



ABN 71 142 411 390

**Interim Financial Report
31 DECEMBER 2017**

Contents

DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	3
CONDENSED STATEMENT OF COMPREHENSIVE INCOME	4
CONDENSED STATEMENT OF FINANCIAL POSITION	5
CONDENSED STATEMENT OF CHANGES IN EQUITY	6
CONDENSED STATEMENT OF CASH FLOWS	7
NOTES TO THE FINANCIAL STATEMENTS	8
DIRECTORS' DECLARATION	11
INDEPENDENT AUDITOR'S REVIEW REPORT	12

DIRECTORS' REPORT

Your directors submit the financial report of the Company for the half-year ended 31 December 2017. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

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

Gary Lyons	Non-executive Chairman
Mathew Walker	Non-executive Director
Teck Wong	Non-executive Director

Review and Results of Operations

Review of Operations

Highlights during the period and since the end of the period include:

Operations

The Company continues to appraise new acquisition opportunities in order to generate shareholder value and satisfy ASX Listing Rule requirements to remove its suspension from official quotation. The Company has decided to focus on the mining sector in this regard as it deems such opportunities more consistent with the objective of shareholder value generation at this time.

Should the Company enter into any agreement regarding a new acquisition that triggers the nature or scale provisions of Chapter 11 of the ASX listing Rules, the Company will call a meeting of shareholders, in accordance with all regulatory requirements, as soon as practically possible.

Financial position

The cash balance as at 31 December 2017 was \$1,107,082. The Company continues to review and appraise new commercial opportunities both within and outside the mining sector and will advise the market of any developments in this regard if and when they eventuate.

Operating results

The loss of the Company for the period was \$142,653 (31 December 2016: \$166,425).

Auditor Independence and Non-Audit Services

Section 307C of the Corporation Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 3 and forms part of this directors' report for the half-year ended 31 December 2017.

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

Gary Lyons

Non-Executive Chairman

Perth, Western Australia; Dated this – 16th day of March 2018

AUDITOR'S INDEPENDENCE DECLARATION



Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Corizon Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in blue ink that reads 'D I Buckley'.

Perth, Western Australia

D I Buckley

16 March 2018


Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4 130 Stirling Street Perth WA 6000 | PO Box 8124 Perth BC WA 6849 | Telephone +61 (08) 9227 7500 | Fax +61 (08) 9227 7533

Email: mailbox@hbw.com.au | Website: www.hlb.com.au

Liability limited by a scheme approved under Professional Standards Legislation

HLB Mann Judd (WA Partnership) is a member of  HLB International, a world-wide organisation of accounting firms and business advisers

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Notes	31 Dec 2017 \$	31 Dec 2016 \$
Other income	2	5,554	6,543
Professional expenses	2	(29,142)	(34,860)
Employment benefits expense	2	(77,951)	(71,154)
Other administrative expenses	2	(41,114)	(66,954)
Loss before income tax expense		(142,653)	(166,425)
Income tax expense		-	-
Loss after tax from continuing operations		(142,653)	(166,425)
Discontinued operations			
Loss after tax from discontinued operations		-	-
Net loss for the period		(142,653)	(166,425)
Other comprehensive income			
Items that may be reclassified to Profit or Loss:			
Exchange differences on translation of foreign operations		-	-
Total comprehensive loss for the period		(142,653)	(166,425)
Basic and diluted loss per share (cents per share)		(0.05)	(0.05)

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

NOTES	31 Dec 2017 \$	30 Jun 2017 \$
CURRENT ASSETS		
Cash	1,107,082	1,652,489
Trade and other receivables	16,178	13,604
Other current assets	17,807	11,139
Total Current Assets	1,141,067	1,677,232
NON-CURRENT ASSETS		
Financial assets	4 395,000	-
Exploration	-	-
Total Non-Current Assets	395,000	1,677,232
TOTAL ASSETS	1,536,067	1,677,232
CURRENT LIABILITIES		
Trade and other payables	16,406	14,918
Creditors and borrowings	-	-
Total Current Liabilities	16,406	14,918
NON-CURRENT LIABILITIES		
Creditors and borrowings	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	16,406	14,918
NET ASSETS	1,519,661	1,662,314
SHAREHOLDERS' EQUITY		
Share capital	9,844,618	9,844,618
reserve	-	-
Options reserve	3 796,644	796,644
Accumulated losses	(9,121,601)	(8,978,948)
Equity attributable to owners of the parent	1,519,661	1,662,314

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Issued Capital \$	Accumulated Losses \$	Share Based Payments Reserve \$	Total Equity \$
Balance at 1 July 2016	9,844,618	(8,701,466)	796,644	1,939,796
Loss for the year	-	(166,425)	-	(166,425)
Total comprehensive loss for the period	-	(166,425)	-	(166,425)
Balance at 31 December 2016	9,844,618	(8,867,891)	796,644	1,773,371
Balance at 1 July 2017	9,844,618	(8,978,948)	796,644	1,662,314
Loss for the year	-	(142,653)	-	(142,653)
Total comprehensive loss for the period	-	(142,653)	-	(142,653)
Balance at 31 December 2017	9,844,618	(9,121,601)	796,644	1,519,661

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	31 Dec 2017 \$ Inflows/ (Outflows)	31 Dec 2016 \$ Inflows/ (Outflows)
Cash flows from operating activities		
Payments to suppliers and employees	(155,961)	(199,896)
Interest received	5,554	6,543
Net cash used in operating activities	(150,407)	(193,353)
Cash flows from investing activities		
Payments for intangible assets; Capital Investment	(395,000)	-
Net cash used in investing activities	(395,000)	-
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Net decrease in cash held	(545,407)	(193,353)
Cash and cash equivalents at the beginning of the period	1,652,489	1,961,746
Cash and cash equivalents at the end of the financial period	1,107,082	1,768,393

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2017 and any public announcements made by Corizon Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year.

Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purposes of preparing the half-year financial report, the half-year has been treated as a discrete financial reporting period.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgements made by management in applying the Company's accounting policies and the key estimates of uncertainty were the same as those applied for the year ended 30 June 2017.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2017, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods beginning on or after 1 July 2017. The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2017. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company's business and, therefore, no change necessary to Company accounting policies.

Going Concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Company's assets and the discharge of its liabilities in the normal course of business. During the half-year ended 31 December 2017 the Company recorded a net loss of \$142,653 (2016: \$166,425) and a net operating cash outflow of \$150,407 (2016: \$193,353). At the end of the half-year, the Company had a surplus of working capital of \$1,124,661 (2016: \$1,773,371) and total cash assets of \$1,107,082 (2016: \$1,768,393).

Based on the above factors, the Directors believe that the Company will be able to pay its debts as and when they fall due and realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

The following revenue and expense items are relevant in explaining the performance for the half-year from continuing operations:

	31 Dec 2017	31 Dec 2016
	\$	\$
Income		
Interest income	5,554	6,543
Expenses		
ASX and registry fees	28,188	25,111
Employee benefits expenses	78,769	71,154
Legal and professional	14,619	9,749
Other administration expenses	26,631	66,954

NOTE 3: ISSUED CAPITAL AND RESERVES

	31 December 2017		30 June 2017	
	No.	\$	No.	\$
Ordinary shares				
<i>Movement in number of fully paid ordinary shares</i>				
Opening balance	315,000,000	9,844,618	315,000,000	9,844,618
Shares issued	-	-	-	-
Transaction costs arising from issue of shares	-	-	-	-
Closing balance	<u>315,000,000</u>	<u>9,844,618</u>	<u>315,000,000</u>	<u>9,844,618</u>
Company options				
<i>Movement in number of options</i>				
Opening balance	109,343,200	796,644	109,343,200	796,644
Options issued	-	-	-	-
Lapsed Options	109,343,200	-	-	-
Closing balance	<u>-</u>	<u>796,644</u>	<u>109,343,200</u>	<u>796,644</u>

NOTE 4: FINANCIAL ASSETS

	Consolidated	
	31 December 2017	30 June 2017
	\$	\$
Listed shares – at fair value	395,000	-

This balance represents the company's shareholding of 1,975,000 shares in Lustrum Minerals Limited (ASX:LRM) acquired during the period.

This note provides information about how the Company determines fair values of various financial assets and liabilities.

Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis
The Company's financial assets are measured at fair value at the end of the reporting period based on Level 1 inputs in the fair value hierarchy.

Measurement of fair value of financial instruments

There have been no transfers between the levels of fair value hierarchy during the half-year.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Company did not measure any financial asset or financial liabilities at fair value on a non-recurring basis as at 31 December 2017.

Fair value of other financial assets and financial liabilities

The Company also has number of financial instruments which are not measured at fair value in the statement of financial position.

The carrying amounts of the current receivables and current payables are considered to be a reasonable approximation of their fair value.

NOTE 5: DIVIDENDS

The directors of the Company have not declared an interim dividend.

NOTE 6: CONTINGENT LIABILITIES

There were no contingencies as at 31 December 2017.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

There has not been any matter or circumstance occurring subsequent to the end of the half year financial period that has 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.

DIRECTORS' DECLARATION

In the opinion of the directors of Corizon Limited ('the Company'):

1. the financial statements and notes thereto, as set out on pages 5 to 10, are in accordance with the Corporations Act 2001 including:

complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the half-year then ended; and

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 signed in accordance with a resolution of the Board of Directors made pursuant to S.303 (5) of the Corporations Act 2001.



Gary Lyons
Non-Executive Chairman
Dated this – 16th March 2018

INDEPENDENT AUDITOR'S REVIEW REPORT



Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Corizon Limited

Report on the Condensed Interim financial Report

Conclusion

We have reviewed the accompanying interim financial report of Corizon Limited (“the company”), which comprises the condensed statement of financial position as at 31 December 2017, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors’ responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4 130 Stirling Street Perth WA 6000 | PO Box 8124 Perth BC WA 6849 | Telephone +61 (08) 9227 7500 | Fax +61 (08) 9227 7533

Email: mailbox@hlbwa.com.au | Website: www.hlb.com.au

Liability limited by a scheme approved under Professional Standards Legislation

HLB Mann Judd (WA Partnership) is a member of  HLB International, a world-wide organisation of accounting firms and business advisers



Auditor's responsibility

Our responsibility is to express a conclusion on the interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as 31 December 2017 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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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*.

A handwritten signature in blue ink that reads 'HLB Mann Judd'.

HLB Mann Judd
Chartered Accountants

A handwritten signature in blue ink that reads 'D I Buckley'.

D I Buckley
Partner

Perth, Western Australia
16 March 2018