

**TopTung Limited**  
**(formerly Krucible Metals Limited)**

ABN 12 118 788 846

Consolidated Financial Report  
For the half-year ended 31 December 2015

## TABLE OF CONTENTS

<b>Contents</b>	<b>Page</b>
Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	7
Consolidated Statement of Profit & Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Cash Flows	10
Consolidated Statement of Changes In Equity	11
Notes to the Financial Statements	12
Directors' Declaration	17
Independent Auditor's Review Report	18

## **CORPORATE DIRECTORY**

### **Directors**

Leon Pretorius – Executive Chairman  
Dennis Lovell – Non-Executive Director  
Josh Puckridge – Non-Executive Director

### **Company Secretary**

Michael Meintjes

### **Registered Office**

Level 8, 46 Edward Street  
Brisbane, QLD 4000  
Australia

### **Principal Place of Business**

As above  
Telephone: (07) 3232 3405  
Facsimile: (07) 3232 3499  
Website: [www.toptung.com.au](http://www.toptung.com.au)

### **Auditors**

BDO Audit Pty Ltd  
Level 10, 12 Creek Street, Brisbane QLD 4000, Australia  
Telephone: (07) 3237 5999  
Fax:(07) 3221 9227  
Website:[www.bdo.com.au](http://www.bdo.com.au)

### **Share Registry**

Boardroom Pty Ltd  
Sydney: Level 7, 207 Kent Street, Sydney, NSW 2000, Australia  
Brisbane: Level 5, 320 Adelaide Street, Brisbane, QLD, 4000, Australia  
Telephone:1300 737 760  
Facsimile: 1300 653 459  
Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### **Home Exchange**

Australian Securities Exchange Ltd (“ASX”) ASX code: TTW  
Exchange Centre, 20 Bridge Street, Sydney NSW 2000, Australia

## **DIRECTORS' REPORT**

The Directors present their report together with the financial statements of TopTung Limited (“the Company” or “TopTung”) for the half-year ended 31 December 2015 and the auditor’s review report thereon. During the half-year the Company changed its name from Krucible Metals Limited.

### **Directors**

The Directors of the Company at any time during the half-year and until the date of this report are as follows.

Leon Pretorius- Executive Chairman  
Dennis Lovell- Non-Executive Director  
Josh Puckridge- Non-Executive Director

### **Principal Activities**

During the financial half-year, the principal continuing activities of the consolidated entity consisted of:

- Completing the purchase of the Torrington tenements from Resolve Geo Pty Ltd
- Obtaining the permits to enable drilling activities at the Torrington Project; and
- Commencing desktop studies in order to progress the Torrington Project

### **Review of Operations**

#### ***Capital Structure and Finances***

At the end of December 2015, the Company had 106,259,475 fully paid ordinary shares (ASX: TTW), 5,266,452 listed options (ASX: TTWO) and no unlisted options on issue.

On 14 August 2015, shareholders approved a Capital Return of \$0.05 per share totalling approximately \$4m. The funds were distributed to shareholders on 27 August 2015. At the time the Company had listed options on issue with an expiry date of 23 January 2016 and an exercise price of \$0.05. In accordance with ASX Listing Rules, once the Capital Return to shareholders became effective, the exercise price was reduced by \$0.05 to \$0.00.

Between the Capital Return and 31 December 2015, 13,708,410 listed option-holders elected to convert to fully-paid ordinary shares by providing an option exercise notice to the Company’s share registry.

The Company held cash reserves of \$4,812,913 at 31 December 2015.

The net operating loss after income tax for the half year was \$55,202 (2014: \$2,607,925).

The loss in 2014 was significantly impacted by an impairment charge for the Queensland and Northern Territory tenements, after a decision was taken by the new Board to relinquish these holdings. The financial impact of the impairment charge amounted to \$2,835,132. In the current six-month period the Company received tenement rental refunds of \$49,677 in relation to the unexpired period on the relinquished tenements.

On 25 August 2015, the Court of Summary Jurisdiction in the Northern Territory found the Company guilty of breaching section 35(4) of the *Mining Management Act (NT)* and was ordered to pay a fine of \$300,000. The breach related to drilling at the Company’s Tobermorey Project (EL 28710) which was subsequently relinquished. This drilling project was authorised and conducted in 2014 under the former Board of Directors. The fine was subsequently reduced to \$150,000 on appeal.

## **DIRECTORS' REPORT (CONT)**

### ***Torrington Project Update***

The Company completed the acquisition of 100% of Exploration Licences (EL) 8258 and 8355 on 24 August 2015. These tenements are held in the name of its 100% owned subsidiary Torrington Minerals Pty Ltd. These two contiguous ELs are prospective for potentially widespread shallow primary tungsten mineralisation with potential for later by-product sales of industrial grade topaz.

During the half-year, permitting and statutory applications and clearances were a time consuming and slow process; The Review of Environmental Factors studies and surveys were progressed with only the Heritage field surveys yet to be completed; A roughly 3-tonne bulk sample of mineralised silixite was collected and crushed to nominally minus 32mm and a 1.1 tonne sample then split off which was sent to the Company's preferred metallurgical laboratory for definitive tungsten extraction testwork; 50kg of low and high-grade mineralised silixite was hand-selected for production of laboratory reference materials for future analytical applications; Representative mineralised silixite was collected for bench-scale dry magnetic separation tests to ascertain the parameters under which the ferberite can be concentrated, and the topaz concentrate cleaned; and, 20kg of fresh clean mineralised and unmineralised silixite were selected for X-Ray ore sorting trials.

The Company completed and submitted its NSW Protocol and checklists for proof of extinguishment of native title in early June 2015. On 18 December 2015, Crown Law confirmed they would endeavour to have its review finalised before Christmas but failing that then early in the New Year.

The Right to Negotiate (**RTN**) process has a record date of 8 October 2015 and although the first three-month response period has passed, it is understood that extensions are being allowed by the authorities due to the Festive Season holidays and extended break taken by many. In the interim the Company is ensuring that any processes that can be run in parallel to the RTN are being done to save time later, although nothing can progress formally before its completion

Meetings have been held with scientists and institutions involved in the previous research programmes on Topaz concentrate from Torrington and all the documentation was compiled and handed to an internationally renowned research institution for third party evaluation. Their conclusion was that the research completed by CSIRO and University of NSW was of extremely high standard and that no further or verification test-work was required. They recommended the Company compile a summary report of the various studies that can be used as a basis for commercial discussions with potential end-users. This will be done as time allows.

Given low commodity prices in general and the amount of topaz contained in the silixite host rock at Torrington, a lot of time is being spent on research into the applications and markets for the topaz as any income from it will make the project more financially viable.

Lodgement of Ministerial approvals and permitting which can only be done upon completion of the RTN - and are dependent upon it, mean that the drilling can realistically only commence in the 2016/17 financial year.

### **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year other than as outlined above in the Review of Operations section.

**Events Subsequent to 31 December 2015**

Subsequent to 31 December 2015, the consolidated entity issued a further 2,673,765 fully paid ordinary shares after receiving Exercise Notices from holders of the Company's listed option (TTWO).

The Company's listed options (TTWO) had an expiry date of 23 January 2016. At the expiry date 2,592,687 options had not been exercised and have now lapsed.

**Auditor's Independence Declaration**

The Company's auditor has provided their independence declaration. This is on the following page of this directors' report.

Signed in accordance with a resolution of the Board of Directors



Leon Pretorius – Executive Chairman

Brisbane, 9 February 2016

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## DECLARATION OF INDEPENDENCE BY C R JENKINS TO THE DIRECTORS OF TOPTUNG LIMITED

As lead auditor for the review of TopTung Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

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

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



**C R Jenkins**

Director

**BDO Audit Pty Ltd**

Brisbane, 9 February 2016

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**Consolidated Statement of Profit & Loss and Other Comprehensive Income  
for the half-year ended 31 December 2015**

	Notes	Half-year December 2015 \$	Half-year December 2014 \$
<b>Revenue</b>			
Interest Income		85,645	119,590
Profit on sale of fixed asset		1,968	3,962
Penalties & Fines (write-back)		148,923	-
Refund of EL tenement rentals		49,677	-
<b>Expenses</b>			
Depreciation and amortisation expense		(15,371)	(20,271)
Employment costs		(21,207)	(74,829)
Directors fees		(64,800)	(63,695)
Contractors (management)		(38,662)	(213,774)
Administration expenses		(201,375)	(199,047)
Interest expense		-	(15,453)
Impairment of capitalised exploration and evaluation costs	6	-	(2,835,132)
<b>Loss before income tax</b>		<b>(55,202)</b>	<b>(3,298,649)</b>
Income tax (expense)/credit	7	-	690,724
<b>Loss after income tax</b>		<b>(55,202)</b>	<b>(2,607,925)</b>
Other Comprehensive Income (net of tax)		-	-
<b>Total Comprehensive Income (Loss)</b>		<b>(55,202)</b>	<b>(2,607,925)</b>
		cents	cents
Basic earnings/(loss) per share		(0.06)	(3.24)
Diluted earnings/(loss) per share		(0.06)	(3.24)

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



**Consolidated Statement of Financial Position  
as at 31 December 2015**

		31 Dec 2015	30 June 2015
	Notes	\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		4,812,913	9,424,500
Financial assets		54,356	244,866
<b>Total current assets</b>		<u>4,867,269</u>	<u>9,669,366</u>
<b>Non-current assets</b>			
Other assets		20,000	47,500
Property, plant and equipment		102,202	117,573
Exploration and evaluation assets	8	1,030,860	-
<b>Total non-current assets</b>		<u>1,153,062</u>	<u>165,073</u>
<b>Total assets</b>		<u>6,020,331</u>	<u>9,834,439</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		15,568	51,160
Provisions	6	8,000	300,000
Employee benefits		-	15,171
<b>Total current liabilities</b>		<u>23,568</u>	<u>366,331</u>
<b>Total liabilities</b>		<u>23,568</u>	<u>366,331</u>
<b>Net assets</b>		<u>5,996,763</u>	<u>9,468,108</u>
<b>EQUITY</b>			
Contributed equity	4	7,737,623	11,404,778
Option reserve	5	583,089	583,089
Acquisition Reserve	5	251,012	-
Accumulated losses		(2,574,961)	(2,519,759)
<b>Total equity</b>		<u>5,996,763</u>	<u>9,468,108</u>

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

**Consolidated Statement of Cash Flows**  
**for the half-year ended 31 December 2015**

	Half-year December 2015	Half-year December 2014
<b>Cash flows from operating activities</b>	<b>\$</b>	<b>\$</b>
Cash paid to suppliers and employees	(301,093)	(498,281)
Northern Territory fine & legal fees	(213,400)	-
Interest received	72,591	56,814
Interest paid	-	(13,397)
R&D Tax Offset received	-	91,311
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(441,902)</b>	<b>(363,553)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,589)	(146,466)
Payments for exploration and evaluation	(202,265)	(625,639)
Refund of tenement rental on relinquishment	51,993	-
Receipt of (Payment for) security deposits	14,331	5,000
Transfers to term deposits (>3mths)	-	(4,025,317)
Transfers from term deposits (>3mths)	-	5,140,317
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(142,530)</b>	<b>347,895</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	4,933
Finance lease repayment	-	(26,314)
Drawdown of mortgage loan	-	325,000
Repayment of mortgage loan	-	(325,000)
Capital Return (5 cents per share)	(4,027,155)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(4,027,155)</b>	<b>(21,381)</b>
Net increase (decrease) in cash and cash equivalents	(4,611,587)	(37,039)
Cash and cash equivalents at beginning of period	9,424,500	5,814,959
<b>Cash and cash equivalents at end of period</b>	<b>4,812,913</b>	<b>5,777,920</b>

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

**Consolidated Statement of Changes in Equity  
for the half-year ended 31 December 2015**

	<b>Contributed Equity</b>	<b>Accumulated Profit/(Losses)</b>	<b>Acquisition Reserve</b>	<b>Option Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance as at 30 June 2014	11,397,720	709,569	-	583,089	12,690,378
Loss after income tax		(2,607,925)	-		(2,607,925)
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income	-	(2,607,925)	-	-	(2,607,925)
<b>Transactions with owners in their capacity as owners:</b>					
Issue of shares	4,934	-	-	-	4,934
Share-based payment expense	-	-	-	-	-
<b>Balance at 31 December 2014</b>	<b>11,402,654</b>	<b>(1,898,356)</b>	<b>-</b>	<b>583,089</b>	<b>10,087,387</b>
<b>Balance at 30 June 2015</b>	<b>11,404,778</b>	<b>(2,519,759)</b>	<b>-</b>	<b>583,089</b>	<b>9,468,108</b>
Loss after income tax	-	(55,202)			(55,202)
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income		(55,202)			(55,202)
<b>Transactions with owners in their capacity as owners:</b>					
Issue of shares	360,000	-	-	-	360,000
Contingent acquisition consideration	-	-	251,012	-	251,012
Capital Return	(4,027,155)	-	-	-	(4,027,155)
Share-based payment expense	-	-	-	-	-
<b>Balance at 31 December 2015</b>	<b>7,737,623</b>	<b>(2,574,961)</b>	<b>251,012</b>	<b>583,089</b>	<b>5,996,763</b>

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

**Notes to the Financial Statements  
for the half-year ended 31 December 2015**

**Note 1. CORPORATE INFORMATION**

The half-year financial report of TopTung Limited for the six months ended 31 December 2015 was authorised for issue in accordance with a resolution of the directors on 9th February 2016, as required by the Corporations Act 2001.

TopTung Limited is a company limited by shares incorporated in Australia

**Note 2. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS**

This general purpose financial report for the interim half-year reporting period ended 31 December 2015 has been prepared in accordance with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Act 2001.

This interim report does not include all the notes of the type normally included in an annual financial report and, therefore, cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investment activities of the group as the full financial report. Accordingly, this interim financial report is to be used in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by the group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial report has been prepared on a going concern basis.

**New, revised or amending Accounting Standards and Interpretations adopted**

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

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

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

**Contingent consideration**

Contingent consideration is amounts payable in the future by the company in either cash or equity interest. These amounts are discounted to their present value as at the date of exchange. The discount rate used is the company's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability.

**Notes to the Financial Statements**  
**for the half-year ended 31 December 2015**

**Note 3. SEGMENT INFORMATION**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia. Operating segments are determined on the basis of financial information reported to the Board, which is at the Group level. The Group does not have any products/services where it derives revenue.

Management currently identifies the Group as having only one operating segment, being exploration. All significant operating decisions are based upon analysis of the Group as one segment. The financial results from the segment are equivalent to the financial statements of the Group as a whole.

**Note 4. CONTRIBUTED EQUITY**

	31 December 2015		30 June 2015	
	No.Share	\$	No.Share	\$
<b>Share capital</b>				
<i>Ordinary shares</i>				
Fully paid	106,259,475	7,737,623	80,551,065	11,404,778

**Movements in ordinary share capital**

Date	Details	Notes	Number of shares	Issue price \$	\$
30 June 15	Opening balance		80,551,065	-	11,404,778
24-Aug-15	Capital Return		-	(0.05)	(4,027,155)
24-Aug-15	Resolve Share Issue		12,000,000	0.03	360,000
28-Aug-15	Bonus option conversion		7,417,943	0.00	0.00
30-Sep-15	Bonus option conversion		2,399,470	0.00	0.00
30-Oct-15	Bonus option conversion		1,318,194	0.00	0.00
1-Dec-15	Bonus option conversion		26,575	0.00	0.00
31-Dec-15	Bonus option conversion		2,546,228	0.00	0.00
31-Dec-15	Closing Balance		106,259,475		7,737,623

**Notes to the Financial Statements**  
**for the half-year ended 31 December 2015**

**Note 5. RESERVES**

**Movements in share option reserve**

Date	Details	Notes	Number of options	Fair value at date of issue	\$
<b>Option Reserve</b>					
30 June 2015	Balance		20,474,862		583,089
28 November 2015	Options expired		(1,500,000)		-
July-Dec 2015	Options exercised		(13,708,410)		-
31 December 2015	Balance		5,266,452		583,089
<b>Acquisition Reserve (Note 8)</b>					251,012

**Note 6. EXPENSES**

During the period, the Group had the following significant items in expenditure:

	Half-year December 2015	Half-year December 2014
	\$	\$
Penalties & fines (provision write-back)- (a)	148,923	-
Impairment of capitalised exploration and evaluation costs-(b)	-	(2,835,132)

**Note (a)**

On 25 August 2015 the Court of Summary Jurisdiction in the Northern Territory found the Company guilty of breaching section 35(4) of the *Mining Management Act (NT)* and was ordered to pay a fine of \$300,000. The breach related to drilling at the Company's Tobermorey Project (EL 28710) which has subsequently been relinquished. This drilling project was authorised and conducted in 2014 under the former Board of Directors. A provision of \$300,000 was raised at 30 June 2015 in this regard.

During the half-year, the Company appealed the decision in the Supreme Court of the Northern Territory and submissions were delivered to the Chief Justice at a hearing held on 13 October 2015. The Company was informed on 22 October 2015 that the fine would be reduced from \$300,000 to \$150,000 on the basis that the original ruling was manifestly excessive.

## Notes to the Financial Statements

for the half-year ended 31 December 2015

### Note 6. EXPENSES - Continued

#### Note (b)

On a six monthly basis, the Company performs an impairment analysis of all exploration tenements as required under AASB 6. This assessment was performed by the Board, management and a geological consultant and, while it has been established that there are some projects which may attract Joint Venture partners, the majority of the tenements have been sufficiently explored to the point that the Company cannot warrant any further exploration expenditure. The Company intends to relinquish the low prospectively holdings as soon as possible after all statutory requirements have been met, including rehabilitation. This evaluation has brought rise to the Board resolving to write off the balance of the capitalised exploration and evaluation expenditure costs resulting in an impairment charge of \$2,835,132 as at 31 December 2014.

### Note 7. INCOME TAX (EXPENSE) / CREDIT

The components of income tax expense comprise:	Half-year December 2015 \$	Half-year December 2014 \$
Current tax	-	-
Deferred tax	-	599,413
R&D tax offset- 2013	-	91,311
Income Tax (expense) / credit	-	690,724

### Note 8. EXPLORATION & EVALUATION ASSETS

	31 Dec 2015 \$	30 June 2015 \$
<b>Capitalised exploration and evaluation expenditure</b>		
Exploration of tenements	1,030,860	2,735,677
Less: Exploration written off	-	(2,735,677)
Closing Balance	1,030,860	-

The company acquired two exploration licences during the half year – Torrington Project.

Recovery of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

**Notes to the Financial Statements**  
**for the half-year ended 31 December 2015**

**Note 8. EXPLORATION & EVALUATION ASSETS - Continued**

	<b>31 Dec 2015</b>	<b>30 June 2015</b>
	<b>\$</b>	<b>\$</b>
<b>Torrington Project</b>		
Opening balance	-	-
Acquisition advance- 30 June 2015	233,829	-
Acquisition consideration at settlement	611,012	-
Expenditure incurred during the period	196,019	-
Closing Balance	<u>1,030,860</u>	<u>-</u>

During the period the Company completed a transaction to acquire Exploration Licences 8258 and 8355 in the name of its 100% owned subsidiary Torrington Minerals Pty Ltd. The transaction was settled partly through the issue of 12m fully paid ordinary shares (the fair value at the time being \$0.03).

The Company also agreed to a contingent consideration on the following terms:

- a) 6,000,000 shares (Tranche 2) to be issued on preparation of a Preliminary Feasibility Study for the tenements or 30 January 2016, whichever occurs first; and
- b) A further 6,000,000 shares (Tranche 3) to be issued on obtaining Board approval for a Final Investment Decision (FID) and applying for one or more Mining Leases in relation to the FID, whichever occurs later.

The value ascribed to this contingent consideration and recorded as a reserve at 31 December 2015 was \$251,012.

**Note 9. CONTINGENT ASSETS AND LIABILITIES**

There have been no changes in contingent liabilities or contingent assets since the last annual reporting date, 30 June 2015.

**Note 10. EVENTS SUBSEQUENT TO BALANCE DATE**

Subsequent to 31 December 2015, the consolidated entity issued a further 2,673,765 fully paid ordinary shares after receiving Exercise Notices from holders of the Company's listed option (TTWO).

The Company's listed options (TTWO) had an expiry date of 23 January 2016. At the expiry date 2,592,687 options had not been exercised and have now lapsed.

**Note 11. SUBSIDIARY COMPANY**

Korella Phosphate Pty Ltd a dormant subsidiary was deregistered during the period.



## DECLARATION BY DIRECTORS

The Directors of the Company declare that:

1. The financial statements, comprising the consolidated statement of profit and loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**Dr Leon Pretorius**  
Executive Chairman

Brisbane, 9 February 2016

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of TopTung Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of TopTung Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit & loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

### Directors' Responsibility for the Half-Year Financial Report

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

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of TopTung Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of TopTung Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of TopTung Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

**BDO Audit Pty Ltd**



**C R Jenkins**

Director

Brisbane, 9 February 2016

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