



A N N U A L
R E P O R T **2017**





ANNUAL
REPORT **2017**



CREATING **LONG** **TERM** VALUE



**ASAPLUS RESOURCES LIMITED
AND ITS SUBSIDIARIES**

(Incorporated in Singapore)
(ARBN 158 717 492)

ANNUAL REPORT

For the financial year ended 31 March 2017

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Independent Auditors
MGI Singapore PAC
Public Accountants and
Certified Public Accountants

DEAR SHAREHOLDERS,

It gives me great pleasure to share with you the latest annual report of Asaplus Resources Limited (the "Company") and its subsidiaries (collectively, the "Group"). This annual report covers the Group's activities and financial report for the financial year from 1 April 2016 to 31 March 2017 ("FY2017").

The commodities market continues to experience price volatility, arising from the on going weak demand in most of the major economies and over-supply in the key producer countries in the world. This has plagued the global commodities market and especially has affected the main players and their production plans, and we expect this bearish sentiment to continue to last for the next 2 years. Against this back drop, many commodities producers are consolidating their businesses by closing the inefficient mines, and at the same time augmenting their asset base by acquiring strategic mining assets that enables them to produce at a lower cost base. We are fortunate that the Beikeng Mine has been issued with an inferred resource of 1,058,100 tonnes (JORC compliant), in a report which was prepared by an independent geologist. (Please refer to the section below on Mining Tenements of The Group for more details).

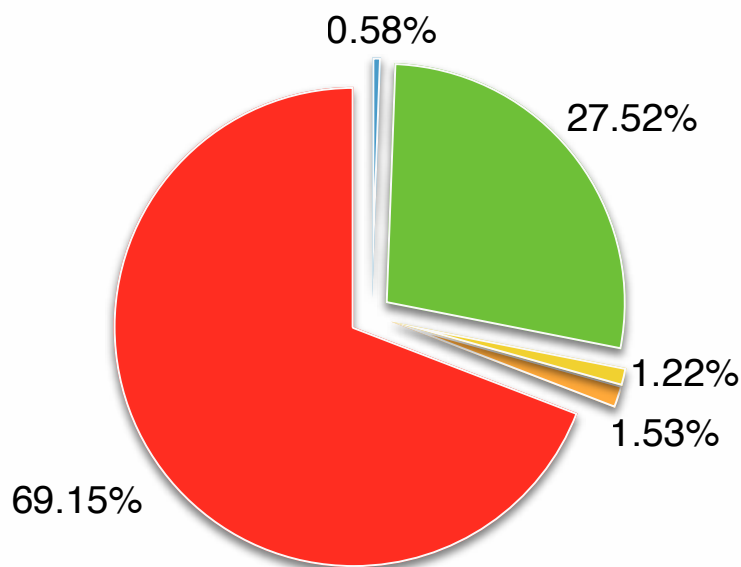
For the Group, the management has taken the last financial year to prepare our new tenement, the Beikeng Mine for commencement of commercial operations by obtaining all the relevant licensing and permits. As you may have already been informed from the recent announcements made by the Company, the Group has successfully obtained the extraction permit and the safety production licence. I wish to thank the hard work and dedication of the senior management team led by our Group CEO and his dedicated staff to make this possible. I am also pleased to update you that the redevelopment works for the mine adits and the main access road have also been substantially completed. The management team is currently finalising the plan for a multi-mineral ore processing plant together with the financing arrangements. This is expected to take about 3 to 6 months. Once all these have been finalised, the Group should be in a position to kick off the production process for the mine and to generate revenue for the Group.

Moving forward, the Group is exploring tie-ups with key strategic partners to access financial resources and to implement future growth strategies for its operations.

The Group will also continue to capitalise on strategic opportunities as and when made available to it, such as the most recent acquisition of the Beikang Mine. In addition, it is the Group's continue undertakings to provide development of our employee competencies, protecting the environment, helping the communities in which we operate and enhancing long term value for our shareholders. On behalf of the Board, I would like to thank all our shareholders for their continued support in these past years.

Mining Tenements of the Group

Beikeng Mine is licensed under Datian Hongji Mining Co., Ltd, which is an 80% owned subsidiary of the Group. The Beikeng Mine is a 0.771 km² tenement located at Datian County, Fujian Province in the People's Republic of China. The current resources estimate of the Beikeng Mine is 1,058,100 tonnes in the Inferred Category and Exploration Target Potential of 250,000 to 350,000 tonnes. Please refer to chart below for the ore proportion.



In addition to the Beikeng Mine, the Group also has another tenement, known as Silverstone Project, which is licensed under Datian Silverstone Mining Co., Ltd, a wholly owned subsidiary of the Group. It is a 5.6 km² tenement which also located in Datian County, Fujian Province in the People's Republic of China. The current resource estimate of the Silverstone Project is 3,480,700 tonnes at an average grade of 41.83% in the Inferred Category.

Information in this Annual Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Peebles who is a member of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Geoscientists. Mr Peebles is employed by Darlington Geological Services Pty Ltd. Mr Peebles has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Peebles' report is set out in the Company's announcement on 13 May 2013 and 12 July 2017.

Share Buy-back

In the financial year under review, the Company did not carry out any buy back of its shares. As of the date of this Annual Report, the Company has not sought shareholders' approval for the buyback of its shares.

Your faithfully



Ir Che Mohamed Hussein Bin Mohamed Shariff
Independent Non-Executive Chairman



► **IR CHE MOHAMED HUSSEIN BIN MOHAMED SHARIFF**

Independent Director, Non- Executive Chairman

Hussein is a professional engineer educated in the United Kingdom. He studied at Loughborough University of Technology under a Malaysian government scholarship, and graduated with a BSc (Hons) degree in Civil Engineering. He is currently a member of both the Institute of Engineers Malaysia and the Board of Engineers Malaysia. Hussein has a distinguished career in public service having served in various positions in the state economic development corporation of a Malaysian state where his recent postings have been senior positions at the highest levels of management. He is currently the chief executive officer of the state-owned property development company. Therefore, he brings with him more than 30 years' experience in property development, construction and technical management, including managing a state-owned large-scale granite quarry. The Board elected to appoint Hussein as Chairman because his experience and qualification give him an effective combination of technical, engineering, management and leadership skills to discharge his duties as Chairman.

◀ **DOMINIC LIM KIAN GAM**

Independent Director, Non- Executive Chairman

Dominic is the Head of Loan Syndication and Distribution at Oversea-Chinese Banking Corporation Limited ("OCBC Bank"). Dominic has been in the banking industry for more than 20 years and has extensive knowledge of banking matters in the Asia- Pacific region. He has extensive experience in a wide array of lending products, ranging from structured financing and debt securitisation to project and leveraged financing, and encompassing all industries and sectors. Prior to joining OCBC Bank, he was with several international investment and commercial banks. Dominic is a business graduate from the National University of Singapore and has a MSc degree in Finance from Zicklin School of Business, Baruch College, a constituent college of City University of New York. Dominic is a member of Beta Gamma Sigma Society, an international honour society for business students, graduates and scholars founded in 1913 at the University of Wisconsin in the United States.



► **DATO' LAU ENG FOO**

Managing Director



Dato' Lau the founder of and driving force behind of a successful group of companies in Malaysia specialising in civil engineering construction, earthwork, and granite and iron ore extraction contracting. Dato' Lau has been involved in these lines of business since the early 1970's. Dato' Lau has relinquished a major portion of the day- to-day management role in the Malaysian companies to focus on his role as the Company's Executive Director to spearhead the Company's business in China. As Managing Director, Dato' Lau provides the entrepreneurial drive and strategic direction for the Company direction for the Company.

Principle No.	Recommendation	Compliance or Reason for Non-compliance
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>The Company complies in full with this Recommendation</p> <p>The board has adopted a formal Board Charter setting out the responsibilities of the board. This charter can be downloaded from the Company's website at the following URL: www.asaplusresources.com.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>The Company complies in full with this Recommendation</p> <p>The entire board will carry out appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director. All material information in the board's possession will be set out in explanatory notes accompanying notices of general meetings where appointments of directors will be voted on by security holders.</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>The Company complies in full with this Recommendation</p> <p>Each director is required to sign a letter of appointment setting out the terms of his or her appointment. There is currently no senior executive being employed on a full time basis by the Group.</p>
1.4	<p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The Company complies in full with this Recommendation.</p> <p>The chair and each member of the board has free and unfettered access to the company secretary. The company secretary is also authorized to communicate any issue or raise any concern directly with the chair and/or any member of the board as he consider necessary.</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy,</p> <p>and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>The Company does not comply in full with this Recommendation.</p> <p>The board supports workplace diversity, including gender diversity but considers that the Company is not of a size or maturity to justify a formal diversity policy. The board's priority has been to ensure that its members have the appropriate level of experience and skills to manage the Company at its early stages of operation rather than focusing on gender and other diversity factors.</p> <p>The Company's operating subsidiary carries on business of developing an iron ore mine located in the People's Republic of China ("China"). The potential pool of female personnel in China qualified and, more importantly, willing to work in the mining industry at all levels, including senior executive level, is extremely small relative to the total manpower needs of the industry as a whole. Therefore, the board is of the opinion that even if the Company adopts a gender diversity policy and measurable objectives to achieving gender diversity, the Company will not be able to achieve these objectives.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p>	<p>The Company complies in full with this Recommendation.</p> <p>The Company has a practice and a process of periodically evaluating the performance of the board (collective self appraisal) and individual directors (peer review by other members of the board). This review will be done at the end</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
	(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	of each financial year at the same time the board meets to approve its financial statements for that financial year. In relation to the financial year ended 31 March 2017 (the "Reporting Period"), the Company had carried out a performance evaluation in accordance with this process.
1.7	A listed entity should:	The Company complies in full with this Recommendation.
	(a) have and disclose a process for periodically evaluating the performance of its senior executives; and	The board will meet at least annually to review the performance of executives. The senior executives' performance is assessed against the performance of the Group as a whole.
	(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	In relation to the Reporting Period, this performance evaluation was not carried out as there is no senior executive employed by the Group.
2.1	The board of a listed entity should:	The Company does not comply in full with this Recommendation.
	(a) have a nomination committee which:	The board considers that the Company is not currently of a size to justify the formation of a nomination committee. The board as a whole undertakes the process of reviewing the skill base and experience of existing directors to enable identification or attributes required in new directors. When appropriate, independent consultants will be engaged to identify possible new candidates for the board either as addition to the board to supplement its current skills and experience or as part of succession planning for the board.
	(1) has at least three members, a majority of whom are independent directors; and	
	(2) is chaired by an independent director,	
	and disclose:	
	(3) the charter of the committee;	
	(4) the members of the committee; and	
	(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	

Principle No.	Recommendation	Compliance or Reason for Non-compliance
	(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership	<p>The Company does not comply in full with this Recommendation.</p> <p>The board considers that the Company is currently at early stages of operations, and that its current composition has the appropriate level of experience and skills to manage the Company. As the Company grows in scope and scale of operations, the board will assess the skills matrix it currently has, the skills matrix it seeks to achieve and what actions it needs to take to achieve that target.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>The Company complies in full with this Recommendation.</p> <p>As of the date of this Corporate Governance Statement, the board comprised of the following persons:</p> <p>Che Mohamed Hussein Bin Mohamed Shariff Independent non-executive director and Chairman of the board Date first appointed: 1 August 2012 Date last elected: 27 August 2016</p> <p>LAU Eng Foo (Andy) Executive director / managing director Date first appointed: 1 August 2012 Date last elected: N/A# # As managing director, he is not subject to re-election</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
		<p>Dominic LIM Kian Gam Independent non-executive director Date first appointed: 24 November 2014 Date last elected: 29 August 2016[#]</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>The independent directors, namely Che Mohamed Hussein Bin Mohamed Shariff and Dominic LIM Kian Gam has no interest, position, association or relationship of the type described in Box 2.3.</p> <p>The Company complies in full with this Recommendation.</p> <p>The Company currently has two independent, non-executive directors and one executive director.</p>
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<p>The Company complies in full with this Recommendation.</p> <p>Currently, the chairman of the board is Che Mohamed Hussein Bin Mohamed Shariff, an independent director and the functions of the chief executive officer is carried out by LAU Eng Foo (Andy), the Company's managing director.</p>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>The Company complies in full with this Recommendation.</p> <p>The board has in place a program where all potential directors are assessed by the entire board as to the extent of his or her awareness of his or her responsibilities as a director of a company which is listed on ASX, and where such awareness is insufficient, to undergo such training or induction as may be required.</p> <p>Each members of the present board are aware of his personal responsibilities to develop and maintain the skills and knowledge needed to perform his role as director effectively and, if so requested by a director, the Company will bear reasonable costs and expenses of any continuing education program or course which the director may request to attend.</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
3.1	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>Finally, the board intends to appoint only as director a person who has the necessary skills and knowledge to perform his or her intended role and who is aware of his or her personal responsibility for his or her own continuous education.</p> <p>The Company complies in full with this Recommendation.</p> <p>The Company has adopted a Code of Conduct, which can be which can be downloaded at the Company's website.</p>
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non- executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p>	<p>The Company does not comply in full with this Recommendation.</p> <p>The board considers that the Company is not of a size, nor is its financial affairs of such complexity, to justify the formation of an audit committee. The board as a whole, in consultation with the incumbent external auditor, undertakes the selection and proper application of accounting policies, the integrity of financial reporting, the identification and management of risk and review of the operation of the internal control systems. When performing the role of an audit committee or when the board meets as the audit committee it will be chaired by Dominic LIM Kian Gam who has a bachelor's degree in business and a MSc degree in finance and has relevant financial expertise.</p> <p>The board maintains regular communication with the external auditor and monitors their performance on a yearly basis. Currently, the board considers the Company's financial affairs to be of such complexity as to justify the rotation of the audit partner.</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
	(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<p>The Company complies in full with this Recommendation.</p> <p>The board will receive an annual assurance in the form of a declaration from the chief executive officer and the chief financial officer (or equivalent) as required by the <i>Corporations Act 2001</i>.</p>
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>The Company complies in full with this Recommendation.</p> <p>It is Company's policy, and will make such a policy a term of the auditor's appointment, for the engagement partner or a personnel of sufficient seniority who was involved in the conduct of the audit to be present at the AGM be available to answer questions about the conduct of the audit and the preparation and content of the auditors' report.</p>
5.1	<p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Company complies in full with this Recommendation.</p> <p>The Company has adopted a Continuous Disclosure Policy which can be downloaded at the Company's website.</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>The Company complies in full with this Recommendation.</p> <p>The Company maintains a corporate website (URL: www.asaplusresources.com). The website contains information about the Company and its operating subsidiaries. An updated Corporate Governance Statement will also be published on the website.</p>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>The Company complies in full with this Recommendation.</p> <p>The Company implements an active investor relations program. It outsources its investor relations functions to its nominated adviser who is to designate one of its personnel to act as the Company's investor relations officer tasked to attend to all communication with investors. The e-mail address of the investor relations officer is ir@asaplusresources.com and investors are encouraged to write to the Company with any queries.</p>
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>The Company complies in full with this Recommendation.</p> <p>The Company has adopted a Shareholders' Communication Policy which sets out the policies and processes it has put in place to facilitate and encourage participation at meetings of security holders.</p>
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>The Company complies in full with this Recommendation.</p> <p>The Company's security registry has in place and has implemented a system where security holders are given the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p>	<p>The Company does not comply in full with this Recommendation.</p> <p>The board considers that the Company is not of a size, nor is its operations of such</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
	<p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>complexity, to justify the formation of a risk management committee. The board as a whole will oversee the risk management for the Company taking into account key material risks faced by the Company as identified by the board and how these risks or, if the risks materialises, its possible impact can be minimised.</p> <p>The board will ensure that risk management is included on the agenda of meetings of the board.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Company complies in full with this Recommendation.</p> <p>The board will reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound. For the Reporting Period, the board carried out this risk management framework.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes</p>	<p>The Company complies in full with this Recommendation.</p> <p>The Company does not have an internal audit function.</p> <p>The primary responsibility for risk management and internal controls on a day-</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
	it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	to-day basis at the operations level vests with the managing director. The board will ensure that risk management is included at least quarterly on the agenda of meetings of the board, for discussion with the managing director.
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>The Company complies in full with this Recommendation.</p> <p>The Company complies in full with this Recommendation.</p> <p>This information is disclosed in the Company's Risk Management Policy a copy of which can be downloaded from the Company's website.</p>
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting</p>	<p>The Company does not comply in full with this Recommendation.</p> <p>The board considers that the Company is not of a size to justify the formation of a remuneration committee. The board as a whole will perform the function of the remuneration committee.</p> <p>The remuneration of executive directors are set out their employment contracts. The board will seek shareholders' approval at general meetings before paying any directors' fees.</p> <p>The CEO sets and determines the remuneration for senior executives and he does so having regard to prevailing levels paid to executives performing similar roles at comparable companies. Where the remuneration intended to be offered to any senior executive is materially more than such comparable levels, the CEO is required to obtain prior approval from the board before making such an offer. The board considers that the Company is not of a size to justify the formation of a remuneration committee. The board as a whole will perform the function of the remuneration committee.</p>

Principle No.	Recommendation	Compliance or Reason for Non-compliance
	<p>the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>The remuneration of the managing director is set out in his employment contract and its terms are disclosed in the prospectus. Pending achievement of certain performance milestones, which as of the date of this statement has not been achieved, the managing director has agreed not to receive this remuneration. Under Singapore law, directors' fees are subject to approval by shareholders at an annual general meeting.</p> <p>The managing director sets and determines the remuneration for senior executives and he does so having regard to prevailing levels paid to executives performing similar roles at comparable companies. Where the remuneration intended to be offered to any senior executive is materially more than such comparable levels, the managing director is required to obtain prior approval from the board before making such an offer.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>The Company does not comply in full with this Recommendation.</p> <p>The Company does not have a formal policy regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. The current practice in relation to this is set out in the explanation to the Company's adoption of Principal 8.1 above.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it. 	<p>This Recommendation is not applicable as the Company does not have an equity-based remuneration scheme.</p>

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of the company and the balance sheet and statement of changes in equity for the financial year ended 31 March 2017.

OPINION OF THE DIRECTORS

In the opinion of the Directors,

- i) The financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and the financial performance, changes in equity and cash flows of the Company and the Group for the financial year ended on that date;
- ii) At the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS OF THE COMPANY

The Directors of the Company in office at the date of this report are:

<u>Name</u>	<u>Particulars</u>
Ir Che Mohamed Hussein Bin Mohamed Shariff	(Independent Non-Executive Director, Chairman)
Dato' LAU Eng Foo (Andy)	(Executive Director)
Dominic LIM Kian Gam	(Independent Non-Executive Director)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

During and at the end of the financial year, the Company was not a party to any arrangement of which the object was to enable the Directors to acquire benefits through the acquisition of shares in or debentures of the Company or any other body corporate, other than as disclosed in this report.

DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings kept by the Company under section 164 of the Companies Act, Cap. 50, the following directors who held office at the end of the financial year were interested in the shares of the Company as follows:

	<u>Holdings registered in the name of Director or nominee</u>		<u>Holdings in which Director is deemed to have an interest</u>	
	At 01.04.16	At 31.03.2017	At 01.04.16	At 31.03.2017
Dato' LAU Eng Foo (Andy)	-	-	39,000,000	39,000,000

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

SHARE OPTIONS

During the financial year, no options were granted to take up unissued shares of the Company and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. At the end of the financial year, there were no unissued shares of the Company under option.

INDEPENDENT AUDITOR

The independent auditor, MGI SINGAPORE PAC have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors



.....
Dato' LAU Eng Foo (Andy)
Executive Director



.....
Ir Che Mohamed Hussein Bin Mohamed Shariff
Independent Non-Executive Chairman

Dated: 13 June 2017

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASAPLUS RESOURCES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Asaplus Resources Limited ("the Company") and its subsidiaries ("the Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2017, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2017.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss statements and balance sheets and to maintain accountability of assets.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASAPLUS RESOURCES LIMITED

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Responsibilities of Management and Directors for the Financial Statements - continued

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

" Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

" Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

" Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

-Continued

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASAPLUS RESOURCES LIMITED**

Auditors' responsibility for the Audit of the Financial Statements (cont'd)

" Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

" Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the audited financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ramachandran Sri Kumar.

Singapore, 13 June 2017



MGI SINGAPORE PAC

Chartered Accountants and
Public Accountant of Singapore

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017**

	Note	The Company		The Group	
		31.3.2017	31.3.2016	31.3.2017	31.3.2016
		\$	\$	\$	\$
Assets					
Current Assets					
Amount due from subsidiaries	7	3,228,917	3,228,917	-	-
Other receivables	8	11,914	260,799	727,568	1,875,364
Cash and bank balances	9	-	44	298,601	216,254
		3,240,831	3,489,760	1,026,169	2,091,618
Non-Current Assets					
Plant and equipment	11	-	-	343,840	105,112
Exploration and evaluation assets	10	-	-	990,334	816,160
Goodwill	12	-	-	-	-
Investment in subsidiaries	13	9,593,999	10,001,719	-	-
Total non-current assets		9,593,999	10,001,719	1,334,174	921,272
TOTAL ASSETS		12,834,830	13,491,479	2,360,343	3,012,890
Equity					
Share capital	14	14,057,100	14,057,100	14,057,100	14,057,100
Accumulated loss		(1,474,956)	(741,218)	(14,162,976)	(12,991,445)
Foreign currency translation reserves		-	-	1,671,918	1,043,130
Non-controlling interest		-	-	(451,902)	(246,234)
Total equity		12,582,144	13,315,882	1,114,140	1,980,776
Liabilities					
Current Liabilities					
Other payables	15	122,329	45,240	1,246,203	1,032,114
Amount due to subsidiary	8	130,357	130,357	-	-
Total liabilities/current liabilities		252,686	175,597	1,246,203	1,032,114
TOTAL EQUITY AND LIABILITIES		12,834,830	13,491,479	2,360,343	3,012,890

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	Note	2017 \$	2016 \$
Revenue	16	-	-
Cost of sales		-	-
Gross profit		-	-
Other income	17	16,280	551,103
Selling and distribution expenses		(3,548)	-
Administrative expenses		(423,910)	(402,226)
Other expenses		(195,920)	(308,680)
Impairment of evaluation asset		-	(1,281,397)
Impairment in value of subsidiaries		(407,720)	-
Bad debts		(336,928)	-
Loss before tax	18	(1,351,746)	(1,441,200)
Income tax expense	20	-	(7,791)
Loss for the financial year		(1,351,746)	(1,448,991)
Exchange differences on translation of foreign controlled entities		-	-
Total comprehensive loss for the financial year		(1,351,746)	(1,448,991)
Attributable to:			
Non-controlling interests		(55,263)	-
Owners of the Company		(1,296,483)	(1,448,991)
Loss Per Share (Cents)			
Basic Loss Per Share	21	(0.01)	(0.01)
Diluted Loss Per Share	21	(0.01)	(0.01)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2017	Share capital	Accumulated losses attributable to Owners of the Company	losses attributable to Non-Controlling Interest	Foreign currency translation reserve	Non-Controlling Interest	Total equity
	\$	\$	\$	\$	\$	\$
At 1.04.2016	14,057,100	(12,811,230)	-	981,140	(246,234)	1,980,776
Loss for the year	-	(1,351,746)	-	690,778	(55,263)	(716,231)
Other comprehensive income for the year	-	-	-	-	-	-
Non-Controlling interest	-	-	-	-	(150,405)	(150,405)
Balance at 31.03.2017	14,057,100	(14,162,976)	-	1,671,918	(451,902)	1,114,140

2016	Share capital	Accumulated losses attributable to Owners of the Company	losses attributable to Non-Controlling Interest	Foreign currency translation reserve	Non-Controlling Interest	Total equity
	\$	\$	\$	\$	\$	\$
At 1.04.2015	14,057,100	(11,362,239)	17,841	1,043,130	(8,394)	3,747,438
Loss for the year	-	(1,448,991)	(17,841)	(61,990)	-	(1,528,822)
Other comprehensive income for the year	-	-	-	-	-	-
Non-Controlling interest (net)	-	-	-	-	(237,840)	(237,840)
Balance at 31.03.2016	14,057,100	(12,811,230)	-	981,140	(246,234)	1,980,776

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	Note	2017 \$	2016 \$
Cash flow from operating activities			
Loss before taxation		(1,351,746)	(1,441,200)
Adjustments for:			
Depreciation of plant and equipment	11	43,354	51,204
Impairment of exploration and evaluation asset	10	-	1,281,397
Impairment of Goodwill	12	-	-
Impairment of subsidiaries	13	407,720	-
Bad debts	9	336,928	-
Foreign translation differences		187,182	(211,744)
Operating cash flow before working capital changes		(376,562)	(320,343)
(Increase)/Decrease in other receivables		1,147,797	(356,520)
(Decrease)/Increase in other payables		(214,090)	725,043
Cash from operations		933,707	48,180
Tax paid		-	(10,003)
Net cash generated from/(used in) operating activities		557,145	(38,177)
Cash flows from investing activities			
Exploration and evaluation expenditure	10	(174,174)	(763,091)
Purchase of plant and equipment	11	(300,624)	3,105
Loss on disposal of equipment		-	(46,042)
Net cash (used in) investing activities		(474,798)	(806,028)
Net (decrease) in cash and bank balances		82,347	(767,851)
Cash and bank balances at the beginning of the year		216,254	984,105
Cash and bank balances at the end of the year	7	298,601	216,254

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

1. CORPORATE INFORMATION

The financial statements of the Company and of the Group for the year ended 31 March 2017 were authorised for issue in accordance with a resolution of the Directors on the date of the Statement by Directors.

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

The Company was listed on the Australian Securities Exchange on 16 November 2012. The registered office of the Company in Singapore is located at 21 Bukit Batok Crescent, #15-74 WCEGA Tower, Singapore 658065.

The principal activities of the Company are the exploration, mining and marketing of iron ore.

The Company had remained dormant since it was incorporated on 24 April 2012 till the date of this report.

The directors authorised these financial statements for issue on the date of this report.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 a) Basis of Preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ('FRS') and are prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Company are presented in Australian Dollars which is the functional currency of the Company and the presentation currency for the financial statements.

b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company and the group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 January 201. The adoption of these standards did not have any effect on the financial performance or position of the Company and the group.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

Standards issued but not yet effective

The Company adopted the following standards and interpretations that have been issued but not yet effective:

	Effective date (annual periods beginning on or after)
<i>Amendments to FRS 7 Disclosure Initiative</i>	1 January 2017
FRS 109 Financial Instruments	1 January 2018
FRS 115 Revenue from Contracts with customers	1 January 2018
FRS 116 Leases	1 January 2019

Except for FRS 109, FRS 115 and FRS 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

2.2 Financial assets

The Company and the group assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial Assets

Financial assets are recognised on the balance sheet when, and only when, the Company and the group becomes a party to the contractual provisions of the financial instrument. The Company and the group determines the classifications of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

All regular purchases and sales of financial assets are recognised on the trade date i.e. the date that the company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.2 Financial assets - continued

Subsequent measurement

The subsequent measurement of financial assets depend on their classification as follows:

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognized or impaired, and through the amortisation process.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in the profit and loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.3 Impairment of financial assets

The Company and the group assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company and the group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company and the group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in income statement.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.3 Impairment of financial assets - continued

a) Financial assets carried at amortised cost - continued

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial asset has been incurred, the Company and the group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the profit and loss.

b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company and the group becomes a party to the contractual provisions of the financial instrument. The Company and the group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.3 Impairment of financial assets - continued

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

The Company and the group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company and the group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company and the group determines that no objective evidence of impairment exists for an individually assessed financial assets, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in income statement.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial asset has been incurred, the Company and the group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Impairment of non-financial assets - continued

environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

The Company and the group assess at each reporting date whether there is indication that an asset has been impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash inflows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to see, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company and the group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for the Company's and the group's cash generating units to which the individual assets are allocated. For longer periods, a long-term growth forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit and loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income up to the amount of any previous revaluation.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies – Cont'd

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether there is control.

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group.

Intangible assets

Intangible assets are accounted for using the cost model with the exception of goodwill. Capitalised costs are amortised on a straight-line basis over their estimated useful lives for those considered as finite useful lives. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any. In addition, they are subject to annual impairment testing. Indefinite life intangibles are not amortised but are subject to annual impairment testing.

Intangible assets are written off where, in the opinion of the Directors, no further future economic benefits are expected to arise.

Goodwill

Goodwill arising on an acquisition of a subsidiary is subject to impairment testing.

Goodwill is tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

For the purpose of assessing impairment, where an asset does not generate cash inflows largely independent from those of other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflow independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level. Goodwill in particular is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

An impairment loss is recognised for CGUs, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the CGU, except that the carrying value of an asset will not be reduced below the higher of its individual fair value less cost to sell, or value-in-use, if determinable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to its present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies – Cont'd

Goodwill –Cont'd

An impairment loss on goodwill is not reversed in subsequent periods whilst an impairment loss on other assets is reversed if there has been a favorable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment losses recognised in an interim period in respect of goodwill is not reversed in a subsequent period.

Exploration and evaluation assets

Exploration and evaluation assets relate to Exploration Licence in relation to the Project acquired and exploration and evaluation expenditures capitalized in the Project that is at the exploration stage.

Exploration and evaluation assets are initially recognised at cost. Subsequent to initial recognition, they are stated at cost less any accumulated impairment losses.

Exploration and evaluation assets comprises costs which are directly attributable to acquisition, surveying, geological, geochemical and geophysical, exploratory drilling; land maintenance, sampling, and assessing technical feasibility and commercial viability in relation to the Silverstone Project.

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment in accordance with IAS 36 "Impairment of Assets" whenever one of the following events or changes in facts and circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

- (a) the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be recovered;
- (b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; or
- (d) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd**2.4 Summary of significant accounting policies - Cont'd****Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilizing the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

	Years
Computer	3
Office equipment	3
Furniture and fittings	5
Motor vehicles	4
Machinery and Equipment	10
Construction in progress	10

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial period in which it is incurred.

For acquisitions and disposals during the financial period, depreciation is provided from the month of acquisition to the month before disposal. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods and useful lives are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the end of reporting period. These are classified as non-current assets.

Loans and receivables include trade and other receivables. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. If there is objective evidence that the asset has been impaired, the financial asset is measured at the present value of the estimated future cash flows discounted at the original effective interest rate.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or write back is recognised in the profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the end of reporting period.

All financial assets within this category are subsequently measured at fair value with changes in value recognised in equity, net of any effects arising from income taxes, until the financial assets is disposed of or is determined to be impaired, at which time the cumulative gains or losses previously recognised in equity is included in the profit or loss for the period.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity shall be removed from the equity and recognised in the profit or loss even though the financial asset has not been derecognised.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Available-for-sale financial assets-Cont'd

The amount of the cumulative loss that is removed from equity and recognised in the profit or loss shall be the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in the profit or loss.

Impairment losses recognised in the profit or loss for equity investments classified as available-for-sale are not subsequently reversed through the profit or loss.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty or probable bankruptcy of the investee;
- a breach of contract;
- changes in the political or legal environment affecting the investee's business;
- changes in the investee's condition evidenced by changes in factors such as liquidity, credit ratings, profitability, cash flows, debt/equity ratio and level of dividend payments; and
- whether there has been a significant or prolonged decline in the fair value below cost.

Determination of fair value

The fair values of quoted financial assets are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's-length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs. Where fair value of unquoted instruments cannot be measured reliably, fair value is determined by the transaction price.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and balances on hand, demand deposits with banks and highly liquid investments with original maturities of 3 months or less which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Revenue recognition

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 regard less of when the payment is made. Revenue is measured at fair value of consideration received or receivable and represent amounts receivable taking into account contractually, defined terms of payment and excluding taxes and duty.

The Company remained dormant during the financial year and till date of the financial report.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. ° Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Other payables

Other payables are initially measured at fair value, and subsequently measured at amortised costs, using the effective interest method.

Provisions

Provisions are recognised when the Company and the Group have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingencies

A contingent liability is:

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and the group ; or
- (b) A present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Income tax

Current income tax

Current income tax assets and liabilities for the current periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Company and the group operates and generates taxable income.

Current income taxes are recognised in the profit or loss except to the extent that the tax related to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not act fair value through profit or loss, directly attributable transaction costs.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Deferred tax – Cont'd

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in the transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of deferred income tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Employee benefits

Defined contribution plan

Retirement benefits to employees are provided through defined contribution plans, as provided by the laws of the countries in which it has operations. The Singapore incorporated companies in the Group contribute to the Central Provident Fund ("CPF"). Such contributions are charged as an expense as the contributions are paid or become payable.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme.

These contributions are charged to the profit or loss in the period to which the contributions relate. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain general managers are considered key management personnel.

Related parties

For the purpose of these financial statements, a party is considered to be related to the Group if:

- (a) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (b) the Group and the party are subject to common control;
- (c) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (d) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (e) the party is a close family member of a party referred to in (a) or is an entity under the control, joint control or significant influence of such individuals; or
- (f) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Impairment of non-financial assets

The carrying amounts of the Company's and the group's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets or cash-generating units' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the profit or loss unless it reverses a previous revaluation in which case it is charged to equity.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Impairment of non-financial assets - Cont'd

With the exception of goodwill, an impairment loss is

- reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the profit or loss, a reversal of that impairment loss is recognised as income in the profit or loss.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting or end of reporting period.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

Interest income is recognised on a time-apportioned basis using the effective interest rate method.

Functional currencies

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Australian Dollars, which is also the functional currency of the Company.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of reporting period are recognised in the profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd

2.4 Summary of significant accounting policies - Cont'd

Group entities

The results and financial position of all the entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the end of reporting period;

(ii) Income and expenses are translated at average exchange rates; and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the end of reporting period.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements in conformity with FRSs requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3.1 Judgments made in applying accounting policies

There was no material judgement made by management in the process of applying the Company accounting policies that have the most significant effect on the amounts recognized in the financial statements.

3.2 key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation, uncertainty at the statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the entity's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affect both current and future periods.

Critical judgements in applying the company's and groups accounting policies

Management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year, are discussed below.

(i) Income Taxes

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

(ii) Significant accounting estimates and judgments

The preparation of the financial statements in conformity with SFRS requires the use of judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

(iii) Carrying value of non-current assets

Non-current assets are carried at cost less accumulated depreciation. These carrying amounts are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY – Con't

(iv) Exploration and evaluation expenditure

The Group policy on capitalization of all future expenditure relating to exploration and evaluation of the Tenement located in Beikeng Mine.

The Group has assessed that the capitalized expenditure will be recoverable through the project's successful development.

(v) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

The critical accounting estimates and assumptions used or areas involving a high degree of judgment are described below.

5. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS ARRANGEMENT-RISK MANAGEMENT

a) Financial risk management objective and policies

The Company's and the group's activities expose it to credit risks, market risks (including foreign currency risks and interest rate risks). The Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Management is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Company's and the groups management then establishes the detailed policies such as risk identification and measurement, exposure limits, in accordance with the objectives and underlying principles set.

There has been no change to the Company's and the groups exposure to these financial risks or the manner in which it manages and measures the risk.

Credit Risks

Credit risk refers to the risk that the counterparty will default on their obligations to pay the amounts owing to the Company and the group, resulting in a loss to the Company and the group. The Company and the group seeks to minimise the potential adverse effects on its performance by adopting stringent credit policy in extending credit terms to customers and in the monitoring its credit risk.

The Company's and the group's credit policy states clearly the guidelines on extending credit terms to customers. These include assessing and evaluating each customer's credit worthiness. In certain instances, the Company would also request for letters of credits or advance payments from its customers in order to mitigate its exposures to credit risk.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

**5. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS ARRANGEMENT-
RISK MANAGEMENT -continued**

Credit Risks -continued

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Company's maximum exposure to credit risk.

Market risks

The Company and the group is exposed to any market risks.

Liquidity risk

The Company and the group ensures availability of funds through funding from it's holding company. Due to the dynamic nature of the underlying businesses, the Company's financial control maintains flexibility in funding by maintaining availability under sufficient balance of cash.

Foreign currency risk

The Company and the group is exposed to fluctuations in Australian dollars
The management minimises the risk with constant monitoring of these risks.

b) Capital risk management policies and objectives

The Company's and the group's objective when managing capital are to safeguard the Company's and the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company and the group's may return capital to shareholders, issue new shares, and sell assets to reduce debt, or adjust the amount of dividends paid to shareholders.

6. SIGNIFICANT RELATED PARTY TRANSACTIONS

Related parties are entities with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party in making financial and operating decisions.

a) In addition to the information disclosed elsewhere in the financial statements, related party transactions between the company and related parties during the financial year were as follows:

Compensation of key management personnel

	<u>2017</u>	<u>2016</u>
	\$	\$
Salaries and other short-term employee benefits	<u>24,645</u>	<u>27,726</u>

There are no other key management personnel other than Directors of the Company and it's subsidiaries.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**
7. AMOUNT DUE FROM/TO SUBSIDIARIES

The amounts due from/to subsidiaries are non-trade in nature, interest-free, unsecured, repayable on demand when the company's financial position permits and are denominated in Australian dollars.

8. OTHER RECEIVABLES

	The Company		The Group	
	2017	2016	2017	2016
	\$	\$	\$	\$
Other receivables-third parties	248,885	248,885	664,671	1,767,157
Prepayment – related parties	-	-	-	-
Prepayment – third parties	11,914	11,914	49,872	108,207
Tax Recoverable	-	-	13,124	-
	260,799	260,799	727,567	1,875,364

Other receivables are denominated in the following currencies:

	The Company		The Group	
	2017	2016	2017	2016
	\$	\$	\$	\$
Australian Dollar	248,885	248,885	-	248,885
Chinese Renminbi	11,914	11,914	727,567	1,626,480
	260,799	260,799	727,567	1,875,365

9. CASH AND BANK BALANCES

	The Company		The Group	
	2017	2016	2017	2016
	\$	\$	\$	\$
Cash and cash at bank	-	44	298,601	216,254

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017
9. CASH AND BANK BALANCES - Con't

Cash and bank balances are denominated in the following currencies:

	The Company		The Group	
	2017	2016	2017	2016
	\$	\$	\$	\$
Australian Dollar	-	44	12,500	44
Chinese Renminbi	-	-	286,101	215,761
Hong Kong Dollar	-	-	-	449
	-	44	298,601	216,254

The Chinese Renminbi is not freely convertible into other foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

10. EXPLORATION AND EVALUATION ASSETS

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

	2017	2016
	\$	\$
The Group		
<u>Total exploration and evaluation assets</u>		
Balance at beginning of the period	816,160	1,334,466
- Impairment of evaluation asset – Silverstone Project	-	(1,281,397)
- Foreign exchange differences	-	(53,070)
- Expenditure incurred in the year - Beikeng Mine	174,174	816,161
Balance at end of the period	990,334	816,160

Movements in provision for impairment are as follows:-

	2017	2016
	\$	\$
<u>Silverstone Project</u>		
Balance at beginning of financial year	1,281,397	-
Impairment during the financial year	-	1,281,397
Balance at end of financial year	1,281,397	1,281,397

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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10. EXPLORATION AND EVALUATION ASSETS – Con't

As disclosed in Note 2, the carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment in accordance with IAS 36 “Impairment of Assets”. In particular, the Company considered whether one of the following events or changes in facts and circumstances (each an “Adverse Event”) has occurred which indicate that the carrying amount may not be recoverable:

- (a) the period for which the Group has the right to explore in the Beikeng Mine has expired during the period or will expire in the near future, and is not expected to be recovered;
- (b) substantive expenditure on further exploration for and evaluation of mineral resources in the Beikeng Mine is neither budgeted nor planned;
- (c) exploration for and evaluation of mineral resources in the Beikeng Mine have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the Beikeng Mine; or
- (d) sufficient data exists to indicate that, although a development in the Beikeng Mine is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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11. PLANT AND EQUIPMENT

The Group	Computer \$	Office Equipment \$	Furniture and Fittings \$	Motor vehicle \$	Machinery and Equipment \$	Constructio n in progress \$	Total \$
COST:							
As at 31.03.2015	6,047	3,155	10,751	301,182	-	-	321,135
Additions	-	-	-	3,105	-	-	3,105
Disposals	-	-	-	(123,636)	-	-	(123,636)
Currency realignment	(285)	11,033	(508)	(11,295)	-	-	(1,055)
As at 31.03.2016	5,762	14,188	10,243	169,356	-	-	199,549
Reclassification	-	-	-	-	-	-	-
Additions	-	-	-	-	64,209	236,315	300,524
Currency realignment	(362)	(11,371)	(644)	(10,648)	(2,691)	-	(25,716)
As at 31.03.2017	5,400	2,817	9,599	158,708	61,518	236,315	474,357
ACCUMULATED DEPRECIATION:							
As at 31.03.2015	4,023	1,769	4,416	111,674	-	-	121,882
Depreciation for the year	1,626	931	1,990	45,952	705	-	51,204
Disposals	-	-	-	(73,439)	-	-	(73,439)
Currency realignment	(228)	(106)	(256)	(4,603)	(17)	-	(5,210)
As at 31.03.2016	5,421	2,594	6,150	79,584	688	-	94,437
Reclassification	-	-	-	-	-	-	-
Depreciation for the year	51	253	1,881	38,981	2,188	-	43,354
Currency realignment	(343)	(171)	(448)	(6,269)	(43)	-	(7,274)
As at 31.03.2017	5,129	2,676	7,583	112,296	2,833	-	130,517
CARRYING VALUE:							
As at 31.03.2017	271	141	2,016	46,412	58,685	236,315	343,840
As at 31.03.2016	341	10,906	4,093	89,772	-	-	105,112

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

12. GOODWILL

	2017	2016
	\$	\$
Goodwill	-	-
Less: Impairment in value during the financial year	-	-
	<u>-</u>	<u>-</u>

Movements in provision for impairment are as follows:-

	2017	2016
	\$	\$
Balance at beginning of financial year	9,988,661	9,988,661
Impairment during the financial year	-	-
Balance at end of financial year	<u>9,988,661</u>	<u>9,988,661</u>

The goodwill comprises the value of Exploration Licence to the Silverstone Project held by Datian Silverstone Mining Co., Ltd, which is a wholly-owned subsidiary within the Yong Heng Group.

As disclosed in Note 2 above, goodwill is tested for impairment at least annually, irrespective of whether there is any indication that they are impaired.

13. INVESTMENT IN SUBSIDIARIES

The Company	2017	2016
	\$	\$
Unquoted equity investments, at cost	10,001,719	10,001,719
Less: Impairment in value	(407,720)	-
	<u>9,593,999</u>	<u>10,001,719</u>

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017
13. INVESTMENT IN SUBSIDIARIES - Continued

The consolidated financial statements include the financial statements of Asaplus Resources Limited and its subsidiaries listed in the following table.

Name of subsidiary	Principal activities	Country of incorporation and business	Effective equity held by the Group		Cost of investment by the Company	
			2017	2016	2017	2016
			%	%	\$	\$
<u>Held by the Company</u>						
Yong Heng Investment Limited ("Yong Heng")	Investment holding	Hong Kong	100	100	10,000,291	10,000,291
Asaplus Ventures Limited ("Ventures")	Consulting services	Hong Kong	100	100	1,428	1,428
<u>Held by Ventures</u>						
Xiamen Rongyao Xuhui Investment Consulting Co., Ltd	Consulting services	China	100	100	-	-
<u>Held by Yong Heng</u>						
Yinzhou Consulting Co., Ltd ("Yinzhou")	Consulting services	China	100	100	-	-
<u>Held by Yinzhou</u>						
Datian Huixiang Investments Consulting Co., Ltd ("DHIC")	Consulting services	China	100	100	-	-
<u>Held through DHIC</u>						
Datian Silverstone Mining Co., Ltd ("DSM")	Exploration, mining and marketing of iron ore	China	100	100	-	-
<u>Held by DHIC</u>						
Hong Ji Mining Co., Ltd(a,b)	Exploration, mining and marketing of iron ore	China	80	-	-	-
Yinzhou Mining Co., Ltd(c)	Exploration, mining and marketing of iron ore	China	-	51	-	-
					10,001,719	10,001,719

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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13. INVESTMENT IN SUBSIDIARIES - Cont'd

The Company's wholly owned subsidiary Datian Huixiang Investments Consulting Co., Ltd("Datian Huixiang"):

- (a) During the financial year, Datian HuiXiang increased the paid up capital of it's subsidiary Hongji Mining by RMB 3,800,000 (A\$752,024).
- (b) The Group's has an 80% interest in Hongji Mining, although it is the registered holder of 90% of its share capital. The Group holds the balance 10% interest in Hongji Mining as bare custodian for a local partner, and will transfer the aforesaid 10% interest to the local partner at nil consideration at any time it is requested to do so by the local partner.
- (c) During the prior financial year, disposed of its 51% interest in Datian Yinzhou Mining Co., Ltd ("Yinzhou Mining"), a company registered in China by way of deregistration of Yinzhou Mining. Yinzhou Mining was deregistered in April 2015.

The subsidiaries of the Company are audited by MGI Singapore PAC.

14. SHARE CAPITAL

	The Group			
	2017		2016	
	Number of shares	\$	Number of shares	\$
Issued and fully paid:	88,000,000	14,057,100	88,000,000	14,057,100

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder or its proxy, attorney or representative has one vote on a show of hands.

15. OTHER PAYABLES

	The Company		The Group	
	2017	2016	2017	2016
	\$	\$	\$	\$
Amount due to directors*	48,986	23,330	414,335	23,330
Amount due to a related party*	-	-	-	-
Other payables-third parties	3,838	-	762,363	986,874
Accruals	69,505	21,910	69,506	21,910
	122,329	45,240	1,246,204	1,032,114

*Amounts are non-trade in nature, unsecured, interest-free and repayable on demand.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017
15. OTHER PAYABLES - continued

Other payables are denominated in the following currencies:

	The Company		The Group	
	2016	2016	2016	2016
	\$	\$	\$	\$
Australian Dollar	122,329	45,240	582,389	1,032,114
Chinese Renminbi	-	-	663,815	-
	122,329	45,240	1,246,204	1,032,114

16. REVENUE

The Company does not have any revenue.

17. OTHER INCOME

	The Group	
	2017	2016
	\$	\$
Gain on foreign exchange, net	2,889	549,651
Interest income	666	1,532
Sundry income	12,280	-
	16,280	551,103

18. LOSS BEFORE INCOME TAX

	The Group	
	2017	2016
	\$	\$
Loss before tax has been arrived at after charging:		
Bad debts-non trade	336,928	37,120
Employee benefit expense (note 19)	175,490	158,699
Depreciation of plant and equipment (note 11)	43,354	51,204
Loss on deregistration of subsidiary	-	10,557

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

19. EMPLOYEE BENEFITS

	The Group	
	2017	2016
	\$	\$
Employee benefit expense (including key management personnel)		
- Salaries and bonus	146,125	134,294
- Other benefits	29,365	24,405
	175,490	158,699

20. INCOME TAX EXPENSE

	The Group	
	2017	2016
	\$	\$
Current year's tax	-	-
Prior year's tax	-	7,791
Current tax for the financial period	-	7,791

Provision for enterprise income tax of the subsidiaries operating in the PRC is made in accordance with the Income Tax Law of the PRC concerning Foreign Investment Enterprises and Foreign Enterprises and various local income tax laws.

Taxation has been provided at the appropriate tax rates prevailing in Singapore, Hong Kong and the PRC in which the Group operates on the estimated assessable profits for the financial year. These rates generally range from approximately 16.50% to 25% for the reporting year.

The reconciliation of income tax expense applicable to the loss before income tax at applicable income tax rates to the income tax expense for the reporting year is as follows:

	The Group	
	2017	2016
	\$	\$
	(1,351,746)	(1,448,991)
Tax at applicable tax rates	(216,280)	(423,655)
Prior year's underprovision of tax	-	7,791
Tax effect of non-deductible expenses	216,280	534,747
Deferred tax asset not recognised	-	-
Tax for the financial period	-	7,791

No deferred tax has been provided, as the Group did not have any significant temporary differences which gave rise to a deferred tax asset or liability at the reporting date.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

21. LOSS PER SHARE

The Group

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

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

	The Group	
	2017	2016
	\$	\$
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	88,000,000	88,000,000
Effect of dilutive potential ordinary shares:		
Share options	-	-
Weighted average number of ordinary shares for the purpose of calculating diluted loss per share	88,000,000	88,000,000

Loss figures are calculated as follows:

	The Group	
	2017	2016
	\$	\$
Loss for the purpose of calculating basic and diluted loss per share	(1,296,483)	(1,448,991)

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

22. DIVIDEND

During the current financial year, no dividend was proposed declared or paid.

23. FOREIGN EXCHANGE RATES

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

	The Group	
	2017	2016
	\$	\$
Chinese Renminbi	0.1893	0.2020
Hong Kong Dollar	0.1685	0.1682

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

24. AUDITORS' REMUNERATION

	The Group	
	2017	2016
	\$	\$
Audit services	24,000	24,000

25. RELATED PARTY TRANSACTIONS

The Group has no other related party transaction with its Directors, key management, or with entities which its Directors and/or key management have significant financial interest.

26. SEGMENT REPORTING

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

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

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017
26. SEGMENT REPORTING – Cont'd

(a) Segment results, assets and liabilities

2017	Mining	Trading and consulting service	Others*	Total
	\$	\$	\$	\$
Revenue				
From external customers	-	-	-	-
From other segments	-	-	-	-
Segment revenues	-	-	-	-
Effect on Segment operations- foreign currency translation profit/(loss)	415	410	2,889	3,714
Segment other operating (loss)/profit before tax	(410,536)	(219,467)	(721,742)	(1,351,745)
Segment assets	2,060,308	6,054,443	15,583,605	23,698,356
Segment liabilities	2,162,853	2,690,659	2,998,284	7,851,795

2016	Mining	Trading and consulting service	Others*	Total
	\$	\$	\$	\$
Revenue				
From external customers	-	-	-	-
From other segments	-	-	-	-
Segment revenues	-	-	-	-
Effect on Segment operations- foreign currency translation profit/(loss)	410,401	139,250	-	549,651
Segment other operating (loss)/profit before tax	(1,118,641)	(177,779)	(324,995)	(1,621,415)
Segment assets	1,230,733	8,514,878	16,041,808	25,870,419

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

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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26. SEGMENT REPORTING – Cont'd

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

(Loss) before taxation

	2017 \$	2016 \$
Reportable segments loss before taxation	(1,351,746)	(1,729,206)
Unallocated income	-	-
	<u>(1,351,746)</u>	<u>(1,729,206)</u>

Assets

	2017 \$	2016 \$
Segment assets	23,698,356	24,870,419
Elimination of inter-segment assets	(21,157,797)	(21,576,132)
Consolidated assets	<u>2,540,559</u>	<u>3,294,287</u>

Liabilities

	2017 \$	2016 \$
Segment liabilities	7,851,795	8,115,510
Elimination of inter-segment liabilities	(6,605,592)	(7,083,397)
Consolidated liabilities	<u>1,246,203</u>	<u>1,032,113</u>

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

27. INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)

KMP Shareholdings

The number of ordinary shares in Asaplus Resources Limited held by each KMP of the Group during the financial year is as follows:

The Group	Balance as at 01.04.2016	Disposed during the year	Acquired during the year	Balance as at 31.03.2017
Ir Che Mohamed Hussein ¹	-	-	-	-
Dato' LAU Eng Foo (Andy) ²	39,000,000	-	-	39,000,000
Dominic Lim Kian Gam	-	-	-	-
Hong Xusheng ²	39,000,000	-	-	39,000,000

Note - Dato' LAU Eng Foo (Andy) has a deemed interest in the 39,000,000 Shares held by Asaplus International Limited by virtue of his 37.5% shareholding in Asaplus International Limited. The other shareholders of Asaplus International Limited are Mr HONG Xusheng (25%) and Madam TAN WilLian (37.5%). Dato' LAU Eng Foo (Andy) is also a director of Asaplus International Limited, the other being Mr HONG Xusheng.

Other KMP Transactions

For details of other transactions with KMP, refer to note 21.

There have been no loans to KMP.

28. CONTINGENCIES

There are not contingent liabilities as at the date of these financial statements.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company and the Group are exposed to financial risks arising from its operations and use of financial instruments. The key financial risks included credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Company's and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Company's and the Group's financial performance.

Risk management is carried out by the Finance Division under policies approved by the Board of Directors. The Finance Division identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity.

ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – Con't

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's exposure to credit risk arises primarily from cash and cash equivalents and other receivables. For other receivables, the Company and the Group adopt the policy of dealing only with high credit quality counterparties.

The Company's and the Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

Cash, cash equivalents and term deposits are held with reputable financial institutions.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management.

Liquidity risk

Liquidity risk is the risk that the Company or the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's and the Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company and the Group manage liquidity risk by monitoring forecast cash flows.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's and the Company's and the Group's financial instruments will fluctuate because of changes in market interest rates.

The Company's and the Group's exposure to interest rate risk arises primarily from fixed deposits with average maturity within 3 months.

The Group manages its interest rate risk by continuously monitoring available interest rates while maintaining an overriding position of security whereby the majority of term deposits are held with reputable financial institutions.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group is not exposed to any significant foreign currency risk because the Group has not commenced trade activity since the date of incorporation. The main operation for the Group is exploration activity relating to the Silverstone Project in China which is not exposed any significant foreign currency risk.

Market price risk

Given that the Group does not have any available-for-sale financial assets, the Group is not exposed to any significant market price risk.

**ASAPLUS RESOURCES LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

30. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern;
- to support the Group's stability and growth;
- to provide capital for the purpose of strengthening the Group's risk management capability;
- and
- to provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and capital efficiency. The Group does not have any borrowings as at the financial year end.

The Group currently does not adopt any formal dividend policy.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Group, is reasonable.

31. FAIR VALUE ESTIMATION

All financial assets and liabilities are carried at amounts not materially different from their fair values as at the reporting date.

32. SUBSEQUENT EVENT

There are no subsequent events.

33. CONTINGENT LIABILITIES

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

34. EVENT AFTER THE REPORTING DATE

No matter or circumstance has arisen since 31 March 2017 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.

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