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**Coronado Resources Limited**

ACN 149 318 749

**Financial Report 2014**

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ACN 149 318 749

## Financial Report 2014

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# Directors' Report

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## Directors' Report

Your directors of the Company present their report on Coronado Resources Limited ("CRL" "Company") for the financial period 1 July 2013 to 30 June 2014 ("financial period").

### Directors

The names of the directors in office at any time during or since the end of the financial period are:-

Ananda Kathiravelu  
Philip Alexander Rodionoff (resigned 1 May 2015)  
Hersh Solomon Majteles  
Daniel Moore (appointed 31 March 2015)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

### Company Secretary

The following persons held the position of company secretary at the end of the financial period.

Ananda Kathiravelu  
Damon Sweeny

### Principal Activities

The Company has remained largely inactive since its incorporation on 15 February 2011 to the end of this financial period. Activity has been restricted to administration and capital raising costs.

There were no changes in the nature of the Company's principal activities during the financial period.

### Operating Results

The operating loss after income tax amounted to \$92,372.

### Dividends Paid or Recommended

No dividends were paid or are payable for the financial period.

### Review of Operations

The Company had no trading activity in the current period.

### Financial Position

The net liabilities of the Company at 30 June 2014 were \$70,244

### Significant Changes in State of Affairs

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

### After Balance Date Events

Since the balance date, the following significant events have occurred;

- 31 March 2015 - appointment of Daniel Moore as new director.
- 1 May 2015 – resignation of Philip Rodionoff.
- 7 May 2015 – entered an option agreement to acquire 100% of the issued capital in Update Pharma Inc. (a company incorporated in the USA) which owns patents on a cancer drug called Bisantrene; a Phase II/III drug with 44 clinical studies behind it and already approved in France for one cancer (AML). The Company has paid an option facilitation fee of \$25,000 and exercised the option on 24 June.
- 4 June 2015 – the directors resolved to make a call on all outstanding partly paid capital to raise \$330,000. At the date of this report \$33,600 has been paid up, with \$296,400 remaining to be paid on the call. The Company has also received application funds for shares not yet allotted totalling \$145,250.

## Directors' Report

- 22 June 2015 – granted a secured short term loan with a balance of \$90,000 at an interest rate of 1% per month to a related party (having two directors in common).

Apart from as disclosed above, no matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### Future Developments, Prospects and Business Strategies

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as no such developments are apparent.

### INFORMATION ON DIRECTORS

	Special Responsibilities	Directors' Meetings	
		Number eligible to attend	Number attended
Ananda Kathiravelu	Director	2	2
Philip Alexander Rodionoff	Director	2	2
Hersh Solomon Majteles	Director	2	2
Daniel Moore	Director	-	-
<b>Ananda Kathiravelu</b>	— Director & Company Secretary		
Qualifications	— Mr Kathiravelu holds a Bachelor of Business and a Graduate Diploma of Applied Finance and Investment, and is an associate of the Securities Institute of Australia.		
Experience	— Ananda Kathiravelu has been in the financial services funds management and stockbroking industries for over 18 years. Mr Kathiravelu is the managing director of Armada Capital Limited, and was a non-executive director of Pryme Oil and Gas Limited from the 1 <sup>st</sup> December 2005 until the 14 <sup>th</sup> October 2009. His areas of expertise include corporate advice, capital raising, mergers and acquisitions. His focus is in the small cap and resource sectors.		
Interest in Shares and Options	— Has an interest directly and/or indirectly in 1,000,001 fully paid ordinary shares.		
Directorships held in listed entities	— Ananda Kathiravelu is the non-executive chairman of Potash Minerals Ltd (Appointed 10 August 2006), executive director of Promesa Limited and non executive director of Radar Iron Ltd.		
<b>Philip Alexander Rodionoff</b>	— Director		
Qualifications	— Dr Rodionoff holds tertiary qualifications in medicine, science, education, religion, management, applied finance and financial services. He is a graduate member of the Australian Institute of Company Directors and a fellow of the Financial Services Institute of Australasia.		
Experience	— As well as his Board experience, Dr Rodionoff's extensive tertiary qualifications means he will bring to the Company his own, independent thought process and ability to critically analyse potential projects of the Company.		
Interest in Shares and Options	— Has an interest directly and/or indirectly in 1,000,000 fully paid ordinary shares and 700,000 partly paid 10 cent shares.		
Directorships held in listed entities	— None.		

## Directors' Report

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<b>Hersh Solomon Majteles</b>	—	Director
Qualifications	—	Mr Majteles has been in private legal practice since 1972 and has over 35 years experience in business, corporate, property and commercial law and practise. He is a Fellow of the Australian Institute of Company Directors, a member of the Property Council of Australia and has been a member of the Law Society/REIWA General Conditions for Sale of Land Permanent Committee since 1990.
Experience	—	Mr Majteles' legal experience will assist the Company in documenting and negotiating the terms of any future acquisition agreements as well as structuring the agreements necessary to give rise to future transactions. In addition, his experience over many years with companies that have been engaged in the commercialisation of biotechnology, the acquisition and exploration of prospects for oil and gas, gold, nickel, coal, uranium and base metals, will place him in good stead to assist the Board in evaluating potential investment opportunities.
Interest in Shares and Options	—	Has an interest directly and/or indirectly in 1,450,000 fully paid ordinary shares and 645,000 partly paid 10 cent shares.
Directorships held in listed entities	—	Non executive chairman of Promesa Limited and Metals Australia Limited and a Non executive director of Power Resources Limited, Prime Minerals Limited and Blaze International Limited.

<b>Daniel Moore</b>	—	Director
Qualifications	—	Mr Moore holds a Bachelor of Economics and Law.
Experience	—	Mr Moore has spent the last 10 years working as a Financial Advisor for Wilson HTM. His main focus in that time was emerging companies and equity capital markets. Before that he worked for Morgan Stanley in London for 4 years.
Interest in Shares and Options	—	NIL.
Directorships held in listed entities	—	Non executive director of Stratum Metals Limited,

**Matthew Fogarty** — Company Secretary ceased 21 January 2014

<b>Damon Sweeny</b>	—	Company Secretary appointed 21 January 2014
Qualifications	—	Mr Sweeny holds an MBA from Curtin University Australia, and a Graduate Diploma of Applied Corporate Governance from Chartered Secretaries Australia.
Experience	—	Damon has 29 years experience in the mining, accounting and governance fields. Damon has held directorships or company secretarial positions in a number of private and ASX-listed entities for over 13 years. Damon has a strong financial and management reporting background.
Interest in Shares and Options	—	Nil.
Directorships held in other listed entities	—	None.

### Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

## Directors' Report

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### Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial period, for any person who is or has been an officer or auditor of the Company.

### Options

At the date of this report, no options were on issue by the Company.

### Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 5 for the period ended 30 June 2014.

This report is signed in accordance with a resolution of the Board of Directors.



**Ananda Kathiravelu**  
**Director**

DATED at PERTH this 6<sup>th</sup> day of August 2015

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To The Board of Directors

### **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001**

As lead audit director for the audit of the financial statements of Coronado Resources Limited for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

**BENTLEYS**  
**Chartered Accountants**

**DOUG BELL CA**  
**Director**

Dated at Perth this 6<sup>th</sup> day of August 2015



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- Accountants
- Auditors
- Advisors

# Statement of Profit or Loss & Other Comprehensive Income

for the period ended 30 June 2014

	Note	2014 \$	2013 (restated) \$
Revenue		-	-
Interest received		2,841	2,974
Administrative expenses		(7,240)	(9,771)
Accounting and audit fees	11	(8,000)	(3,350)
Other expenses		(79,973)	(30,000)
Loss from ordinary activities before income tax expense		(92,372)	(40,147)
Income tax expense relating to ordinary activities	14	-	-
Loss from ordinary activities after income tax expense		(92,372)	(40,147)
Other comprehensive income		-	-
Total comprehensive income for the year attributable to members of the Company		(92,372)	(40,147)

The accompanying notes form part of these financial accounts



# Statement of Financial Position

as at 30 June 2014

	Note	2014 \$	2013 (restated) \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	48,278	104,190
Trade and other receivables	4	13,524	8,163
<b>TOTAL CURRENT ASSETS</b>		<u>61,802</u>	<u>112,353</u>
<b>NON CURRENT ASSETS</b>			
<b>TOTAL NON-CURRENT ASSETS</b>		<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u>61,802</u>	<u>112,353</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	132,046	90,225
<b>TOTAL CURRENT LIABILITIES</b>		<u>132,046</u>	<u>90,225</u>
<b>NON CURRENT LIABILITIES</b>			
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u>132,046</u>	<u>90,225</u>
<b>NET (LIABILITIES) /ASSETS</b>		<u>(70,244)</u>	<u>22,128</u>
<b>EQUITY</b>			
Issued and unissued capital	6	110,000	110,000
Accumulated losses		(180,244)	(87,872)
<b>TOTAL EQUITY</b>		<u>(70,244)</u>	<u>22,128</u>

The accompanying notes form part of these financial accounts

# Statement of Changes in Equity

for the period ended 30 June 2014

	Note	Issued and Unissued Capital \$	Accumulated Losses \$	Total \$
Balance at 1 July 2013		110,000	(87,872)	22,128
Issue of share capital	6	20,000	-	20,000
Shares applied for but unissued	6	(20,000)	-	(20,000)
Loss attributable to members		-	(92,372)	(92,372)
<b>SUB-TOTAL</b>		110,000	(180,244)	(70,244)
Dividends paid or provided for		-	-	-
<b>BALANCE AT 30 JUNE 2014</b>		110,000	(180,244)	(70,244)

	Note	Issued and Unissued Capital \$	Accumulated Losses \$	Total \$
Balance at 1 July 2012 (restated)		110,000	(47,725)	62,275
Issue of share capital		75,000	-	75,000
Shares applied for but unissued		(75,000)	-	(75,000)
Loss attributable to members		-	(40,147)	(40,147)
<b>SUB-TOTAL</b>		110,000	(87,872)	22,128
Dividends paid or provided for		-	-	-
<b>BALANCE AT 30 JUNE 2013 (restated)</b>		110,000	(87,872)	22,128

The accompanying notes form part of these financial accounts

# Statement of Cash Flows

for the period ended 30 June 2014

	Note	2014 \$	2013 (restated) \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		2,841	2,974
Payments to suppliers		(42,402)	(4,873)
<b>Net Cash Used in Operating Activities</b>	7(b)	(39,561)	(1,899)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Loans to related entities		(149,893)	-
Loans repaid from related entities		133,542	-
<b>Net Cash Provided by Investing Activities</b>		(16,351)	-
<b>CASH FLOWS FROM FINANCING ACITIVITIES</b>			
<b>Net Cash Provided by Financing Activities</b>		-	-
Net decrease in cash held		(55,912)	(1,899)
Cash at beginning of the period		104,190	106,089
<b>Cash at end of the year</b>	7(a)	48,278	104,190

The accompanying notes form part of these financial accounts

# Notes to the Financial Statements

for the period ended 30 June 2014

## NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Coronado Resources Limited. Coronado Resources Limited is a public company, incorporated and domiciled in Australia.

The financial report of Coronado Resources Limited complies with all International Financial Reporting Standards ("IFRS") in their entirety.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The presentation currency of the financial report is Australian dollars.

### a. Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

#### *Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

#### *Going Concern*

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the year of \$92,372 (2013: 40,147) and net cash outflows of \$55,912 (2013: 1,899).

As at 30 June 2014, the Company has a working capital deficit of \$70,244 (2013: Surplus 22,128).

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

In May 2015, the Company entered into a heads of agreement granting an option to acquire 100% of the issued capital of Update Pharma Inc paying an option facilitation fee of \$25,000. Other significant terms of the agreement are:

- the Company will raise up to \$750,000 for working capital for Update
- CRL seeking quotation on the ASX and undertaking a capital raising of at least \$5,000,000
- issue of 15,000,000 consideration shares to the shareholders of Update
- the issue of 10,000,000 performance shares on terms acceptable to the ASX.

In June 2015 the directors resolved to call all remaining unpaid capital in the Company to raise \$330,000. As at the date of this report \$33,600 has been received, with \$296,400 remaining to be paid on the call. The Company has also received application funds for shares not yet allotted totalling \$145,250.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the expected investor interest in the Company's anticipated acquisition of Update Pharma Inc, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

# Notes to the Financial Statements

for the period ended 30 June 2014

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## b. Trading

The company has remained largely inactive since its incorporation on 15 February 2011 to the end of this financial year. Activity has been restricted to administration and capital raising costs.

## c. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant tax authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

## d. Financial Instruments

### *Initial Recognition and Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

### *Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

# Notes to the Financial Statements

for the period ended 30 June 2014

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## Classification and Subsequent Measurement

### (i) *Financial assets at fair value through profit and loss*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.

### (ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

### (iii) *Held-to-maturity investments*

These investments have fixed maturities, and it is the Company's intention to hold these investments to maturity. Any held-to-maturity investments held by the Company are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

### (iv) *Available-for-sale financial assets*

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

### (v) *Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

### (vi) *Derivative instruments*

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the statement of comprehensive income unless they are designated as hedges.

## Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

## Impairment

At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

# Notes to the Financial Statements

for the period ended 30 June 2014

## e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

## f. Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

## g. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

## h. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

### *Key Estimate – Taxation*

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

## i. Restatement of comparatives

### *Correction of error*

The Company has had a service agreement in place with Armada Capital Ltd since 15 February 2011. A monthly retainer of \$2,500 per month is payable for executive administrative and general office services. In error, this has not previously been recorded in the accounts, including annual audited accounts for previous periods. Tabulated below is the effect of this fee on re-stated values in these accounts..

<b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>	<b>30-Jun-13</b>		<b>30-Jun-13</b>
	REPORTED	ADJUSTMEN T	RESTATED
	\$		\$
Corporate advice expenses	-	(30,000)	(30,000)
Loss before income tax expense	(10,147)	(30,000)	(40,147)

<b>CONDENSED STATEMENT OF CHANGES IN EQUITY</b>	<b>30-Jun-13</b>		<b>30-Jun-13</b>
	REPORTED	ADJUSTMEN T	RESTATED
	\$		\$
Accumulated Losses - Balance at 1 July 2013	(16,622)	(71,250)	(87,872)

# Notes to the Financial Statements

for the period ended 30 June 2014

## STATEMENT OF FINANCIAL POSITION

	30-Jun-13 REPORTED \$	ADJUSTMEN T	30-Jun-13 RESTATE D \$
<b>ASSETS</b>			
Trade and other receivables	1,038	7,125	8,163
<b>Total Current Assets</b>	<b>105,228</b>	<b>7,125</b>	<b>112,353</b>
<b>Total Assets</b>	<b>105,228</b>	<b>7,125</b>	<b>112,353</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	11,850	78,375	90,225
<b>Total Current Liabilities</b>	<b>11,850</b>	<b>78,375</b>	<b>90,225</b>
<b>Total Liabilities</b>	<b>11,850</b>	<b>78,375</b>	<b>90,225</b>
<b>Net Assets/(liabilities)</b>	<b>93,378</b>	<b>(71,250)</b>	<b>22,128</b>
<b>EQUITY</b>			
Accumulated losses	(16,622)	(71,250)	(87,872)
<b>Total Equity</b>	<b>93,378</b>	<b>(71,250)</b>	<b>22,128</b>

## NOTE 2. KEY MANAGEMENT COMPENSATION

	Short-term Benefits \$	Post- employment Benefits \$	Other Long-term Benefits \$	Termination Benefits \$	Share based Payment \$	Total \$
<b>2014</b>						
Total compensation	-	-	-	-	-	-
<b>2013</b>						
Total compensation	-	-	-	-	-	-

No compensation was paid to management during the period, although some payments were made to entities associated with management as set out in Note 15

2014	2013 (restated)
\$	\$

## NOTE 3. CASH AND CASH EQUIVALENTS

Cash on hand	48,278	104,190
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## NOTE 4. TRADE AND OTHER RECEIVABLES

Other receivables	13,524	8,163
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## NOTE 5. TRADE AND OTHER PAYABLES

Trade creditors	132,046	90,225
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# Notes to the Financial Statements

for the period ended 30 June 2014

## NOTE 6. ISSUED AND UNISSUED CAPITAL

	2014	2013
	\$	\$
Issued Capital	90,000	90,000
Shares issued during the period	20,000	-
Shares applied for but unissued	-	20,000
	110,000	110,000

The Company has issued share capital amounting to 11,000,001 ordinary shares of no par value and the Company does not have a limited amount of authorised capital.

a. Ordinary shares (No. of shares)	2014	2013
At beginning of year	10,000,001	7,500,001
Shares issued during the period	1,000,000	2,500,000
At end of the year	11,000,001	10,000,001

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

b. Shares applied for but unissued - 10 cent Partly Paid shares (No. of shares)	2014	2013 (restated)
At beginning of year	1,000,000	2,250,000
Partly paid shares at 10 cents applied for during the period, paid to 2 cents	(1,000,000)	-
Partly paid shares at 10 cents paid up during the year	-	(1,250,000)
At end of the year	-	1,000,000

c. Shares applied for but unissued - 16 cent Party Paid shares (No. of shares)	2014	2013
At beginning of year	-	1,250,000
Partly paid shares at 16 cents applied for during the period, payable to 4 cents	-	-
Partly paid shares at 16 cents paid up during the year	-	(1,250,000)
At end of the year	-	-

### d. Capital management

The Company has remained largely inactive since its incorporation on 15 February 2011 to the end of this financial period. Activity has been restricted to administration and capital raising costs.

	2014	2013 (restated)
	\$	\$

## NOTE 7. CASH FLOW INFORMATION

### (a) Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	48,278	104,190
	48,278	104,190

# Notes to the Financial Statements

for the period ended 30 June 2014

	2014	2013
	\$	(restated) \$
<b>(b) Reconciliation of Cash Flow from Operations with Operating Loss after Income Tax</b>		
Operating loss after income tax	(92,372)	(40,147)
<i>Changes in assets and liabilities</i>		
Decrease / (increase) in receivables	(5,361)	-
Increase/ (decrease) in payables	58,172	38,248
Net Cash Flow used in Operating Activities	<u>(39,561)</u>	<u>(1,899)</u>

## NOTE 8. EVENTS AFTER THE BALANCE SHEET DATE

Since the balance date, the following significant events have occurred;

- 31 March 2015 - appointment of Daniel Moore as new director.
- 1 May 2015 – resignation of Philip Rodionoff.
- 7 May 2015 – entered an option agreement to acquire 100% of the issued capital in Update Pharma Inc. (a company incorporated in the USA) which owns patents on a cancer drug called Bisantrene; a Phase II/III drug with 44 clinical studies behind it and already approved in France for one cancer (AML). The Company has paid an option facilitation fee of \$25,000 and exercised the option on 24 June.
- 4 June 2015 – the directors resolved to make a call on all outstanding partly paid capital to raise \$330,000. At the date of this report \$33,600 has been paid up, with \$296,400 remaining to be paid on the call. The Company has also received application funds for shares not yet allotted totalling \$145,250.
- 22 June 2015 – granted a secured short term loan with a balance of \$90,000 at an interest rate of 1% per month to a related party (having two directors in common).

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## NOTE 9. FINANCIAL INSTRUMENTS

### (a) Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks.

Derivatives are not currently used by the Company for hedging purposes. The Company does not speculate in the trading of derivative instruments.

#### i. Financial Risks

The main risk the Company is exposed to through its financial instruments is interest rate risk. The Company is not exposed to any other significant financial risk.

### (b) Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

# Notes to the Financial Statements

for the period ended 30 June 2014

	Floating Interest Rate		Fixed Interest Rate				Non Interest Bearing		Total		Weight Effective Interest Rate	
	2014	2013	1 Year or Less		1 to 5 Years		2014	2013 Restated	2014	2013 Restated	2014	2013
			2014	2013	2014	2013						
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>FINANCIAL ASSETS</b>												
Cash	48,278	104,190	-	-	-	-	-	-	48,278	104,190	-	-
Trade and other receivables	-	-	-	-	-	-	13,524	8,163	13,524	8,163	-	-
<b>Total Financial Assets</b>	<b>48,278</b>	<b>104,190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,524</b>	<b>8,163</b>	<b>61,802</b>	<b>112,353</b>	<b>-</b>	<b>-</b>
<b>FINANCIAL LIABILITIES</b>												
Other loan/creditors	-	-	-	-	-	-	132,046	90,225	132,046	90,225	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,046</b>	<b>90,225</b>	<b>132,046</b>	<b>90,225</b>	<b>-</b>	<b>-</b>

The carrying value of the Company's financial instruments equate to their fair value.

## NOTE 10. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets and liabilities.

## NOTE 11. AUDITOR REMUNERATION

	2014	2013
	\$	\$
Bentleys Audit & Corporate (WA) Pty Ltd have provided audit services for the period.	8,000	3,350
At no time has the company provided any non-audit services.		

## NOTE 12. SEGMENT REPORTING

### Identification of reportable segments

The Company 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 information presented in the financial report is the same information that is reviewed by the directors'.

The Company is currently operative in one geographic region being Western Australia. The Company 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.

## NOTE 13. COMMITMENTS

At the date of this report there are no leasing or capital commitments.

# Notes to the Financial Statements

for the period ended 30 June 2014

<b>NOTE 14. TAX</b>	<b>2014</b>	<b>2013 (restated)</b>
	\$	\$
(a) Prima facie tax on loss from ordinary activities before income tax is reconciled to income tax as follows:		
Prima facie tax payable on loss from ordinary activities before income tax at	(27,712)	(12,044)
Add:		
Tax effect of:		
Other non-allowable items	-	-
Less:		
Tax effect of:		
Temporary differences	300	150
Non-recognition of tax losses	27,412	11,894
	-	-
The applicable weighted average effective tax rate are as follows:	0%	0%
Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1c. occur:		
- temporary differences	450	150
- tax losses: operating losses	53,623	26,212

## NOTE 15. RELATED PARTY TRANSACTIONS

### Related Parties

#### (a) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

<i>i. Key management personnel:</i>	<b>2014</b>	<b>2013 (restated)</b>
\$19,800 was paid for advisory services provided by Armada Capital Ltd, an entity associated with the director Ananda Kathiravelu. \$4,083.39 was paid for accounting services provided by Fogarty Partners, an entity associated with the former company secretary Matthew Fogarty.	\$ 23,883	\$ -

<b>(b) Amounts outstanding from related parties:</b>	<b>2014</b>	<b>2013 (restated)</b>
There are no outstanding amounts from related parties.	\$ -	\$ -
<b>(c) Amounts payable to related parties:</b>	<b>2014</b>	<b>2013 (restated)</b>
\$73,075 is outstanding for fees payable to Armada Capital Ltd, an entity related to Ananda Kathiravelu.	73,075	46,075
There are no other outstanding amounts to related parties.		

# Notes to the Financial Statements

for the period ended 30 June 2014

## NOTE 16. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

### Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below.

When an entity has not applied a new Accounting Standard that has been issued but is not yet effective, the entity shall disclose:

- (a) this fact; and
- (b) known or reasonably estimable information relevant to assessing the possible impact that application of the new Accounting Standard will have on the entity's financial report in the period of initial application.

In complying with the requirements above, an entity considers disclosing:

- (a) the title of the new Accounting Standard;
- (b) the nature of the impending change or changes in accounting policy;
- (c) the date by which application of the Accounting Standard is required;
- (d) the date as at which it plans to apply the Accounting Standard initially; and
- (e) either:
  - i. a discussion of the impact that initial application of the Accounting Standard is expected to have on the entity's financial report; or
  - ii. if that impact is not known or reasonably estimable, a statement to that effect.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards <sup>1</sup>	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2017	30 June 2018
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2014-6 'Amendments to Australian Accounting Standards – Agriculture: Bearer Plants'	1 January 2016	30 June 2017
AASB 2014-9 'Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements'	1 January 2016	30 June 2017
AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2016	30 June 2017

# Notes to the Financial Statements

for the period ended 30 June 2014

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	1 July 2015	30 June 2016
AASB 2015-4 'Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent'	1 July 2015	30 June 2016
AASB 2015-5 'Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception'	1 January 2016	30 June 2017

1 The AASB has issued the following versions of AASB 9:

- AASB 9 'Financial Instruments' (December 2009) and the relevant amending standard;
- AASB 9 'Financial Instruments' (December 2010) and the relevant amending standards;
- AASB 2013-9 'Amendment to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments', Part C – Financial Instruments
- AASB 9 'Financial Instruments' (December 2014) and the relevant amending standards

All the standards have an effective date of annual reporting periods beginning on or after 1 January 2018. Either AASB 9 (December 2009) or AASB 9 (December 2010) can be early adopted if the initial application date is before 1 February 2015. After this date only AASB 9 (December 2014) can be early adopted.

Note that the following new Standards and Interpretations are not applicable for the Company but are relevant for the period:

AASB 14 'Regulatory Deferral Accounts' and AASB 2014-1 'Amendments to Australian Accounting Standards – Part D: 'Consequential Amendments arising from AASB 14' is not applicable to the Company as the Company is not a first-time adopter of Australian Accounting Standards.

AASB 1056 'Superannuation Entities' is not applicable to the Company as the Company is not a superannuation entity.

AASB 2015-6 'Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities' is not applicable to the Company as the Company is a for-profit entity.

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

At the date of publication, there have been no IASB Standards or IFRIC Interpretations that are issued but not yet effective.

## NOTE 17. COMPANY DETAILS

The registered office of the Company is:  
Suite 8, Level 2  
55 Hampden Rd, Nedlands WA 6009

The principal places of business of the Company are:  
Suite 8, Level 2  
55 Hampden Rd, Nedlands WA 6009

## Directors' Declaration

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The directors of the Company declare that:

1. The financial statements and notes, set out on pages 6 to 20 are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards;
  - (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as noted in note 1 to the financial statements; and
  - (c) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the period ended on that date of the Company.
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, made pursuant to section 295(5) of the Corporations Act 2001.



**Ananda Kathiravelu**  
**Director**

DATED at PERTH this 6th day of August 2015

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## Independent Auditor's Report

### To the Members of Coronado Resources Limited

We have audited the accompanying financial report of Coronado Resources Limited ("the Entity"), which comprises the statement of financial position as at 30 June 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of accounting policies, other explanatory notes and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors of the Entity are responsible for the preparation and fair presentation of the financial report 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 financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standards AASB 101: *Presentation of Financial Statements* that the financial statements comply with *International Financial Reporting Standards*.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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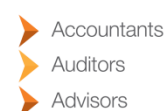
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## Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

## Opinion

In our opinion:

- a. The financial report of Coronado Resources Limited is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
  - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

## Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1(a) in the financial report which indicates that the Entity incurred a net loss of \$92,372 during the year ended 30 June 2014. This condition, along with other matters as set forth in Note 1(a), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.



**BENTLEYS**  
Chartered Accountants



**DOUG BELL CA**  
Director

Dated at Perth this 6<sup>th</sup> day of August 2015

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