asxannouncement

17 October 2016

- **Annual Report**

ATC Alloys Limited is pleased to attach its 2016 Annual Report. As referred to in the Annual Report, the Company intends to undertake a fully underwritten entitlement issue. In this regard, it is expected that a Prospectus for a fully underwritten non-renounceable entitlement issue of one (1) Share for every one (1) Share held by those Shareholders registered at the Record Date and one (1) Share for every (1) Share that would be held by Convertible Noteholders if the face value of the Convertible Notes was converted at the relevant Conversion Price, at an issue price of $0.01 per Share, to raise up to $1,645,475, will be lodged by tomorrow.

For further information please contact:

Patrick Burke
Chairman
ATC Alloys Limited

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ATC ALLOYS LTD
AND ITS CONTROLLED ENTITIES

(Formerly Hazelwood Resources Ltd)

ABN 88 118 738 999

ANNUAL REPORT

For the year ended 30 June 2016

CONTENTS

Corporate Information

ABN 88 118 738 999

ASX Code: ATA

Directors
Mr Patrick Burke (Chairman)
Mr Michael Bourne (Executive Director)
Ms Carol New (Executive Director)

Company Secretary
Ms Carol New

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Directors' Report

The directors of ATC Alloys Ltd (ATC or Company) present their report, together with the financial statements of the Consolidated Entity for the financial year ended 30 June 2016. The Consolidated Entity comprises Asia Tungsten Products Co. Limited (ATCHK), Asia Tungsten Products Vietnam Limited (ATCV) and BigHill Resources Limited. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The names and particulars of the directors of the Company during or since the end of the financial year are:

Name	Particulars
Mr P.N. Burke LLB	Chairman, Solicitor, joined the board in September 2014 in a non-executive capacity and was appointed as Executive Chairman on 31 March 2016. Mr Burke holds a Bachelor of Law degree from the University of Western Australia and has extensive legal, commercial and corporate advisory experience for ASX listed companies.
Mr M.A. Bourne	OH&S Consultant, appointed to the board on 31 March 2016 as an executive director. Mr Bourne is a long term member of management and has assumed the Company's senior management role at the production facility in Vinh Bao, Vietnam.
Ms C.M. New CA	Chartered Accountant, appointed to the board on 24 June 2016 as a director. Ms New has over 30 years' experience working in national retail and WA mineral exploration companies that involved company secretarial, accounting and administration roles.
Mr M.L. Warren BE MIEAUST CPENG	Mechanical Engineer, appointed to the board in September 2014 as Chairman, then stepped down to a non-executive director role on 31 March 2016 and resigned during the year. Mr Warren has over 30 years global experience in advisory, executive and technical roles in mining and metals businesses and has experience in smelting and pyrometallurgical operations.
Mr J.P. Arbuckle	Accountant, appointed to the board on 16 December 2015 as a non-executive director and resigned during the year. Mr Arbuckle has extensive experience in the mining industry in Australia and overseas and provides specialist corporate advisory services to companies.
Mr J.C Chegwidden CA	Chartered Accountant, appointed to the board in March 2006 as a non-executive director and resigned during the year. Mr Chegwidden has over 20 years' experience as an accountant, including managing his own chartered accounting practice, providing advice in management, accounting and taxation, and consulting to manufacturing, mining, primary production and earthmoving operations.

The above named directors held office during the whole of the financial year and since the end of the financial year except for:

- Mr J.C. Chegwidden – resigned 16 December 2015
- Mr J.P. Arbuckle – appointed 16 December 2015, resigned 31 March 2016
- Mr M.A. Bourne – appointed 31 March 2016
- Mr M.L. Warren – resigned 24 June 2016
- Ms C.M. New – appointed 24 June 2016

Directors' Report Continued

Company Secretary

Carol New CA

Carol was invited to consult to ATC in the capacity of Chief Financial Officer in December 2006 and was appointed as Joint Company Secretary in February 2007. Carol held these roles until December 2015 when John Arbuckle was appointed to these roles. Carol resumed these roles upon John's resignation in March 2016.

Interests in shares and options of the Company

As at the date of this report, the interests of the directors, either directly or indirectly, in the shares of ATC were;

	Convertible Notes FV $25,000	Ordinary Shares	Options
Mr Patrick Burke	1	474,016	100,000
Ms Carol New	-	45,833	-

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report of this directors' report, on pages 7 to 11. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the Consolidated Entity.

Directors Meetings

The number of Directors meetings held and the number of meetings attended by each director during the period were as follows:

	Number of director meetings eligible to attend	Number of director meetings attended
Mr Patrick Burke	6	6
Mr Michael Bourne	2	2
Ms Carol New	-	-
Mr Mark Warren	6	6
Mr John Chegwidden	3	3

Directorships of Other Listed Companies

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of Directorship
P Burke	Triton Minerals Limited	22/07/16 - current
	Uranium Resources Inc.	16/03/16 – current
	Shareroot Ltd	26/06/09 - 12/01/16
	Anatolia Energy Limited	21/07/14 – 10/11/15
	xTV Networks Limited	08/09/14 – 02/02/15
	Emergent Resources Limited	01/04/13 – 31/05/14
	Sirocco Energy Ltd	23/07/09 – 23/12/13
	Minerals Corporation Limited	17/02/11 – 02/12/13
J Chegwidden	3D Resources	2006 - current
	Dourado Resources Limited	25/10/13 – 09/01/14
M Bourne	No other directorships held in the last 3 years	
C New	No other directorships held in the last 3 years	
M Warren	No other directorships held in the last 3 years	
J Arbuckle	Prosperity Resources Limited	09/09/2006 - current

Directors' Report Continued

Principal Activity

The principal activity of the Consolidated Entity during the year was the production of ferrotungsten.

At the ATC Ferrotungsten Project in Vietnam, approximately 700 tonnes of Ferrotungsten was produced for a combination of fulfilment of ATC sales contracts and tolling for third parties.

The ATC sales contracts included new six month sales contracts with three Japanese customers for the period September 2015 to March 2016, with each subsequently being extended beyond the end of the financial year.

Unfortunately, serious concerns arose during the period November 2015 to March 2016 as to the operation and performance of the plant under the operatorship of ATA's 40% joint venture partner, the amount of off-spec Ferrotungsten produced, and the joint venture partner's ties to the tolling parties. As a result, the Company required that production cease in April 2016 pending a full review of operations.

In December 2015, the Company negotiated and completed the sale of its Mt Mulgine and Big Hill tungsten assets to Tungsten Mining NL. In consideration for the sale of the assets, the Company received A$1.0 million in cash and 5,000,000 ordinary fully paid shares in Tungsten Mining NL. The shares are subject to a 12 month voluntary escrow period. The cash proceeds were used to reduce debt and to provide working capital towards production at ATCV. The Company retains exposure to the WA projects and upside to higher tungsten prices through its shareholding in Tungsten Mining NL.

On 31 May 2016, the Company and Almonty Industries, Inc. (Almonty) jointly announced that they had entered into a binding Heads of Agreement pursuant to which Almonty agreed to make a recommended off-market takeover offer under the Corporations Act 2001 (Cth) for all of the issued, and to be issued, shares of ATC. Under the Offer, ATC shareholders were to receive one (1) new Almonty share for every 10.38 ATC shares held.

Review and Results of Operations

The operating loss after tax for the year ended 30 June 2016 was $17,592,884 (2015: $35,314,024). The operating loss was also impacted by other one-off impairments to inventory values and property, plant and equipment.

Financial Position

The net liabilities of the Consolidated Entity have increased from $2,054,080 at 30 June 2015 to $15,379,103 at 30 June 2016. This increase is largely due to the following factors:

- Decrease in cash reserves of $475,780;
- Decrease in inventory of $4,043,276
- Decrease in property, plant and equipment of $5,879,118
- Decrease in exploration carrying value $1,200,000
- Increase in receivables and other assets of $296,323
- Increase in payables of $1,379,173
- Decrease in financial liabilities of $1,017,976
- Increase in provisions of $1,892,728

The Consolidated Entity's working capital, being current assets less current liabilities is $(15,606,806) at 30 June 2016.

Significant Changes in the State of Affairs

During the year there were no changes in the state of affairs of the Consolidated Entity other than those referred to elsewhere in this report of the financial statements or notes thereto.

Directors’ Report Continued

Subsequent Events

Subsequent to year end the following material subsequent events occurred.

Siderian Resource Capital Limited Forbearance
On 1 July 2016, Siderian Resource Capital Limited (Siderian) agreed to extend the forbearance period of the secured loan to ATC to 30 September 2016. The extension also satisfied a condition precedent to the recommended takeover offer for ATC by Almonty.

On 17 October 2016, the Company received notice from Siderian, that the forbearance had ceased and that monies outstanding under the loan arrangements, in the amount of US$1,812,128.52, were payable by 21 October 2016, failing which an event of default would occur entitling Siderian to commence enforcement proceedings.

On 28 October 2016, Siderian agreed to extend the forbearance period further to 29 September 2017 on the condition that; $1.2m from the underwritten entitlement issue would be paid to them by 20 Dec 2016 with the remainder of outstanding amounts due on 29 September 2017. The interest was modified to 12.5%.

Convertible Note Interest Settlement
On 12 July 2016, 6,107,928 ordinary shares were issued in lieu of interest due on Convertible Notes as at 30 June 2016.

Almonty Promissory Notes
On 1 August 2016, Almonty provided $150,000 to ATC in short term loans repayable on the earlier of 12 months from the date of provision of the funds or the date which ATC and Almonty complete a business combination. Interest is accrued at the rate of 5% per annum. On 23 August 2016 a further $250,000 was provided to ATC on the same terms as the original $150,000.

Almonty Takeover
On 27 July 2016, a new takeover offer for the Company by Almonty was announced (New Offer). The New Offer was on substantially the same terms as the original offer save that it would no longer involve a secondary listing by Almonty on the ASX. However on 23 September 2016 the Company announced that it had received notice from Almonty that it had terminated the binding Heads of Agreement pursuant to which Almonty had conditionally agreed to make the New Offer.

Joint Venture Update
On 23 September 2016, the Company also announced following a review of the operation and performance of its Vietnam Ferro Tungsten Joint Venture under the operatorship of the 40% Joint Venture partner Mr Chen, that it had sought to remove Mr Chen from all offices held in the Joint Venture and as operator (Removal Action).

Mr Chen has disputed the Removal Actions. Attempts to enforce compliance in Vietnam in September were unsuccessful with Mr Chen at that time denying access to the ATC Ferro-tungsten Plant to ATC representatives accompanied by Vietnamese officials seeking to enforce the Removal Actions. The parties remain in dispute, essentially as to whether Mr Chen should continue as operator and as an officer of the Joint Venture (“Dispute”). There is no dispute as to either ATC’s 60% ownership or Mr Chen’s 40% ownership of the Joint Venture. ATC is currently exploring all possible avenues to resolve the Dispute, including legal action.

Directors' Report Continued

Environmental Regulation

The Consolidated Entity is subject to and compliant with all aspects of environmental regulation of its exploration activities. The Directors are not aware of any environmental law that is not being complied with. The directors have considered the enacted National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the company for the current nor subsequent financial year. The directors will reassess this position as and when the need arises.

The Vietnam entity is subject to and compliant with all aspects of the Vietnam environmental regulations as set out in the Commitment Agreement on Environmental Protection.

Future Developments

Information on the likely developments in the operation of the Consolidated Entity and the expected results of those operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Consolidated Entity.

Following a review of the operation and performance of its Vietnam Ferro Tungsten Joint Venture under the operatorship of its 40% Joint Venture partner, Mr Chen, the Company has sought to remove Mr Chen as operator and from all offices held in the Joint Venture ("Removal Action").

Mr Chen has disputed the Removal Actions. Attempts to enforce compliance in Vietnam in September were unsuccessful with Mr Chen at that time denying access to the ATC Ferro-tungsten Plant to ATC representatives accompanied by Vietnamese officials seeking to enforce the Removal Actions. The parties remain in dispute, essentially as to whether Mr Chen should continue as operator and as an officer of the Joint Venture ("Dispute"). There is no dispute as to either ATC's 60% ownership or Mr Chen's 40% ownership of the Joint Venture. ATC is currently exploring all possible avenues to resolve the Dispute, including legal action.

Share Options

Unissued shares

As at the date of this report the Company had on issue the following options to acquire ordinary fully paid shares:

Description	Number	Exercise Price	Expiry Date	Grant Date
Siderian Fee Options	1,520,000	$2.75	27/11/2016	27/05/2014
Placement Options	428,571	$2.75	27/11/2016	27/05/2014
Consultant Options	700,000	$2.75	27/11/2016	27/05/2014
Placement Options	142,860	$2.75	27/11/2016	17/06/2014
Placement Options	1,576,934	$0.75	9/03/2017	10/3/2015
Fee options	86,216	$0.75	9/03/2017	31/07/2015
Convertible Note Options	7,600,000	$0.75	9/03/2017	31/07/2015
Termination Options	300,000	$0.58	31/07/2018	31/07/2015
Convertible Note Options	400,000	$0.75	9/03/2017	9/09/2015
Total	**12,754,581**			

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Entity nor any entitlement to vote at a meeting of shareholders. No options were exercised during the year.

Dividends

No dividend has been paid since the end of the financial period and no dividend is recommended for the current year.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Remuneration Report - Audited

This report outlines the remuneration arrangements in place for ATC's directors and its senior management for the financial year ended 30 June 2016. The prescribed details for each person covered by this report are detailed below under the following headings:

- Key management personnel
- Remuneration policy
- Relationship between the remuneration policy and company performance
- Remuneration of key management personnel
- Key terms of executive service agreements or consultancy agreements

Key management personnel

The directors and other key management personnel of the Consolidated Entity during or since the end of the financial year were:

Mr P Burke (Chairman)
Mr M Bourne (Executive Director) – appointed 31 March 2016
Ms C New (Joint Company Secretary)
Chen Guang Yu (Director Asia Tungsten Products Co. Limited, Hong Kong)
Mr M Warren (Non-Executive Chairman) – resigned 24 June 2016
Mr J Chegwidden (Non-Executive Director & Joint Company Secretary) – resigned 16 December 2015
Mr M McQuade (Chief Operations Officer) – terminated 2 May 2016

Company performance, shareholder wealth and key management personnel remuneration

The Company's remuneration policy has been designed to align key management personnel objectives with shareholder and business objectives by providing remuneration packages comprising of a fixed remuneration component and an options component. The Board believes the remuneration policy for its key management personnel to be appropriate and effective to attract and retain people with the necessary qualifications, skills and experience to assist the company in achieving its desired results. Due to the size of the company a remuneration committee has not been formed.

The tables below set out summary information about the Consolidated Entity's earnings and movements in shareholder wealth for the four years to 30 June 2016:

Consolidated	**30 June 2016**	**30 June 2015**	**30 June 2014**	**30 June 2013**
Revenue	8,738,009	19,272,701	21,445,821	875,127
Net loss before tax	(17,592,884)	(35,314,024)	(6,072,132)	(6,633,114)
Net loss after tax	(17,592,884)	(35,314,024)	(6,072,132)	(6,633,114)
Share price at start of year	$0.02	$0.04	$0.02	$0.08
Share price at end of year	$0.02	$0.02	$0.04	$0.02
Interim dividend	-	-	-	-
Final dividend	-	-	-	-
Basic earnings per share (cents)	(16.19)	(130.61)	(24.00)	(41.50)

Directors’ Report Continued

Relationship between the remuneration policy and company performance

Remuneration is reviewed on an annual basis, taking into consideration a number of performance indicators. While no performance based remuneration component has been built into key management personnel remuneration packages it is envisaged that as the Consolidated Entity further progresses, consideration will be given to this component of remuneration.

Remuneration of key management personnel

The board conducted a performance review in November 2009 based on the relevant skills contributed by each director. The directors (both executive and non-executive) and senior management of the entity received remuneration during the period commencing 1 July 2015 and ending 30 June 2016 based on the following agreements.

Key terms of employment contracts

Consultancy Agreement for Services of Mr Patrick Burke

The Company is party to a Consultancy Agreement pursuant to which Patrick Burke’s services are provided as a Director. The Agreement provides for fees of $5,000 per month until terminated.

The Company has entered into an additional Consultancy Agreement pursuant to which Patrick Burke provides additional corporate services to the Company. The Agreement provides for fees of $5,000 per month and may be terminated by either party on one month’s notice.

Consultancy Agreement for Services of Mr Michael Bourne

The Company is party to a Consultancy Agreement pursuant to which Michael Bourne provides operational services to the Company. The Agreement provides for fees of $10,000 per month and may be terminated by either party on one month’s notice.

Consultancy Agreement for Services of Ms Carol New

Company is party to a Consultancy Agreement pursuant to which Carol New provides finance and company secretarial services to the Company. The Agreement provides for fees of $10,000 per month and may be terminated by either party on one month’s notice.

Executive Services Agreement with Chen Guang Yu

The Company and its 60% owned subsidiary ATCHK entered into an Executive Services Agreement with Chen Guang Yu on 1 May 2010, for a minimum term of 5 years, in relation to his appointment as a President of ATCHK and President of ATCV. Mr Chen’s executive services agreement was terminated on 31 August 2016.

Remuneration of non-executive directors

The total amount paid to non-executive directors is determined by the board from time to time for presentation to and resolution by shareholders at the Annual General Meeting. The current maximum aggregate remuneration paid to non-executive directors is fixed at $300,000.

The non-executive directors are paid a set amount per year. The non-executive directors may receive consultant’s fees through related entities for services rendered on a commercial basis

Remuneration of other key management personnel

Mr Martin McQuade

Martin’s services were terminated on 2 May 2016.

Directors' Report Continued

Key management personnel compensation disclosures

Key management personnel are remunerated under the terms of executive services agreements (ESA) or consultancy agreements. Total remuneration obligation is detailed on the following table:

2016	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
Key Management Person	**Salary & commissions**	**Cash profit share**	**Non-cash benefit**	**Other**	**Super-annuation**	**Other**	**Equity**	**Options**			
	$	$	$	$	$	$	$	$	$	%	%
P Burke	120,000	-	-	-	-	-	-	-	120,000	-	-
M Bourne	142,845	-	-	-	-	-	-	-	142,845	-	-
C New	166,000	-	-	-	-	-	-	-	166,000	-	-
M Warren	308,758	-	-	-	-	-	-	-	308,758	-	-
J Chegwidden	30,000	-	-	-	-	-	-	-	30,000	-	-
J. Arbuckle	85,000	-	-	-	-	-	-	-	85,000	-	-
M McQuade	211,030	-	-	-	14,912	-	-	-	225,942	-	-
Chen Guang Yu(1)	602,707	-	-	-	-	-	-	-	602,707	-	-
	1,666,340	-	-	-	14,912	-	-	-	1,681,252		

(1) This amount is in dispute.

2015	Short-term Benefits*				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
Key Management Person	**Salary & commissions**	**Cash profit share**	**Non-cash benefit**	**Other**	**Super-annuation**	**Other**	**Equity**	**Options**			
	$	$	$	$	$	$	$	$	$	%	%
M Warren[1]	381,325	-	-	-	-	-	-	-	381,325	-	-
P Burke[2]	93,833	-	-	-	-	-	-	-	93,833	-	-
J Chegwidden[3]*	122,128	-	-	-	-	-	105,000	-	227,128	-	-
T Butler-Blaxell[4]*	553,560	-	-	-	31,350	-	-	-	584,910	-	-
F Ashe*	25,000		-	-	2,375	-	-	-	27,375	-	-
C New[5]	202,400	-	-	-	-	-	-	-	202,400	-	-
M McQuade*	234,375	-	-	-	22,265	-	-	-	256,640	-	-
Chen Guang Yu[6] *	509,242	-	-	-	-	-	46,000[+]	-	555,242	-	-
	2,121,863	-	-	-	55,990	-	151,000	-	2,328,853		

[1] Includes accruals of $202,540 representing unpaid amounts due under Consulting Agreement
[2] Includes accruals of $62,273 representing unpaid amounts due under Consulting Agreement
[3] Includes accruals of $93,033 representing unpaid amounts due under ESA
[4] Includes accruals of $213,121 representing unpaid amounts due under ESA and Deed of Release
[5] Includes accruals of $26,800 representing unpaid amounts due under Consulting Agreement
[6] Includes accruals of $297,008 representing unpaid amounts due under ESA
* Short-term benefits are shown on an accrual basis.
[+] Incentive payment for practical completion of plant

Directors’ Report Continued

Key management equity holdings

Options

Options over ordinary shares held by key management personnel at balance date are:

30 June 2016	Balance at beginning of period *	Granted as remuneration	Exercised/ Expired	Net Change Other	Balance at end of period	Options vested at 30 June 2016
P Burke	-	-	-	100,000	100,000	100,000
M Warren	-	-	-	200,000	200,000	200,000
J Chegwidden	180,000	-	-	200,000	380,000	380,000
M McQuade	13,334	-	-	-	13,334	13,334

* Balance after 50:1 consolidation undertaken in March 2016.

30 June 2015	Balance at beginning of period	Granted as remuneration	Exercised/ Expired	Net change	Balance at end of period	Options vested at 30 June 2015
J Chegwidden	2,000,000	-	-	7,000,000	9,000,000	9,000,000
T Butler-Blaxell	1,000,000	-	-	-	1,000,000	1,000,000
M McQuade	-	-		666,667	666,667	666,667

Shareholdings

Shares held by key management personnel at balance date are after the 50:1 share consolidation in March 2016:

	Balance 1 July 2015	Received as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2016
Mr P Burke	**-**	**-**	**-**	474,016	474,016
Mr M Warren[1]	**-**	**-**	**-**	656,257	656,257
Mr J Chegwidden[2]	618,995	-	-	1,000,000	1,618,995
Mr M McQuade[3]	186,317	-	-	-	186,317
Ms C New	45,833	-	-	-	45,833
Mr G Chen	40,000	-	-	-	40,000

1. Shares held at date of resignation on 24 June 2016.
2. Shares held at date of resignation on 16 December 2015.
3. Shares held at date of termination on 2 May 2016.

	Balance 1 July 2014	Received as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2015
Mr J Chegwidden	438,995	140,000	-	40,000	618,995
Mr T Butler-Blaxell[4]	315,250	-	-	-	315,250
Mr T Butler-Blaxell[4]	80,000	-	-	-	80,000
Mr F Ashe[5]	157,895	-	-	-	157,895
Mr M McQuade	172,983	13,334	-	-	186,317
Ms C New	45,833	-	-	-	45,833
Mr G Chen	-	40,000	-	-	40,000

4. Shares held at date of resignation on 29 October 2014
5. Shares held at date of resignation on 26 November 2014

NB The comparative has been restated based on the 50:1 share consolidation in March 2016.

Directors’ Report Continued

Convertible Notes

Convertible Notes with a maturity date of 1 July 2018 and a coupon rate of 12% held by key management personnel at balance date are:

	Face Value $	Balance 1 July 2015	Received as Remuneration	Convertible Notes Converted	Net Change Other	Balance 30 June 2016
Mr P Burke	25,000	-	-	-	1	1
Mr M Warren[1]	50,000	-	-	-	1	1
Mr J Chegwidden[2]	50,000	-	-	-	1	1

Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Consolidated Entity and other related parties are disclosed below:

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 29 to the financial statements.

Shareholder Loan Joint Venture Partner

Mr Chen Guang Yu holds a 40% interest in the Asia Tungsten Products Group. The balance of Mr Chen’s loan account at 30 June 2016 is: Principal $3,573,976.00, Interest $1,356,073.71 refer Note 14 and 11.

Contracts for services

Consultancy agreements on commercial terms are entered into for non-executive directors and other non-salaried key management personnel via companies in which each key management person has a controlling interest. The companies that each non-executive director or key management person has a controlling interest are:

Company	Interest held by	Amount $	Description of payment
Ausnom Pty Ltd	Mr J Chegwidden	30,000	Director fees
Custom OH&S	Mr M Bourne	142,845	Director and consulting fees
Ibiz Global Pty Ltd	Mr M Warren	308,758	Director and consulting fees
Maybach Consulting Pty Ltd	Mr J Arbuckle	85,000	Director and consulting fees
New Consulting Services Pty Ltd	Ms C New	166,000	Director and consulting fees
Rowan Hall Pty Ltd	Mr P Burke	120,000	Director and consulting fees

End of Remuneration Report

Directors' Report Continued

Officers' Indemnities and Insurance

During the year the Company entered into an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors' and Officers' Liability Insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company or a related body corporate.

The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the premium paid is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and certain officers to indemnify these individuals against any claims and related expenses which arise as a result of work completed in their respective capabilities.

Neither the Company nor any of its related bodies corporate have provided any insurance for any auditor of the Company or a related body corporate.

Non-Audit Services

No non-audit services were provided by Bentleys during the period.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 58.

This Director's Report incorporating the Remuneration Report is signed in accordance with a resolution of the Directors.

Corporate Governance

The directors of ATC are committed to maintaining high standards of corporate governance. To the extent they are applicable the Company has adopted the ASX Corporate Governance Principles and Recommendations 3rd Edition as published by ASX Corporate Governance Council.

Good corporate governance practices will evolve with the changing circumstances of a company and must be tailored to meet those circumstances.

Further information about the Company's corporate governance practices is set out on the Company's website at www.atcalloys.com.

Patrick Burke
Chairman
Perth, 17 November 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Year Ended 30 June 2016

	Note	2016 $	2015 $
Continuing operations			
Revenue	2		
Product Sales		4,027,457	19,272,701
Tolling Sales		4,710,552	-
Cost of sales		(9,878,150)	(18,486,662)
Gross Profit		(1,140,141)	786,039
Other income	2		
Interest		4,282	4,679
Profit on sale of asset		17,828	11,930
FX gains		14,284	1,336
Total revenue and other income		(1,103,747)	803,984
Administration expenses		(706,166)	(854,114)
Consulting expenses		(1,320,308)	(1,367,292)
Director fees and salaries		(1,137,911)	(1,751,806)
Financing costs		(1,663,440)	(1,129,750)
FX losses - realised		(2,900)	(65,254)
FX losses - unrealised		(242,228)	(986,000)
Legal and professional expenses		(110,400)	(274,318)
Depreciation		(77,768)	(106,898)
Impairment of assets		(5,512,247)	(474,314)
Inventory write down		(4,595,534)	(3,085,923)
Provision for non-recovery		(153,623)	(838,933)
Travel and Marketing expenses		(139,687)	(333,991)
Occupancy expenses		(175,292)	(206,038)
Employment expenses		(499,450)	(1,099,301)
Loss before income tax		(17,440,701)	(11,769,948)
Income tax (expense)/benefit	4	-	-
Loss for the year from continuing operations		(17,440,701)	(11,769,948)
Discontinued operations			
Loss for the year from discontinued operations		(152,183)	(23,544,076)
Loss for the year		(17,592,884)	(35,314,024)
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit and loss:			
Exchange differences on translating foreign operations		247,550	1,487,532
Total comprehensive income for the year		(17,345,334)	(33,826,492)
Loss for the year attributable to:			
Members of the parent entity		(11,287,719)	(32,629,295)
Non-controlling interest		(6,305,165)	(2,684,729)
		(17,592,884)	(35,314,024)
Total comprehensive income attributable to:			
Members of the parent entity		(10,916,181)	(29,937,410)
Non-controlling interest		(6,429,153)	(3,889,082)
		(17,345,334)	(33,826,492)
Earnings per share (cents per share)	**Note**	**Cents**	**Cents**
Basic and diluted loss per share from continuing and discontinued operations	19	(16.19)	(130.61)
Basic and diluted loss per share from continuing operations		(15.97)	(36.37)

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

Consolidated Statement of Financial Position
As At 30 June 2016

	Note	2016 $	2015 $
ASSETS			
Current assets			
Cash and cash equivalents	5	212,650	688,430
Trade and other receivables	6	588,589	185,026
Inventories	9	-	4,043,276
Other assets	7	252,918	360,158
Total current assets		1,054,157	5,276,890
Non-current assets			
Investments	11	200,000	-
Property, plant and equipment	8	27,703	5,906,821
Exploration and evaluation	10	-	1,200,000
Total non-current assets		227,703	7,106,821
TOTAL ASSETS		**1,281,860**	**12,383,711**
LIABILITIES			
Current liabilities			
Trade and other payables	12	5,339,707	3,960,534
Provisions	13	1,991,938	99,210
Deferred revenue	14	-	30,753
Financial liabilities	15	9,329,318	10,347,294
Total current liabilities		16,660,963	14,437,791
TOTAL LIABILITIES		**16,660,963**	**14,437,791**
Net assets/(liabilities)		**(15,379,103)**	**(2,054,080)**
Equity			
Issued capital	16	66,550,183	62,728,007
Reserves	17	4,190,616	4,337,093
Accumulated losses		(73,046,939)	(62,475,370)
Parent interest		(2,306,140)	4,589,730
Non-controlling interests		(13,072,963)	(6,643,810)
TOTAL EQUITY		**(15,379,103)**	**(2,054,080)**

The above consolidated balance sheet should be read in conjunction with the attached notes.

Consolidated Statement of Changes in Equity
For The Year Ended 30 June 2016

	Members of parent entity			Attributable to owners of the parent	Non-controlling Interests	Total Equity
	Issued Capital	Reserves	Accumulated Losses			
	$	$	$	$	$	$
Balance at 1 July 2014	61,635,130	1,645,208	(29,846,075)	33,434,263	(2,754,728)	30,679,535
Loss for the year	-	-	(32,629,295)	(32,629,295)	(2,684,729)	(35,314,024)
Other comprehensive income, net of income tax						
FX translation differences	-	2,691,885	-	2,691,885	(1,204,353)	1,487,532
Total comprehensive income	-	2,691,885	(32,629,295)	(29,937,410)	(3,889,082)	(33,826,492)
Transaction with owner, directly recognised in equity						
Issues of shares	1,261,700	-		1,261,700	-	1,261,700
Cost of share issues	(168,823)	-		(168,823)	-	(168,823)
Options expired	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-
Balance at 30 June 2015	**62,728,007**	**4,337,093**	**(62,475,370)**	**4,589,730**	**(6,643,810)**	**(2,054,080)**
Balance at 1 July 2015	62,728,007	4,337,093	(62,475,370)	4,589,730	(6,643,810)	(2,054,080)
Loss for the year	-	-	(11,287,719)	(11,287,719)	(6,305,165)	(17,592,884)
Other comprehensive income, net of income tax	-	-	-	-	-	-
FX translation differences	-	371,538	-	371,538	(123,988)	247,550
Total comprehensive income	-	371,538	(11,287,719)	(10,916,181)	(6,429,153)	(17,345,334)
Transaction with owner, directly recognised in equity						
Issues of shares	4,238,958	-	-	4,238,958	-	4,238,958
Cost of share issues	(416,782)	-	-	(416,782)	-	(416,782)
Options expired	-	(716,150)	716,150	-	-	-
Revaluation reserve		10,000	-	10,000	-	10,000
Share based payments	-	188,135	-	188,135	-	188,135
Balance at 30 June 2016	**66,550,183**	**4,190,616**	**(73,046,939)**	**(2,306,140)**	**(13,072,963)**	**(15,379,103)**

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

Consolidated Statement of Cash Flow
For The Year Ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		9,412,981	12,984,930
Payments to suppliers and employees		(11,785,265)	(16,132,137)
Payments for deferred exploration		(222,195)	(920,086)
Interest and other income received		4,282	4,679
Net cash used in operating activities	**24(c)**	**(2,590,197)**	**(4,062,614)**
Cash flows from investing activities			
Payments for property, plant and equipment		(35,112)	(119,229)
Proceeds from sale of asset		1,094,000	41,281
Net cash used in investing activities		**1,058,888**	**(77,948)**
Cash flows from financing activities			
Proceeds from issue of equity securities		3,461,408	1,077,700
Payments for share issue costs		(118,703)	-
Proceeds from borrowings		1,740,000	1,650,000
Repayment of borrowings		(3,293,136)	-
Financing costs		(237,281)	(238,597)
Interest expense		(498,684)	(578,355)
Net cash (used in)/provided by financing activities		**1,053,604**	**1,910,748**
Net increase in cash and cash equivalents		(477,705)	(2,229,814)
Cash and cash equivalents at beginning of period		688,430	2,886,382
Effects of exchange rate changes on the balance of cash held in foreign currencies		1,925	31,862
Cash and cash equivalents at end of period	**24(a)**	**212,650**	**688,430**

The above consolidated cash flow statement should be read in conjunction with the attached notes.

1. Significant accounting policies

1.1 Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company and the Group comply with International Financial Reporting Standards ('IFRS'). Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial statements comprise the consolidated financial statements and notes of ATC Alloys Limited (ATC, Company or Parent Entity) and controlled entities ('Consolidated Entity' or 'Group'). The controlled entities comprise Asia Tungsten Products Co. Limited (ATCHK), Asia Tungsten Products Vietnam Limited (ATCV) and BigHill Resources Limited. ATC is a company limited by shares, domiciled and incorporated in Australia.

The financial statements were authorised for issue by the directors on 17 November 2016.

1.2 Basis of preparation

This financial report has been prepared on an accruals basis and is based on historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going Concern

The accounts have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business. The Consolidated Entity incurred an operating loss of $17,592,884 for the year ended 30 June 2016 (2015: loss of $35,314,024).

The net working capital deficit of the Consolidated Entity at 30 June 2016 was $15,606,806 (2015: working capital deficit of $9,160,901 and the net cash outflows from operating activities during the year was $2,590,197 (2015: $4,062,614).

The ability of the Consolidated Entity to continue to pay its debts as and when they fall due is dependent upon the Consolidated Entity settling US$1.8 million Siderian loan and achieving one or more of the following objectives: raising additional share capital; developing, joint venturing or selling one or more of its non-core assets or other assets; and the successful production and sale of Ferrotungsten. These conditions indicate a material uncertainty that may cast doubt about the ability of the Consolidated Entity to continue as a going concern.

The directors have prepared a cash flow forecast, which indicates that the Consolidated Entity 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. The Directors believe it is appropriate to prepare these accounts on a going concern basis because:

- In September 2016, the Company sought to remove Mr Chen as operator and from all offices held in its Vietnam Ferro Tungsten Joint Venture. The attempts to enforce compliance in Vietnam in September were unsuccessful and the parties remain in dispute, essentially as to whether Mr Chen should continue as operator and as an officer of the Joint Venture. There is no dispute as to either ATC's 60% ownership or Mr Chen's 40% ownership of the Joint Venture. ATC is currently exploring all possible avenues to resolve the dispute, including legal action. Accordingly, whilst this is being resolved, the Company has ceased providing financial support to its 60% owned subsidiary ATCHK and its wholly owned subsidiary ATCV.

1. Significant accounting policies continued

1.2 Basis of preparation continued
Going Concern continued

- Siderian Resource Capital Limited (Siderian) has extended the forbearance period to 29 September 2017 under a revised repayment schedule: AUD$1.2 million following completion of the upcoming capital raising and the balance by 29 September 2017 and a reduced interest rate of 12.5%.
- Additional funds are being raised through a fully underwritten entitlement issue offer, with the prospectus expected to be lodged with the ASX and ASIC within the next 7 days, for a maximum of $1.645 million at 1 cent per share. The entitlement issue is underwritten by Somers and Partners Pty Limited (Underwriter). The underwriting is subject to a limited number of termination events, being an event occurs which is the result of a potential takeover of ATC, the removal of ATC from the Official List of the ASX or the continuance of suspension from quotation of the securities of the Company on ASX at the time payment is required of the shortfall by the Underwriter to the Company pursuant to the underwriting.;
- In order to fund working capital requirements prior to receipt of funds from the above mentioned Rights Entitlement offer $350,000 of funds is currently being raised via convertible notes with the full amount expected to be received by the entity by 30 November 2016 and to the date of the report $110,000 has been received.
- At the date of this report, the Company is not in receipt of any statutory demands from its creditors;
- At 30 June 2016 amounts owning to George Chen amounted to $3,573,976 and an additional $1,356,074 in accrued interest. In accordance with the incorporated joint venture and shareholder agreement between the 40% minority shareholder of the ATCHK joint venture, ATC and ATCHK, the repayment of the ATC loans and interest from ATCHK takes precedence over the repayment of the shareholder loan provided by the 40% minority shareholder of ATCHK joint venture. As such it is the Directors expectation that repayment of this loan will not occur within the next 12 months from the date of this report;
- As at 30 June 2016 the entity have convertible notes with a face value of $3.64 million outstanding. These notes can be converted into ordinary shares in ATC at fixed terms as disclosed in note 15, and redeemable in cash at maturity date being 1 July 2018.
- The entity has negotiated for existing creditors to the value of $180,000 to take payment in shares of the entity thereby reducing the cash outflow required and a further $139,260 is anticipated to be settled by the transfer of an asset with a net book value as at 30 June 2016 of $19,818.

Finally, following resolution of the legal matters in relation to the dispute with the 40% minority shareholder of ATCHK joint venture, the Consolidated Entity intends to assess all options to maximize the value realization for its shareholders.

Upon resolution of the dispute, the Consolidated Entity would be required to raise an additional $3.4 million to settle current liabilities (excluding Loans and payables to the minority interest holder amounting to $5.9m) that exist within these subsidiaries based on the last known position of the liabilities being 30 June 2016.

Should the Consolidated Entity not achieve the matters set out above, there is material uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Consolidated Entity not be able to continue as a going concern.

1. Significant accounting policies continued

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

1.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) (referred to as 'the Consolidated Entity' in these financial statements). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Consolidated Entity. In preparing the consolidated financial statements, all inter-company balances and transactions between entities in the Consolidated Entity have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated balance sheet and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

1.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

1.5 Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied;

- the Consolidated Entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Consolidated Entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Consolidated Entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Consolidated Entity and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated cash receipts through the expected life of the financial asset to that asset's net carrying value.

1. Significant accounting policies continued

1.6 Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable.

Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

1.7 Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to the reporting date. Annual leave entitlement for geological staff are capitalised to Exploration and Evaluation.

1. Significant accounting policies continued

1.8 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 measured at the amounts expected to be paid to (recovered from) the relevant taxation 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.

The group has applied the "stand-alone taxpayer approach" in determining the appropriate amount of current taxes to allocate to members of the tax consolidation group. The tax funding agreement provides each member of the tax consolidated group to pay a tax equivalent amount to or from the parent in accordance with their current tax liability or current tax asset. Such amounts are reflected in amounts receivable from or payable to the parent company in their accounts and are settled as soon as practicable after lodgement of the consolidated return and payment of the tax liability.

The deferred taxes are allocated to members of the tax consolidated group in accordance with the principles of AASB 112.

1. Significant accounting policies continued

1.9 Interests in Joint Ventures

Interests in jointly controlled assets and operations are reported in the financial statements by including the Consolidated Entity's share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and the share of any expenses incurred in relation to the joint ventures in their respective classification categories.

1.10 Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of liability. Finance charges are charges directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Finance leased assets are amortised on a straight-line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising from operating leases are recognised as an expense in the period in which they are incurred.

1.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.12 Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Construction Contracts and Work in Progress

Construction work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Construction profits are recognised on the stage of completion basis and measured using the proportion of costs incurred to date as compared to expected actual costs. Where losses are anticipated they are provided for in full. Construction revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

Freehold land and buildings carried at fair value

On 11 March 2008, the Company acquired a house at Nullagine for a total cost of $27,911. The carrying value of this asset is at cost and will be tested for impairment on an annual basis as required by AASB 116.

1. Significant accounting policies continued

1.12 Property, plant and equipment continued

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually be directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Consolidated Entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Depreciation is provided on plant and equipment and is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation:

Office furniture and equipment	3 - 5 years
Computer equipment	2 - 3 years
Plant and equipment	4 – 30 years
Vehicles	5 - 6 years
Buildings	50 years
Leasehold Land & Improvements	1 – 50 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

1.13 Provisions

Provisions are recognised when the Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received and the amount of the receivable can be measured reliably.

1. Significant accounting policies continued

1.14 Share-based payments

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of a binomial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Further details of how the fair value of equity-settled share-based transactions has been determined can be found in note 28.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the consolidated entity's estimate of shares that will eventually vest.

The above policy is applied to all equity-settled share-based payments that were granted after 7 November 2002 that vested after 1 January 2005.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

1.15 Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivable and payable are stated with the amount of GST included.

The amount of GST recoverable from the taxation authority is included as part of the receivables in the Balance Sheet. The amount of GST payable to the taxation authority is included as part of the payables in the Balance Sheet.

Cash flows are included in the Cash Flows Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

1.16 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment loss. Trade receivables are due for settlement no more than 120 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment loss is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

1. Significant accounting policies continued

1.17 Exploration and evaluation expenditure

Exploration and evaluation expenditure, including the costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the income statement.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or

(ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

(iii) Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy 1.18. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

(iv) Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

(v) When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

1.18 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

1. Significant accounting policies continued

1.19 Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

1. Significant accounting policies continued

1.19 Fair Value of Assets and Liabilities continued

Valuation techniques continued

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy
AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or

(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

1. Significant accounting policies continued

1.20 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Other liabilities represent unallocated shareholder contributions.

1.21 Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

1.22 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 group.

Key Judgements – Deferred exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1.17.

Key Judgements – Furnace Liner

The Company undertook an assessment of the furnace ferrotungsten liner and it was determined that only 20 tonnes of ferrotungsten material was required to line the furnace and to maintain the furnace in an operable state. The ferrotungsten material in excess of the required 20 tonnes has been treated as inventory.

Key Judgements - Share based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 28.

Key Judgment – Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

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 as the Consolidated Entity is subject to income taxes in Australia and jurisdictions where it has foreign operations.

1. Significant accounting policies continued

1.23 Financial instruments

Recognition and initial 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 expire. 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.

Classification and subsequent measurement

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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 subsequently measured at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

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 group assesses 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 income statement.

1. Significant accounting policies continued

1.24 Foreign Currency Transactions and Balances

Functional and presentation currency
The functional currency of each of the Consolidated Entity's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

Group companies
The financial results and position of foreign operations whose functional currency is different from the Consolidated Entity's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the other comprehensive income in the period in which the operation is disposed.

1.25 Inventories

Inventories are stated at the lower of cost or net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

1.26 New, revised or amending Accounting Standards and Interpretations adopted

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

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

1. Significant accounting policies continued

1.26 New, revised or amending Accounting Standards and Interpretations adopted continued

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2016. The group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.

1. Significant accounting policies continued

1.26 New, revised or amending Accounting Standards and Interpretations adopted continued

New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The group will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the group.

1.27 Comparative Figures

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

2. Revenue

	2016 $	2015 $
Product sales	4,027,457	19,272,701
Tolling sales	4,710,552	-
Interest received	4,282	4,679
Profit on sale of asset	17,828	11,930
Other income	14,284	1,336
Total	8,774,403	19,290,646

3. Expenses

	2016 $	2015 $
Depreciation and amortisation – COGS	621,035	888,199
Depreciation and amortisation - Expensed	77,768	236,328
Total	698,803	1,124,527

4. Income Tax Expense

Major components of income tax expense for the years ended 30 June 2016 and 30 June 2015 are:

	2016	2015
Income statement		
Current income		
Current income tax charge	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense (benefit) reported in income statement	-	-

A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the company's effective income tax rate for the years ended 30 June 2016 and 30 June 2015 is as follows:

	2016	2015
Accounting loss before income tax	(17,592,884)	(35,314,024)
At the statutory income tax rate of 28.5% (2015: 30%)	(5,013,972)	(10,594,208)
Add:		
Non-deductible expenses	66,904	74,462
Temporary differences and tax losses not brought to account as a deferred tax asset	4,947,068	10,519,746
At effective income tax rate of 0% (2015: 0%)	-	-
Income tax expense reported in income statement	-	-

Tax consolidation

The company and its 100% owned controlled entities formed a tax Consolidated Entity with effect from 1 October 2006. The head entity within the tax Consolidated Entity is ATC Alloys Ltd with the only other member at 30 June 2016 being BigHill Resources Limited.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabiities are attributable to the following:

	Assets		Liabilities		Net	
	30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
	$	$	$	$	$	$
Cash Assets	(6,791)	(7,507)	-	-	(6,791)	(7,507)
Prepayments	-	-	4,251	8,549	4,251	8,549
Accrued Liabilities	(20,264)	(25,143)	-	-	(20,264)	(25,143)
Other Payables	-	-	1,006	-	1,006	-
Other Financial Assets	(144,848)	(152,473)	-	-	(144,848)	(152,473)
Accrued Income	-	-	1,177,651	724,967	1,177,651	724,967
Capital Raising Costs	(141,553)	(261,199)	-	-	(141,553)	(261,199)
Borrowing Costs	(48,671)	(33,737)	-	-	(48,671)	(33,737)
Employee Entitlements	(16,466)	(29,763)	-	-	(16,466)	(29,763)
Property Plant and Equipment	-	-	6,538	6,568	6,538	6,568
Investments	(1,716,302)	-	-	-	(1,716,302)	-
Exploration Expenditure	-	-	-	(460,893)	-	(460,893)
Loans	-	-	59,842	121,326	59,842	121,326
Tax Losses	-	-	-	-	-	-
Tax (assets) liabilities	(2,094,895)	(509,822)	1,249,288	400,517	(845,607)	(109,305)
Offset of tax	2,094,895	509,822	(1,249,288)	(400,517)	845,607	109,305
Net tax (assets) liabilities	-	-	-	-	-	-

4. Income Tax Expense continued

Movement in temporary differences during the year	Balance 30 June 2014	Recognised in Income	Recognised in Equity	Balance 30 June 2015
Cash Assets	(1,622)	(5,885)	-	(7,507)
Prepayments	9,042	(493)	-	8,549
Accrued Liabilities	(11,910)	(13,233)	-	(25,143)
Other Financial Assets	-	(152,473)	-	(152,473)
Accrued Income	453,556	271,411	-	724,967
Capital Raising Costs	(336,702)	24,856	50,647	(261,199)
Borrowing Costs	(74,413)	40,676	-	(33,737)
Employee Entitlements	(71,818)	42,055	-	(29,763)
Property Plant and Equipment	31,417	(24,849)	-	6,568
Exploration Expenditure	6,329,532	(6,790,425)	-	(460,893)
Loans	79,928	41,398	-	121,326
Tax Losses	(6,407,010)	6,566,962	(50,647)	109,305
	-	-	-	-

Movement in temporary differences during the year	Balance 30 June 2015	Recognised in Income	Recognised in Equity	Balance 30 June 2016
Cash Assets	(7,507)	716	-	(6,791)
Prepayments	8,549	(4,298)	-	4,251
Accrued Liabilities	(25,143)	4,879	-	(20,264)
Other Payables	-	1,006	-	1,006
Other Financial Assets	(152,473)	7,625	-	(144,848)
Accrued Income	724,967	452,685	-	1,177,652
Capital Raising Costs	(261,199)	863	118,783	(141,553)
Borrowing Costs	(33,737)	(14,934)	-	(48,671)
Employee Entitlements	(29,763)	13,297	-	(16,466)
Property Plant and Equipment	6,568	(30)	-	6,538
Investments	-	(870,696)		(870,696)
Exploration Expenditure	(460,893)	460,893	-	-
Loans	121,326	(61,484)	-	59,842
Tax Losses	109,305	9,478	(118,783)	-
	-	-	-	-

Unrecognised deferred tax assets	**2016**	**2015**
Deferred tax assets have not been recognised in respect of the following items	**$**	**$**
Deductible Temporary Differences	(845,607)	(122,265)
Capital Raising Costs	(184,551)	-
Tax Losses	(15,113,352)	(15,349,049)
	(16,143,510)	(15,471,314)

The tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the company can utilise these benefits.

	2016 $	2015 $
5. Cash and cash equivalents		
Cash at bank and on hand	212,650	688,430

The weighted average interest rate for the year was 2.4% (2015: 2.4%); these deposits have an average maturity of 365 days.

6. Trade and other receivables

The Group does not have any material credit risk exposure to any receivable.

The following table details the Group's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counter party to the transactions. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

2016	Gross Amount	Past Due And Impaired	Past due but not impaired (days overdue)				Within Initial trade terms
			<30	31 – 60	61 – 90	90 - 150	
	$	$	$	$	$	$	$
Trade and term receivables	334,349	(152,781)	-	-	-	-	181,568
Other receivables	772,480	(365,459)	-	-	-	-	407,021
	1,106,829	(518,240)	-	-	-	-	588,589

2015	Gross Amount	Past Due And Impaired	Past due but not impaired (days overdue)				Within Initial trade terms
			<30	31 – 60	61 – 90	90 - 150	
	$	$	$	$	$	$	$
Trade and term receivables	52,969	-	-	-	-	-	52,969
Other receivables	132,057	-	-	-	-	-	132,057
	185,026	-	-	-	-	-	185,026

	2016 $	2015 $
7. Other assets		
Current		
Prepayments	252,919	290,095
Other assets	-	70,063
	252,919	360,158

8. **Property Plant and Equipment**

	Office Furniture & Equipment $	Computer Equipment $	Plant $	Vehicles $	Buildings $	Other Equipment $	Construction Work in Progress $	Leasehold Land & Improve-ments $	TOTAL $
Cost Carrying Amount									
Balance at 30 June 2014	278,740	430,515	3,575,197	295,019	55,947	574,729	9,060	2,733,936	7,953,143
Additions	3,559	11,437	63,151	-	-	30,489	55,149	-	163,785
Disposals	(229,898)	(122,108)	(35,500)	(64,407)	-	-	(66,317)	-	(518,230)
FX Adjustment	881	438	549,955	12,427	-	75,134	2,108	522,919	1,163,862
Balance at 30 June 2015	53,282	320,282	4,152,803	243,039	55,947	680,352	-	3,256,855	8,762,560
Additions	-	1,512	9,574	-	-	24,026	-	-	35,112
Disposals	(33,856)	(248,824)	(101,902)	(61,986)	(28,036)	-	-	-	(474,604)
FX Adjustment	286	83	91,480	2,403	-	11,842	-	82,513	188,607
Balance at 30 June 2016	**19,712**	**73,053**	**4,151,955**	**183,456**	**27,911**	**716,220**	**-**	**3,339,368**	**8,511,675**
Accumulated Depreciation and Impairment									
Balance at 30 June 2014	228,106	287,815	873,000	217,085	7,241	154,665	-	383,276	2,151,188
Impairment losses	-	129,430	344,884	-	-	-	-	-	474,314
Depreciation expense	18,485	9,991	288,250	34,314	1,398	144,344	-	153,431	650,213
Adjustment for disposals	(200,417)	(119,652)	(35,500)	(64,407)	-	-	-	-	(419,976)
Balance at 30 June 2015	46,174	307,584	1,470,634	186,992	8,639	299,009	-	536,707	2,855,739
Adjustment for disposals	(33,856)	(247,505)	(101,902)	(61,986)	(4,252)	-	-	-	(449,501)
Impairment losses	3,649	946	2,460,063	22,022	-	378,503	-	2,617,578	5,482,761
Depreciation expense	3,745	6,451	323,160	36,428	1,398	38,708	-	185,083	594,973
Balance at 30 June 2016	**19,712**	**67,476**	**4,151,955**	**183,456**	**5,785**	**716,220**	**-**	**3,339,368**	**8,483,972**
Net Book Value									
As at 30 June 2015	7,108	12,698	2,682,169	56,047	47,308	381,343	-	2,720,148	5,906,821
As at 30 June 2016	**-**	**5,577**	**-**	**-**	**22,126**	**-**	**-**	**-**	**27,703**

8.1 Impairment losses recognised in the year

During the year, the carrying values of all property, plant and equipment, and the liner were fully impaired which resulted in an impairment loss of $5,482,761 which has been recognised in profit or loss. Impairment was as a result of the ongoing concerns over the operation of the plant by the 40% joint venture partner. Please refer Subsequent Events Note 25 and Joint Venture Update.

	2016 $	2015 $

9. Inventories

During the year the carry value of all inventory was fully written down which resulted in a write down of $4,595,534 which has been recognised in the profit and loss.

	2016 $	2015 $
Current		
Raw materials	-	297,930
Work in progress	-	109,057
Finished goods	-	2,142,339
Finished goods – Liner Surplus*	-	1,493,950
	-	4,043,276

10. Exploration and evaluation

Exploration and evaluation phase

	2016 $	2015 $
Opening balance	1,200,000	23,847,426
Additions	152,183	896,650
Disposals	(1,200,000)	-
Write downs	(152,183)	(23,544,076)
Expenditure capitalised	-	1,200,000

The Consolidated Group’s exploration properties were sold during the year.

11. Investments

On 15 December 2015, the Company received 5,000,000 shares in Tungsten Mining NL as part consideration of its sale of its tungsten tenements. The shares are escrowed until 15 December 2016 and are secured against the Siderian Resource Capital debt. At 30 June 2016 the shares had a value of $200,000.

	2016 $	2015 $
12. Trade and other payables		
Unsecured:		
Trade and other payables	5,339,707	3,960,534

Trade and other payables are non-interest bearing usually settled on 30 day terms. Included in trade and other payables is an amount of $1,356,074 (2015: $1,081,165) which relates to interest accrued relating to the director George Chen. Detail of the loan is included in Note 14.

	2016 $	2015 $
13. Provisions		
Provision for amounts owed under processing agreement	1,934,164	-
Provision for annual leave	57,774	99,210
Total provisions	1,991,938	99,210

The provision for amounts owed under processing agreement relates to 58,208kg W ferrotungsten not delivered as part of a tolling contract. The value of the ferrotungsten at 30 June 2016 is $1,934,164. Payment of this amount is pending negotiations with the counter party.

The provision for annual leave represents annual leave entitlements as 30 June 2016.

	2016 $	2015 $
14. Deferred revenue		
Unearned revenue	-	30,753

In 2015, unearned revenue related to 80% of the expected sales proceeds received from the selling agent. Ownership of the goods does not transfer until the product is sold to an external buyer and 100% of the sales value has been received by the selling agent.

	2016 $	2015 $
15. Financial liabilities short-term		
Secured Debt facilities – Siderian Capital	2,297,103	5,223,600
Unsecured Loan – George Chen	3,573,976	3,473,694
Secured Convertible Notes	3,640,000	1,650,000
Cost of notes to be amortised	(181,761)	-
Total financial liabilities	9,329,318	10,347,294

The interest rate applicable to the secured debt financing facility for USD 1,688,545 that the Company entered into on 29 May 2014 was increased to 15.00% as of 1 October 2015. The debt is secured by the ferrotungsten liner and other company assets. Siderian have granted a further forbearance of the loan conditions to 29 September 2017 at an interest rate of 12.5%. The forbearance is conditional on the repayment of AUD $1,200,000 by 20 December 2016. The repayment of the balance of the loan is due on 29 September 2017.

The Unsecured Loan relates to a loan provided by Joint Venture partner George Chen. Under the terms of the original joint venture agreement simple interest at a rate of 6.8% pa is payable on these funds.

The secured convertible notes rank second to the secured debt facility and attract an interest rate of 12% and mature on 1 July 2018. These notes can be repaid in cash at maturity or converted at the relevant conversion rate to ordinary shares at the holders' discretion:

- 37 Notes totalling $1,800,000 are convertible at $0.25 per share;
- 31 Notes totalling $1,290,000 are convertible at $0.05 per share;
- 12 Notes totalling $300,000 are convertible at the lower of $0.05 per share and the lowest issue price of any shares issued prior to maturity date; and
- 10 Notes totalling $250,000 are convertible at the lower of $0.05 per share and the lowest issue price of any shares issued prior to maturity date or the price implied by any corporate action.

Interest on the convertible notes is payable in ordinary shares at six monthly intervals.

16. Issued capital

106,568,444 fully paid ordinary shares (2015: 25,936,370)	66,550,183	62,728,007

The company has issued capital amounting to 106,568,444 shares with no par value. The company's securities were consolidated on a 50:1 basis on 24 March 2016. As a result all securities issued prior to 24 March 2016 have been adjusted accordingly.

Fully paid ordinary shares	**2016**		**2015**	
	No.	**$**	**No.**	**$**
Balance at the beginning of financial year	25,936,370	62,728,007	24,301,976	61,635,130
Issued 6 August 2014	-	-	17,460	33,000
Issued 21 January 2015	-	-	1,146,934	860,200
Issued 13 February 2015	-	-	190,000	158,500
Issued 10 March 2015	-	-	280,000	210,000
Issued 31 July 2015	86,216	64,662		
Issued 20 August 2015	614,071	153,518		
Issued 27 August 2015	201,841	50,460		
Issued 9 December 2015	18,664,683	933,234		
Issued 10 December 2015	41,393,467	2,069,673		
Issued 14 December 2015	8,000,000	400,000		
Issued 17 December 2015	2,568,000	128,400		
Issued 22 December 2015	600,000	30,000		
Issued 4 January 2016	570,000	28,500		
Issued 15 January 2016	3,233,552	145,510		
Issued 9 February 2016	1,900,000	95,000		
Issued 1 March 2016	2,500,000	125,000		
Issued 24 March 2016	244	-		
Issued 20 April 2016	300,000	15,000		
	106,568,444	66,966,964	25,936,370	62,896,830
Less cost of capital	-	(416,781)	-	(168,823)
Balance at the end of financial year	**106,568,444**	**66,550,183**	**25,936,370**	**62,728,007**

Ordinary shares have the right to receive dividends as declared by the board and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle the holder to one vote either in person or by proxy at a meeting of the company.

Options on Issue

The following reconciles the outstanding share options at the beginning and end of the financial year. Each option entitles the holder to one fully paid ordinary share in the Company.

	2016		**2015**	
Description	**No.**	**$**	**No.**	**$**
Balance at the beginning of financial year	4,768,362	1,506,448	3,191,429	1,506,448
Granted during the financial year	9,886,219	284,033	1,576,933	-
Cancelled during the financial year	(1,500,000)	(95,898)	-	-
Expired during the financial year	(400,000)	(716,150)	-	-
Balance at the end of financial year	12,754,581	978,433	4,768,362	1,506,448
Exercisable at the end of financial year	12,754,581		4,768,362	

Shares under Option or Issued on Exercise of Options

Details of unissued shares or interests under option as at 30 June 2016 are:

Number of Ordinary Shares under Option	Class of Shares	Original Exercise Price of Options	Modified Exercise Price of Options	Expiry Date of Option
2,791,431	Ordinary	$0.055	$2.75	27 November 2016
9,663,150	Ordinary	$0.015	$0.75	9 March 2017
300,000	Ordinary	$0.0116	$0.58	31 July 2018

17. Reserves

	2016 $	2015 $
Options Reserve	978,433	1,506,448
Financial Asset Revaluation Reserve	10,000	-
Foreign Currency Translation Reserve	3,202,183	2,830,645
	4,190,616	4,337,093

The options reserves comprise share based payment made to directors, consultants and key management personnel refer Note 28.

The foreign currency translation reserve represents exchange differences as at balance date on translation of foreign subsidiaries.

The financial asset revaluation reserve relates to the revaluation of 5,000,000 shares held in Tungsten Mining NL received as part consideration for the sale of exploration tenements.

18. Capital management

The Consolidated Entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Consolidated Entity's activities, being ferrotungsten production the Consolidated Entity does not have ready access to credit facilities, with the primary source of funding being debt financing and equity raisings. Therefore, the focus of the Consolidated Entity's capital risk management is the current working capital position against the requirements of the Consolidated Entity to meet production costs and corporate overheads. The Consolidated Entity's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to sourcing debt financing and initiating appropriate capital raisings as required. The working capital position of the Consolidated Entity and the parent entity at 30 June 2016 and 30 June 2015 are as follows:

	2016 $	2015 $
Current assets	1,054,157	5,276,890
Current liabilities	(16,660,963)	,(14,437,791)
Working capital position	(15,606,806)	(9,160,901)

19. Earnings per share

	2016 Cents per share	2015 Cents per share
Basic and diluted (loss) per share from continuing and discontinued operations	(16.19)	(130.61)

Basic and Diluted Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2016 $	2015 $
Loss used in the calculation of basic and diluted EPS as per income statement	(11,287,719)	(32,629,295)
	No.	**No.**
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	69,708,496	24,982,142

20. Commitments for expenditure

Exploration and evaluation exploration	2016 $	2015 $
Less than 1 year	-	839,283
1 year to 5 years	-	1,283,297
Greater than 5 years	-	533,180
	-	2,655,760

21. Discontinued Operations

During the year the Company sold its exploration assets in order to reduce cash outflows.

	2016 $	2015 $
Profit for the year from discontinued operations		
Revenue	-	-
Expenses	(152,183)	(23,544,076)
Loss before tax	(152,183)	(23,544,076)
Attributable income tax expense	-	-
Loss for the year from discontinued operations (attributable to parent entity)	(152,183)	(23,544,076)
Basic and diluted EPS for discontinued operations (cents per share)	(0.22)	(94.24)
Cash flows from discontinued operations		
Net cash outflows from operating activities	(222,195)	(920,086)
Net cash inflows from investing activities	1,094,000	-
Net cash inflows from financing activities	-	-
Net cash inflows/(outflows)	871,805	(920,086)
Assets held by discontinued operations		
Exploration tenement expenditure	-	1,200,000
Liabilities of discontinued operations	-	-

22. Contingent Liabilities

During the period, ATCV was audited by the tax authorities in Vietnam for the financial years 2010 to 2014. The preliminary results showed an additional liability of $120,636 was required to be taken up in relation to Personal Income Tax (PIT). This was accrued for at 30 June 2016. Based on the methodology undertaken ATPV reviewed its PIT workings for the 2015 and 2016 financial years and identified an addition $67,410 which needed to be accounted for and this was accrued for at 30 June 2016.

The extent to which an outflow of funds will be required in excess of the above amounts which have been accrued is dependent on receipt of the finalised tax report from the authorities for the years 2010 to 2014 and any further action or audits which may be taken in relation to 2015 and 2016 financial years.

23. Auditor's Remuneration

Amounts received or due and received for:

An audit or review of the financial report of the Consolidated Entity

	2016 $	2015 $
Bentleys Audit and Corporate (WA) Pty Ltd	82,500	64,400
Poon & Tong Hong Kong	5,469	60,004
KPMG Vietnam	39,018	25,694
	126,987	150,098

24. Notes to the cash flow statement

a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows

	2016 $	2015 $
Cash and cash equivalents	212,650	688,430

$40,000 of the cash and cash equivalents are restricted and set aside to offset credit cards limits.

b) Non-cash financing and investing activities

No non-cash financing and investing activities transactions took place during the financial year.

c) Reconciliation of loss for the period to net cash flows from operating activities

	2016 $	2015 $
Loss for the period	(17,592,884)	(35,314,024)
Non-cash items		
Impairment of asset	5,512,247	474,314
Write down of inventory	4,595,534	3,085,923
Depreciation	621,035	106,898
Provision for non-recovery	153,693	838,933
Exploration expenditure written off	-	23,544,076
Share based payments	189,841	184,000
Interest expense	145,510	232,133
Net foreign exchange (gain)/loss	245,128	1,227,895
Finance costs	-	80,665
Movements in working capital		
(Increase)/decrease in assets:		
Trade and other receivables	(556,345)	2,437,115
Inventory	(231,836)	4,231,789
Exploration	1,200,000	(920,086)
Increase/(decrease) in liabilities		
Trade and other payables	1,265,905	2,078,001
Deferred revenue	(30,753)	(6,210,063)
Provisions	1,892,728	(140,183)
	(2,590,197)	(4,062,614)

25. Subsequent Events

Subsequent to year end the following material subsequent events occurred.

Siderian Resource Capital Limited Forbearance
On 1 July 2016, Siderian Resource Capital Limited (Siderian) agreed to extend the forbearance period of the secured loan to ATC to 30 September 2016. The extension also satisfied a condition precedent to the recommended takeover offer for ATC by Almonty.

On 17 October 2016, the Company received notice from Siderian, that the forbearance had ceased and that monies outstanding under the loan arrangements, in the amount of US$1,812,128.52, were payable by 21 October 2016, failing which an event of default would occur entitling Siderian to commence enforcement proceedings.

On 28 October 2016, Siderian agreed to extend the forbearance period further to 29 September 2017 on the condition that; $1.2m from the underwritten entitlement issue would be paid to them by 20 Dec 2016 with the remainder of outstanding amounts due on 29 September 2017. The interest was modified to 12.5%.

Convertible Note Interest Settlement
On 12 July 2016, 6,107,928 ordinary shares were issued in lieu of interest due on Convertible Notes as at 30 June 2016.

Almonty Promissory Notes
On 1 August 2016, Almonty provided $150,000 to ATC in short term loans repayable on the earlier of 12 months from the date of provision of the funds or the date which ATC and Almonty complete a business combination. Interest is accrued at the rate of 5% per annum. On 23 August 2016 a further $250,000 was provided to ATC on the same terms as the original $150,000.

Almonty Takeover
On 27 July 2016, a new takeover offer for the Company by Almonty Industries Inc. (Almonty) was announced (New Offer). The New Offer was on substantially the same terms as the original offer save that it would no longer involve a secondary listing by Almonty on the ASX. However on 23 September 2016 the Company announced that it had received notice from Almonty that it had terminated the binding Heads of Agreement pursuant to which Almonty had conditionally agreed to make the New Offer.

Joint Venture Update
On 23 September 2016, the Company announced following a review of the operation and performance of its Vietnam Ferro Tungsten Joint Venture under the operatorship of its 40% Joint Venture partner, Mr Chen, that it had sought to remove Mr Chen as operator and from all offices held in the Joint Venture ("Removal Action").

Mr Chen has disputed the Removal Actions. Attempts to enforce compliance in Vietnam in September were unsuccessful with Mr Chen at that time denying access to the ATC Ferro-tungsten Plant to ATC representatives accompanied by Vietnamese officials seeking to enforce the Removal Actions. The parties remain in dispute, essentially as to whether Mr Chen should continue as operator and as an officer of the Joint Venture ("Dispute"). There is no dispute as to either ATC's 60% ownership or Mr Chen's 40% ownership of the Joint Venture. ATC is currently exploring all possible avenues to resolve the Dispute, including legal action.

26. Segment Information

During the year the Consolidated Entity progressed its operations through its 60% interest in a Hong Kong entity of which the Vietnam entity is a wholly owned subsidiary. Mineral exploration and prospecting for minerals is conducted in Australia. In Vietnam a ferrotungsten plant is in production. The Hong Kong entity facilitates the marketing of products produced at the Vietnam plant.

Identification of reportable segments

The Consolidated Entity has identified its operating segments by project based on internal reports that are reviewed and used by the Boards of Directors in determining the allocation of resources. The Consolidated Entity is managed primarily on a project basis.

Accounting policies adopted

Unless otherwise stated, all amounts reported to the Boards of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Consolidated Entity.

Inter-segment transactions

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. Inter-segment loans receivable and payable are at commercial terms.

26. Segment Information continued

(i) Segment performance from continuing operations

The following is an analysis of the Group's revenue and results from continuing operations by reporting segment.

Year ended 30 June 2016	**Hong Kong**	**Vietnam**	**Treasury**	**Total**
	$	**$**	**$**	**$**
Revenue				
Sales	6,155,951	2,582,057	-	8,738,008
Cost of sales	(4,346,130)	(5,532,020)	-	(9,878,150)
Interest revenue	-	-	4,282	4,282
Other	-	-	32,113	32,113
Total segment revenue	1,809,821	(2,949,963)	36,395	(1,103,747)
Segment net gain/(loss) before tax	(4,809,017)	(9,153,901)	36,395	(13,926,523)
Reconciliation of segment result to group profit/(loss) before tax				
Amounts not included in segment result but reviewed by the Board				
Administrative expenses				(696,997)
Depreciation				(6,705)
Director's fees				(535,204)
Consultancy fees				(426,093)
Occupancy costs				(44,736)
Employee expenses				(265,310)
Financing Costs				(1,301,945)
Marketing expenses				(45,433)
Legal costs				(108,793)
Travel and accommodation				(82,962)
Net loss before tax from continuing operations				(17,440,701)

26. Segment Information continued

(i) Segment performance continuing operations

Year ended 30 June 2015	Hong Kong	Vietnam	Treasury	Total
	$	$	$	$
Revenue				
Sales	19,272,701	-	-	19,272,701
Cost of sales	(17,122,088)	(1,364,574)	-	(18,486,662)
Interest revenue	-	-	4,679	4,679
Other	-	1,336	11,930	13,266
Total segment revenue	2,150,613	(1,363,238)	16,609	803,984
Segment net gain/(loss) before tax	(2,922,632)	(2,315,880)	16,609	(5,221,903)
Reconciliation of segment result to group profit/(loss) before tax				
Amounts not included in segment result but reviewed by the Board				
ınistrative expenses				(1,742,061)
Depreciation				(37,404)
Impairment of asset				(129,430)
Director's fees				(1,185,436)
Consultancy fees				(606,142)
Occupancy costs				(101,955)
Employee expenses				(738,878)
Financing Costs				(911,342)
Marketing expenses				(134,107)
Legal costs				(273,526)
Travel and accommodation				(179,522)
Provision for Non-recovery				(508,242)
Net loss before tax from continuing operations				(11,769,948)

26. Segment Information continued

(ii) Segment assets

Year ended 30 June 2016	Hong Kong	Vietnam	Treasury	Total
	$	$	$	$
Segment assets	183,110	434,702	344,042	961,854
Segment assets increased for the period				
Capital expenditure	-	33,600	-	33,600
Write downs	(3,860,273)	(5,551,775)	-	(9,412,048)
	(3,860,273)	(5,518,175)	-	(9,378,448)
Included in segment assets are				
Equity accounted associates and joint ventures	-	-	-	-
Reconciliation of segment assets to group assets				
Inter-segment eliminations	-	-	-	-
Unallocated assets				
Receivables				292,303
Property, plant & equipment				27,703
Total group assets from continuing operations				1,281,860

26. Segment Information continued

(ii) Segment assets continued

Year ended 30 June 2015	**Hong Kong**	**Vietnam**	**Treasury**	**Total**
	$	**$**	**$**	**$**
Segment assets	4,751,144	5,516,471	519,632	10,787,247
Segment assets increased for the period				
Capital expenditure	-	973,465	-	973,645
Write downs	(8,178,928)	(913,360)	(2,204,373)	(11,296,661)
	(8,178,928)	60,105	(2,204,373)	(10,323,016)
Included in segment assets are				
Equity accounted associates and joint ventures	-	-	-	-
Reconciliation of segment assets to group assets				
Inter-segment eliminations	-	-	-	-
Assets relating to exploration (now discontinued)				1,200,000
Unallocated assets				
Receivables				338,465
Property, plant & equipment				57,999
Total group assets from continuing operations				12,383,711

26. Segment Information continued

(iii) Segment liabilities

Year ended 30 June 2016	**Cookes Creek**	**Mt Mulgine**	**Hong Kong**	**Vietnam**	**Treasury**	**Total**
	$	**$**		**$**	**$**	**$**
Segment liabilities	-	-	2,691,830	3,106,775	-	5,798,605
Reconciliation of segment liabilities to group liabilities						
Unallocated liabilities:						
Payables and accruals						7,230,608
Provisions						57,774
Loan minority shareholder						3,573,976
Other liabilities						-
Total liabilities from continuing operations						16,660,963

Year ended 30 June 2015	**Cookes Creek**	**Mt Mulgine**	**Hong Kong**	**Vietnam**	**Treasury**	**Total**
	$	**$**		**$**	**$**	**$**
Segment liabilities	59,574	42,805	1,669,318	355,693	-	2,127,390
Reconciliation of segment liabilities to group liabilities						
Unallocated liabilities:						
Payables and accruals						8,737,497
Provisions						99,210
Loan minority shareholder						3,473,694
Other liabilities						-
Total liabilities from continuing operations						14,437,791

26. Segment Information continued

(iv) Revenue by geographical region

	Year Ended 30 June 2016 $	Year Ended 30 June 2015 $
Revenue attributable to external customers is disclosed below, based on the location of the external customer:		
Australia	20,317	16,609
Hong Kong	6,155,953	19,272,701
Vietnam	2,598,133	1,336
Total revenue	8,774,403	19,290,646

(v) Assets by geographical location

	Year Ended 30 June 2016 $	Year Ended 30 June 2015 $
The location of segment assets is disclosed below by geographical location of the assets		
Australia	664,047	2,116,096
Hong Kong	183,111	4,751,144
Vietnam	434,702	5,516,471
Total Assets	1,281,860	12,383,711

27. Financial Instruments

(a) Financial Risk Management

The Consolidated Entity's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for the Consolidated Entity's operations.

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

(i) Treasury Risk Management

The board meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

27. Financial Instruments continued

(ii) Financial Risks

The main risks the Consolidated Entity's is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The Consolidated Entity's exposure to market risk for changes in interest rates relates primarily to the Consolidated Entity's cash on deposit. All borrowings are at a fixed interest rate.

Sensitivity analysis

At 30 June 2016, if interest rates had changed by -/+ 75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Consolidated Entity would have been $1,295 lower/higher (2015: $5,163 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

Liquidity risk

Liquidity risk arises from the possibility that the Consolidated Entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities, refer Note 14. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The following table details the Consolidated Entity's expected maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities. The inclusion of information on non-derivative financial liabilities is necessary in order to understand the Consolidated Entity's liquidity risk management. The Consolidated Entity expects to meet its obligations from operating cash flows resulting from product sales.

30 June 2016	Weighted Average effective interest rate %	Less than 1 month $	1-12 months $	1 to 5 years $	Total $
Non-interest bearing					
Fixed interest rate – Convertible Notes	12.0	-	-	3,458,239	3,458,239
Fixed interest rate – Siderian Loan	15.0	-	2,297,103	-	2,297,103
Fixed interest rate – G Chen Loan	6.8	-	3,573,976	-	3,573,976
		-	5,871,079	3,458,239	9,329,318

27. Financial Instruments

(a) Financial Risk Management continued

(iii) Financial Risks continued

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Consolidated Entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

Credit risk related to balances with banks is managed in accordance with Board approvals. The following table provides information regarding the credit risk relating to cash based on Standard & Poor's counterparty credit ratings.

	2016 $	2015 $
Cash and cash equivalents		
- AA Rated	152,896	533,270
- Indovina Bank Vietnam (not listed)	59,754	155,160
	212,650	688,430

Foreign Exchange Risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Consolidated Entity holds instruments which are other than the AUD functional currency of the Consolidated Entity.

As the Consolidated Entity has entered into production instruments held by overseas operations, it is exposed to fluctuations in foreign currencies which may impact on the Group's financial results unless those exposures are appropriately hedged. The Consolidated Entity has utilising natural hedging through the use of its US dollar bank account in Australia to limit this exposure.

(b) Fair Value Estimation

The fair value of the financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Consolidated Entity at the balance date are recorded amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Consolidated Entity is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

27. Financial Instruments continued

(c) Interest Rate Risk

The Consolidated Entity's exposure to interest rate risk, which is the risk that a financial instruments 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:

Consolidated 2016	Weighted average interest rate %	Variable interest rate $	Fixed interest rate $	Non-interest bearing $	Total $
Financial Assets					
Cash and cash equivalents	2.0	212,650		-	212,650
Trade and other receivables			-	588,589	588,589
		212,650	-	588,589	801,239
Financial Liabilities - Current					
Trade and other payables		-	-	5,339,707	5,339,707
Convertible notes	12.0	-	3,458,239	-	3,458,239
G Chen loan	6.8	-	3,573,976	-	3,573,976
Siderian loan	15.00	-	2,297,103	-	2,297,103
		-	9,329,318	5,339,707	14,669,025
Financial Liabilities – Non-Current					
Financial liabilities		-	-	-	-
		-	-	-	-
2015					
Financial Assets					
Cash and cash equivalents	2.4	688,430		-	688,430
Trade and other receivables			-	185,026	185,026
		688,430	-	185,026	873,456
Financial Liabilities - Current					
Trade and other payables		-	-	3,960,534	3,960,534
Convertible notes	12.0	-	-	1,650,000	1,650,000
G Chen loan	6.8	-	3,473,694	-	3,473,694
Siderian loan	12.75	-	5,223,600	-	5,223,600
		-	8,697,294	5,610,534	14,307,828
Financial Liabilities – Non-Current					
Financial liabilities		-	-	-	-
		-	-	-	-

All financial assets, trade and other payables and other liabilities are expected to be settled within 12 months. The carrying amount of all financial assets and financial liabilities approximate their fair values.

28. Share-based payments

The following share-based payments were made during the financial year:

Date	Shares	Options	Purpose of Issue
31 July 2015(1)	86,216	86,216	In lieu of cash for capital raising fees
31 July 2015(1)	-	300,000	Under terms of Deed of Termination
31 July 2015(1)	-	7,600,000	Convertible note costs
20 August 2015(1)	3,518	-	Interest on convertible notes
27 August 2015(1)	460	-	Interest on convertible notes
2 September 2015(1)	-	400,000	Convertible note costs
9 December 2015(1)	2,000,000	-	In lieu of cash for director fees
17 December 2015(1)	1,368,000	-	In lieu of cash for capital raising fees
15 January 2016(1)	145,510	-	Interest on convertible notes
20 April 2016	300,000	-	In lieu of cash for capital raising fees

(1)The quantity of shares or options is adjusted for 50:1 share consolidation on 24 March 2016.

Share based payments are shown in the Statement of Changes in Equity under the Reserves heading and are included in the director remuneration line in the Income Statement and the Issued Capital line in the Equity section of the Balance Sheet and under Convertible Notes.

Options on Issue

Options hold no voting or dividend rights, and are not transferable. During the year 400,000 (post consolidation) options expired and 1,500,000 (post consolidation) options issued on 31 July 2015 were forfeited as vesting condition were not met. The details of the options on issue are:

Options series	Number	Grant date	Expiry date	Exercise price $	Fair value at grant date $
27/11/2016 - $2.75(1)	571,389	27/05/2014	27/11/2016	2.75	N/A
27/11/2016 - $2.75	2,791,431	27/05/2014	27/11/2016	2.75	0.356
09/03/2017(a) - $0.75(1)	86,216	31/07/2015	09/03/2017	0.75	N/A
09/03/2017(a) - $0.75	7,600,000	31/07/2015	09/03/2017	0.75	0.020
09/03/2017(b) - $0.75	400,000	02/09/2015	09/03/2017	0.75	0.018
31/07/2018 - $0.58	300,000	31/07/2015	31/07/2018	0.58	0.102

(1)The value of these free attaching options is intrinsic in the shares that were issued.

Reconciliation of the outstanding share options at the beginning and end of the financial year:

Consolidated Description	2016 No.	2015 No.
Balance at the beginning of the financial year	4,768,365	3,191,429
Granted during the financial year	9,886,216	1,576,936
Cancelled during the financial year	(1,500,000)	-
Expired during the financial year	(400,000)	-
Balance at the end of financial year	12,754,581	4,768,365
Exercisable at the end of the financial year	12,754,581	4,768,365

The weighted average remaining contractual life of options outstanding at year end was 0.66 years. Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

Inputs into the model	27/11/2016 $2.75	09/03/2017(a) $0.75	09/03/2017(b) $0.75	31/07/2018 $0.58
Grant date share price	$1.70	$0.24	$0.24	$0.24
Exercise price	$2.75	$0.75	$0.75	$0.35
Expected volatility	66.00%	55.00%	55.00%	55.00%
Options life years	2.00	1.60	1.50	3.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	2.665%	1.97%	1.97%	1.97%

29. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Consolidated Entity and other related parties are disclosed below:

Equity interests in subsidiaries
Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 31 to the financial statements.

Shareholder Loan Joint Venture Partner
Mr Chen Guang Yu holds a 40% interest in the Asia Tungsten Products Group. The balance of Mr Chen's loan account at 30 June 2016 is: Principal $3,573,976 (USD 2,660,000), Interest $1,356,074 (USD 1,009,284) refer Note 14 and 11.

Contracts for services
Consultancy agreements on commercial terms are entered into for non-executive directors and other non-salaried key management personnel via companies in which each key management person has a controlling interest. The companies that each non-executive director or key management person has a controlling interest are:

Company	Interest held by	Amount $	Description of payment
Ausnom Pty Ltd	Mr J Chegwidden	30,000	Director remuneration
Custom OH&S	Mr M Bourne	99,845	Consulting fees
Custom Oh&S	Mr M Bourne	43,000	Director remuneration
Ibiz Global Pty Ltd	Mr M Warren	308,758	Director remuneration
Maybach Consulting Pty Ltd	Mr J Arbuckle	75,000	Director remuneration
New Consulting Services Pty Ltd	Ms C New	164,000	Consulting fees
New Consulting Services Pty Ltd	Ms C New	2,000	Director remuneration
Rowan Hall Pty Ltd	Mr P Burke	120,000	Director remuneration

30. Key management personnel compensation

The aggregate compensation made to key management personnel of the Consolidated Entity is summarised below:

Compensation Type	2016 $	2015 $
Short-term benefits	1,666,340	2,121,863
Post-employment benefits	14,912	55,990
Other long-term benefits	-	-
Share based payments	-	151,000
Total	1,681,252	2,328,853

Refer to the Remuneration Report contained in the Directors' Report for details of remuneration paid to each member of the Consolidated Entity's key management personnel and their options held and shareholdings.

31. Controlled Entities

ATC Alloys Ltd controls the following percentages in its subsidiaries.

Name of Subsidiary (%)	Country of Incorporation	Percentage Owned 2016	2015
BigHill Resources Limited	Australia	100%	100%
Asia Tungsten Products Co., Limited	Hong Kong	60%	60%
Asia Tungsten Products Vietnam Limited	Vietnam	60%	60%

32. Parent Entity Disclosures

The accounting policies of the parent entity, which have been applied in determining the financial information presented below, are the same as those applied in the consolidated financial statements. Refer to Note 1 for a summary of the significant accounting policies relating to the group.

	2016 $	2015 $
Financial Position		
Assets		
Current assets	433,827	3,290,545
Non-current assets	227,703	657,999
Total assets	661,530	3,948,544
Liabilities		
Current liabilities	7,280,383	8,925,036
Non-current liabilities	-	-
Total liabilities	7,280,383	8,925,036
Equity		
Issued capital	66,550,183	62,728,007
Option reserve	978,433	1,506,448
Financial Asset Revaluation Reserve	10,000	-
Accumulated losses	(74,157,469)	(69,210,947)
Total Equity	(6,618,853)	(4,976,492)
Financial Performance		
Loss for the year	(5,662,672)	(15,028,775)
Other comprehensive income	-	-
Total comprehensive income	(5,662,672)	(15,028,775)

Directors' Declaration

In accordance with a resolution of the directors of ATC Alloys Ltd, the directors of the company declare that:

1) the financial statements and notes, as set out on pages 13 to 56, are in accordance with the *Corporations Act 2001* and:

   (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the Consolidated Entity;

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; and

3) the directors have been given the declarations required by s295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

Patrick Burke
Chairman

Perth, Western Australia
17 November 2016

Bentleys
THINKING AHEAD

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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 ATC Alloys Limited and its Controlled Entities for the financial year ended 30 June 2016, 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

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated at Perth this 17th day of November 2016

Bentleys
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Independent Auditor's Report

To the Members of ATC Alloys Limited

We have audited the accompanying financial report of ATC Alloys Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the statement of financial position as at 30 June 2016 , 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 significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and 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.

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 ATC Alloys Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*;

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 in the financial report which indicates that the Consolidated Entity incurred a net loss of $17,592,884 during the year ended 30 June 2016. This condition, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated 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.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Hazelwood Resources Limited for the year ended 30 June 2016, complies with section 300A of the *Corporations Act 2001*.

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated at Perth this 17th day of November 2016

Additional Stock Exchange Information
As at 31 October 2016

The Company's ordinary shares are quoted by the Australian Stock Exchange Limited. The Home Exchange is Perth and the ASX code is ATA. Options over ordinary shares and convertible notes convertible into ordinary shares in the Company are not quoted on the ASX.

Holders of classes of equity securities

Class	Number on issue	Exercise price	Expiry date	Number of holders
Shares				
Ordinary	112,676,372	-	-	1,549
Options				
ATAAK	2,791,431	$2.75	27/11/2016	17
ATAAL	9,663,150	$0.75	09/03/2017	53
ATAAM	300,000	$0.58	31/07/2018	1
Convertible Notes				
Face Value $50,000 Coupon Rate 12%,	35	$0.25	01/07/2018	19
Face Value $25,000 Coupon Rate 12%	2	$0.25	01/07/2018	2
Face Value $50,000 Coupon Rate 12%	23	$0.05	01/07/2018	10
Face Value $25,000 Coupon Rate 12%	12	The lower of $0.05 and the lowest issue price of any shares prior to maturity date	01/07/2018	5
Face Value $25,000 Coupon Rate 12%	10	The lower of $0.05 and the lowest issue price of any shares prior to maturity date of the price implied by a corporate action	01/07/2018	5
Face Value $20,000 Coupon Rate 12%	6	$0.05	01/07/2018	4
Face Value $10,000 Coupon Rate 12%	2	$0.05	01/07/2018	2
Face Value $50,000 Coupon Rate 12%	1	The lower of $0.025 and the lowest issue price of any shares prior to maturity date of the price implied by a corporate action	01/07/2018	1

Distribution of holders of equity securities
Ordinary shares

Range	Number of shares	Number of holders
1 - 1,000	263,625	703
1,001 – 5,000	916,610	360
5,001 – 10,000	933,128	121
10,001 – 100,000	8,953,874	246
100,001 and over	101,609,135	119
	112,676,372	1,549

Additional Stock Exchange Information
As at 31 October 2016

Top 20 holders

No.	Shareholder	Number of shares	% of issued shares
1	Jemaya Pty Ltd <The Featherby Family A/C>	8,090,211	7.18
2	GMP Securities Australia Pty Limited	7,671,896	6.81
3	HSBC Custody Nominees (Australia) Limited	6,652,226	5.90
4	Cabbdeg Investments Pty Ltd	6,219,620	5.52
5	Baxchang Pty Ltd <Hutchinson Family S/F A/C>	5,447,680	4.83
6	Perth Select Seafoods Pty Ltd	5,316,857	4.71
7	Ajava Holdings Pty Ltd	4,000,000	3.55
8	Chifley Portfolios Pty Limited	3,402,077	3.02
9	Maniciti Pte Ltd	3,227,849	2.86
10	Mulloway Pty Ltd <John Poynton Family A/C>	2,988,543	2.65
11	Interstate Investments Pty Ltd	2,635,002	2.35
12	Mr John Paul Welborn	2,577,354	2.29
13	Correze Pty Ltd	2,515,609	2.23
14	Lexton Holdings Pty Ltd <Simpson Account>	2,000,000	1.77
15	Tarney Holdings Pty Ltd <DP & FL Waddell Family A/C>	2,000,000	1.77
16	Ausnom Pty Ltd <J & K Chegs Share A/C>	1,599,824	1.42
17	Ravina QLD Pty Ltd	1,419,374	1.26
18	Valentino Nominees Pty Ltd <Colby Family A/C>	1,275,500	1.13
19	Milverton Pty Ltd <WT Fleming Family A/C>	1,270,800	1.13
20	Mr Colin Dwyer + Mrs Carmen Dwyer <Dwyer Nom P/L S/Plan A/C>	1,100,000	0.98
		71,410,422	63.36

Unmarketable parcels

The Company has 1,267shareholdings which are less than a marketable parcel.

Voting rights

Voting rights of members are set out in Article 2.1 of the Company's Constitution.
Only holders of ordinary shares are entitled to vote, either in person or by proxy, attorney or corporate representative:

- on a show of hands, to one vote, and
- on a poll, to one vote for each share held.

Holders of options and convertible notes do not have a right to vote.

Substantial shareholders

As at 31 October 2016 there are 4 shareholders with a holding greater than 5%.

The following substantial shareholding has been notified to the Company.

Name of shareholder	No. of shares held
Mr Brett Hutchinson	12,751,068
Jemaya Pty Ltd	8,343,293
GMP Securities Australia Pty Limited	7,645,675
SG Hiscock & Company Limited	6,652,226