>
	<u>15,639</u>	<u>13,684</u>

Note 5. Current liabilities - borrowings

	Consolidated	
	2016	2015
	\$'000	\$'000
Convertible notes payable	16,588	5,799
Loan payable	20	20
	<u>16,608</u>	<u>5,819</u>

In the prior year, the company issued a \$6,000,000 unsecured convertible note ('Note') to Oceanic Alliance Investments Limited ('OAIL') which carry interest at the rate of 5% per annum. The Note may be converted into ordinary shares of the company during the period commencing 2 April 2015 and ending 30 days immediately prior to the maturity date of 2 April 2017 ('Maturity') at a conversion price of \$0.28 per share. Upon Maturity, any unconverted balance of the Note, including accrued interest, will be redeemed by the company for cash.

On 28 August 2015, the company issued unsecured convertible notes ('Notes') to a series of sophisticated investors for an aggregate amount of \$7,500,000 which carry interest at the rate of 8% per annum (changed from 5% per annum from the date of the Deeds of Amendment and Restatement dated 25 December 2015). On 6 June 2016, the company issued further \$2,500,000 Notes which also carry interest at the rate of 8% per annum. As at 30 June 2016, the Notes has been fully drawn down. The company may, subject to shareholders approval, convert all the Notes into ordinary shares of the company at a conversion price being 80% of the Volume Weighted Average Price ('VWAP') immediately prior to conversion. In addition, the company may select to convert the Notes prior to the maturity date of 31 December 2016 into ordinary shares of other wholly owned subsidiaries of the company at values agreed between the parties.

Note 6. Equity - issued capital

	Consolidated			
	2016	2015	2016	2015
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	<u>603,671,843</u>	<u>604,254,737</u>	<u>101,703</u>	<u>101,883</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2014	446,961,296		73,029
Rights issue	7 August 2014	55,870,162	\$0.180	10,057
Star Diamond conversion	8 August 2014	17,490,411	\$0.180	3,148
Issue of bonus shares to directors and employees	8 August 2014	12,300,000	\$0.000	2,276
Rights issue	22 December 2014	33,852,492	\$0.180	6,093
Share placement	6 February 2015	21,661,414	\$0.220	4,766
Rights issue	19 February 2015	5,555,555	\$0.180	1,000
Rights issue	13 March 2015	13,832,154	\$0.180	2,490
Share buy-back	1 July 2014 - 30 June 2015	(3,268,747)	\$0.000	(976)
Balance	30 June 2015	604,254,737		101,883
Share buy-back	1 July 2015 - 30 June 2016	(582,894)	\$0.000	(180)
Balance	30 June 2016	<u>603,671,843</u>		<u>101,703</u>

Share buy-back

During the year, the company spent \$180,000 on share buy-backs. The buy-back program was extended for 12 months until 25 April 2017.

Note 7. Equity - dividends

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

Note 8. Earnings per share

	Consolidated	
	2016	2015
	\$'000	\$'000
Loss after income tax	(15,629)	(14,842)
Non-controlling interest	376	616
	<u>(15,253)</u>	<u>(14,226)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>603,906,044</u>	<u>555,653,462</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>603,906,044</u>	<u>555,653,462</u>
	Cents	Cents
Basic earnings per share	(2.53)	(2.56)
Diluted earnings per share	(2.53)	(2.56)

Note 9. Events after the reporting period

In July 2016, the Group disposed of 73 million shares in MKO at a price of 6 cents per share representing a gross profit of 100% compared with the cost of 3 cents per share.

In August 2016, the Group acquired an aggregate 45 million shares in MKO, representing approximately 10.19% of the issued capital of MKO for 6 cents per share.

In August 2016, the company announced that it has been selected one of three final round bidders to proceed with the Invitation to Participate in Negotiation stage for the development of Albert Island, London, UK.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.