

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

ABN 53 111 398 040

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

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VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2011.

DIRECTORS

The names of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

CURRENT DIRECTORS

Mr Yuen Loke Chin (Non-Executive Director) appointed 22 March 2013

Mr Kasudjono Harianto (Non-Executive Director) appointed 22 March 2013

Mr Michael Thirnbeck (Non-Executive Director) appointed 23 December 2013

Company Secretary

Ms Eryn Kestel appointed 22 March 2013

Mr Sam Fink appointed 6 May 2011, resigned 22 March 2013

PREVIOUS DIRECTORS

Mr Noel Henderson, (Non-Executive Director) resigned 5 May 2011

Mr Andrew Torrington (Executive Director) resigned 2 September 2010

Mr David Goldberg (Non-Executive Officer) resigned 22 March 2013

Mr David Wieland (Non-Executive Director) resigned 22 March 2013

Mr Sam Fink (Non-Executive Director) resigned 22 March 2013

Mr Steven Nicols (Non-Executive Director) appointed 22 March 2013, resigned 8 January 2014

Mr Bruce Garlick (Non-Executive Director) appointed 3 December 2013, resigned 17 December 2013

REVIEW OF OPERATIONS

The Group's net loss from continuing operations (excluding discontinued operations) was \$n/a (2010: \$1,814,000).

Information on accounting records for the half- year ended 31 December 2011 is not available (n/a) see note 1(b).

The Company's shares were suspended from trading on the ASX on 23 March 2011 and remain suspended. The Company was placed into voluntary administration (May 2011), entered into Deed of Company Arrangement (DOCA) (September 2011) and into an amended DOCA and Creditors' Trust (January 2013). The Company was released from DOCA and Administration 22 March 2013.

SIGNIFICANT EVENTS AFTER REPORTING DATE

Refer to note 4 to the financial statements for details of significant events after the reporting date.

VGP CORPORATION LIMITED

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DIRECTORS' REPORT

AUDITOR'S DECLARATION

The lead auditor's Independence Declaration under Section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2011 is set out on page 5.

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



Yuen Loke Chin
Director
14 July 2014

The Board of Directors
VGP Corporation Limited
2B William Street
North Sydney, NSW 2060

14 July 2014

Dear Board Members

VGP Corporation Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of VGP Corporation Limited.

As lead audit partner for the review of the financial statements of VGP Corporation Limited for the half-year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Neil Smith
Partner
Chartered Accountants

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	Note	Consolidated Group	
		Half-year 31 December 2011	Half-year 31 December 2010
		\$	\$
Revenue			
Other income		n/a	381,000
Expense			
Employee benefits expenses		n/a	(289,000)
Depreciation and amortisation expense		n/a	(22,000)
Finance costs		n/a	(1,600,000)
Transport and travel expenses		n/a	(2,000)
Consultants (including legal and accounting)		n/a	(89,000)
Insurance expense		n/a	(56,000)
Rental expenses		n/a	(57,000)
Other expenses		n/a	(80,000)
Profit/(Loss) before income tax		n/a	(1,814,000)
Income tax expense		n/a	-
Profit/(Loss) for the period		n/a	(1,814,000)
Other comprehensive income			
Other comprehensive income		n/a	-
Total comprehensive income/(loss) for the period		n/a	(1,814,000)
Net loss attributable to equity holders of the parent		n/a	(1,814,000)
Total comprehensive loss attributable to equity holders of the parent		n/a	(1,814,000)
Earnings/(Loss) per share			
From continuing operations:			
		Cents	Cents
Basic earnings/(loss) per share (cents per share)		n/a	(1.4)
Diluted earnings/(loss)per share (cents per share)		n/a	(1.4)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Consolidated Group	
	31 December 2011	30 June 2011
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	n/a	n/a
Trade and other receivables	n/a	n/a
TOTAL CURRENT ASSETS	n/a	n/a
NON-CURRENT ASSETS		
Property, plant and equipment	n/a	n/a
Other receivables	n/a	n/a
TOTAL NON-CURRENT ASSETS	n/a	n/a
TOTAL ASSETS	n/a	n/a
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	n/a	n/a
Borrowings	n/a	n/a
Provisions	n/a	n/a
TOTAL CURRENT LIABILITIES	n/a	n/a
NON-CURRENT LIABILITIES		
Provisions	n/a	n/a
TOTAL NON-CURRENT LIABILITIES	n/a	n/a
TOTAL LIABILITIES	n/a	n/a
NET ASSETS	n/a	n/a
EQUITY		
Issued capital	52,886,000	52,886,000
Accumulated losses	n/a	n/a
TOTAL EQUITY	n/a	n/a

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

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Consolidated Group

	Issued capital	Accumulated losses	Total
	\$	\$	\$
Balance at 1 July 2010	52,886,000	(87,274,000)	(34,388,000)
Total Comprehensive Income	-	(1,814,000)	(1,814,000)
Balance at 31 December 2010	52,886,000	(89,088,000)	(36,202,000)
Balance at 1 July 2011	52,886,000	n/a	n/a
Total Comprehensive Income	n/a	n/a	n/a
Balance at 31 December 2011	52,886,000	n/a	n/a

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

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	Consolidated Group	
	Half-year 31 December 2011	Half-year 31 December 2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	n/a	10,000
Payments to suppliers and employees	n/a	(799,000)
Interest received	n/a	375,000
Interest and other finance costs paid	n/a	(356,000)
Net cash provided by/(used in) operating activities	n/a	(770,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts of deferred sale consideration	n/a	1,879,000
Net provided by/(used in) investing activities	n/a	1,879,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	n/a	(1,879,000)
Net cash provided by/(used in) financing activities	n/a	(1,879,000)
Net increase /(decrease) in cash held	n/a	(770,000)
Cash and cash equivalents at beginning of period	n/a	1,393,000
Cash and cash equivalents at end of period	n/a	623,000

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

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2011 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards 134 ensures that the financial statements and notes also comply with International Financial Reporting Standard, IAS 34 Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of VGP Corporation Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2011, together with any public announcements made during the half-year.

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following revised Accounting Standard except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(b) Maintenance of accounting records

The directors note the following events have taken place since the date of signing of the 30 June 2010 financial report by the previous directors:

- On 23 March 2011, the Company's shares were suspended from trading on the Australian Securities Exchange (ASX).
- On 11 May 2011, the Company was placed in Administration and appointed Messrs Matthew Wayne Caddy & Peter McKenzie Anderson of McGrathNicol as Joint & Several Administrators of the Company.
- On 17 August 2011, the Company entered into an agreement with RAK Capital Pty Ltd (RAK) to recapitalise the Company (Recapitalisation Deed). This proposal was not able to be completed by RAK.
- On 6 September 2011, the Company executed a Deed of Company Arrangement (DOCA). The DOCA was subject to satisfaction of a number of conditions precedent including obtaining shareholder approval in favour of the recapitalisation proposal. Pursuant to the deed, Messrs Matthew Wayne Caddy & Peter McKenzie Anderson became Joint and Several Administrators of the Company.
- On 28 August 2012, a new proposal from a different investment group, represented by Benelong Capital Partners Pty Ltd (Benelong), for the restructure and recapitalisation of the Company was submitted to Messrs Matthew Wayne Caddy & Peter McKenzie as Joint & Several Administrators of the Company (Recapitalisation Proposal).
- On 23 January 2013, the Creditors of the Company agreed to the Recapitalisation Proposal, and the DOCA was amended in order to effect the terms of the Recapitalisation Proposal.
- On 20 February 2013, the details of the Proposal with respect to shareholder interests in the recapitalised and reconstructed Company were announced. They were as follows:
 - The new investor to receive approximately ninety-four (94) per cent interest in the Company; and
 - Existing shareholders to receive approximately six (6) per cent interest in the Company

VGP CORPORATION LIMITED

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

The above recapitalisation and reconstruction was subject to certain resolutions being passed. The above proposal was put to shareholders for voting at the Extraordinary General Meeting (EGM) held on 22 March 2013.

- On 22 March 2013, the above proposal with respect to shareholder interests in the recapitalised and reconstructed Company was approved by the shareholders. On this date, the company was released from Administration and the outstanding creditors' debt of \$36.42m extinguished.

Two of the current directors were appointed in March 2013, the other in December 2013, and they have since arranged the June 2011 and subsequent statutory financial statements to be prepared for the purposes of satisfying the Company's financial reporting requirements. The current directors have been able to locate certain records prior to the date that the Company was released from Administration, being 22 March 2013. However, the directors have been unable to ascertain and satisfy themselves as to the completeness and accuracy of the accounting and statutory records.

Given the above events, the directors are unable to ascertain there is sufficient information available to enable the directors to prepare the financial report for the half year ended 31 December 2011.

Accordingly, the amounts included in the financial statements and note disclosures are reflected as n/a (not available).

(c) Adoption of new and revised Accounting Standards

The Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period, being the half year ended 31 December 2011.

Significant new and revised standards and interpretations effective for the current financial reporting period that are relevant to the Company are:

- AASB 124: Related Party Disclosures;
- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from Annual Improvements Project;
- AASB 2010-5: Amendments to Australian Accounting Standards;
- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets.

The adoption of these standards has not had an impact on the Company.

(d) Accounting Standards and Interpretations issued but not yet effective.

Certain new Australian Accounting Standards and Interpretations have been published that are not mandatory for the half year ended 31 December 2011. The Group's assessment of the impact of these new Standards and Interpretations is they will result in no significant changes to the amounts recognised or matters disclosed in the Group's financial statements.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(e) Going concern

The financial report has been prepared on the going concern basis which assumes the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The directors have prepared a cash flow forecast (which includes corporate and administration expenses only) for a period of 12 months from the date of signing of this financial report and the directors are aware of the company's need to access additional working capital funds to enable the company to fund its ongoing corporate and administration expenses and to seek new business ventures.

Petra Commodities Pte. Ltd became a substantial shareholder of the company on completion of the Proposal in March 2013 (refer to Note 1(b)) and plan on reviewing new projects to vend into the company. Petra Commodities Pte Ltd then transferred its shares in the Company to a related entity, Petra Pacific Pte Ltd in June 2014. When a new business opportunity is presented and selected by the directors of the Company, additional funding will need to be obtained and the requirements of Chapters 1 and 2 of the Australian Securities Exchange ('ASX') Listing Rules will need to be completed in order for the company to obtain its requotation on the ASX .

Petra Pacific Pte Ltd has agreed that if the company is unable to pay its debts, Petra Pacific Pte Ltd will pay the company's liabilities on its behalf for at least 12 months from the date of signing this financial report. The directors anticipate that they will need at least \$35,000 by the end of June 2014, with further amounts totalling approximately \$165,000 during the period ending 31 July 2015 to meet ongoing corporate and administration expenses.

Should the company be unable to obtain continued financial support from Petra Pacific Pte Ltd and unable to successfully complete the matters required in order for the company to obtain its requotation on the ASX, there is material uncertainty whether the company will be able to continue as going concern and therefore, whether the company will realise its assets and discharge its liabilities in the normal course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

Note 2: PROFIT FOR THE PERIOD

	Consolidated Group	
	31 December 2011 \$	31 December 2010 \$
Other revenue		
Other income	n/a	381,000
	n/a	381,000
Expenses		
Depreciation and amortisation expense	n/a	22,000
Employee benefits expense	n/a	289,000
Consultants (including legal and accounting)	n/a	89,000
Rental expense	n/a	57,000
Insurance expense	n/a	56,000

VGP CORPORATION LIMITED

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Note 3: OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of the consolidated entity. The board of directors have concluded that at this time the company is only performing corporate activities and information similar to the financial statements presented in the financial report are received by them, to manage and allocate their resources.

Note 4: EVENTS AFTER BALANCE DATE

Chronology of significant events

The following events have occurred since 31 December 2011:

On 28 August 2012, a new proposal from a different investment group, represented by Benelong Capital Partners Pty Ltd (Benelong), for the restructure and recapitalisation of the Company was submitted to Messrs Matthew Wayne Caddy & Peter McKenzie as Joint & Several Administrators of the Company (Recapitalisation Proposal).

On 23 January 2013, the Creditors of the Company agreed to the Recapitalisation Proposal, and the DOCA was amended in order to effect the terms of the Recapitalisation Proposal.

On 20 February 2013, the details of the Proposal with respect to shareholder interests in the recapitalised and reconstructed Company were announced. They were as follows:

- The new investor to receive approximately ninety-four (94) per cent interest in the Company; and
- Existing shareholders to receive approximately six (6) per cent interest in the Company

The above recapitalisation and reconstruction was subject to certain resolutions being passed. The above proposal was put to shareholders for voting at the Extraordinary General Meeting (EGM) held on 22 March 2013.

On 22 March 2013, the above proposal with respect to shareholder interests in the recapitalised and reconstructed Company was approved by the shareholders. On that date the Company approved the Consolidation of Capital, Allotment and issue of Shares and the shareholders appointed Messrs Steven Nicols, Yuen Chin and Kasudjono Harianto as Directors of the Company. The Shareholders also approved a change of the Company name from Verticon Group Limited to VGP Corporation Limited. On this date, the DOCA was completed, with the release of outstanding creditors of \$36.42 million and the Company was released from Administration.

On the same date, Messrs David Wieland, David Goldberger and Sam Fink resigned as Directors.

On the same date, Eryn Kestel was appointed as Company Secretary.

On 25 March 2013, the Company advised the ASX of changes to both its principal place of business address and registered office address.

On the same date, the Company appointed Security Transfer Registrars Pty Ltd as the Share Registry.

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Note 4: EVENTS AFTER BALANCE DATE (Cont)

On 10 April 2013, the Company lodged an Appendix 3B issuing 97 million shares at AUD \$0.0022 per share totalling AUD \$213,400. The shares were issued as part of the recapitalisation of the Company to an unrelated sophisticated investor as approved by Shareholders at the General Meeting held on 22 March 2013.

As a result of the share issue, Petra Commodities Pte Ltd became a substantial shareholder of the Company with 97 million shares and 93.8% voting power.

On 18 April 2013, the Company lodged an Appendix 3B issuing 3 million shares at AUD \$0.0022 per share totalling AUD \$6,600. The shares were issued as part of the recapitalisation of the Company to an unrelated sophisticated investor as approved by Shareholders at the General Meeting held on 22 March 2013.

On 3 December 2013, the Company appointed Mr Bruce Garlick as a Director and lodged an Initial Director's Interest Notice for Mr Bruce Garlick.

On 17 December 2013, the Company announced that Mr Bruce Garlick had resigned as a Director and lodged a Final Director's Interest Notice for Mr Bruce Garlick.

On 23 December 2013, the Company appointed Mr Michael Thirnbeck as a Director and lodged an Initial Director's Interest Notice for Mr Michael Thirnbeck.

On 31 December 2013, the Company entered into a loan agreement with Petra Commodities Pte Ltd for \$25,600 at 12% per annum interest and repayable on the earlier of:

- 24 months,
- when the Company enters into a recapitalisation event or,
- the lender or any of its subsidiaries ceases to own at least 51% of the Company.

On 8 January 2014, Mr Steven Nicols resigned as a Director

On 14 January 2014, the Company lodged a Final Director's Interest Notice for Mr Steven Nicols.

On 21 February 2014, the Company advised the ASX of changes to both its principal place of business address and registered office address.

On 17 March 2014 the Company issued notice of a general meeting to be held 15 April 2014 for the purpose of:

- Removing PricewaterhouseCoopers as the Company Auditor
- Appointing Deloitte Touche Tohmatsu as the new Company Auditor

On 15 April 2014, the above proposals were approved by the shareholders.

On 12 June 2014, Petra Commodities Pte Ltd ceased to be a substantial shareholder in the Company.

On the same date, Petra Pacific Pte Ltd became a substantial shareholder in the Company.

VGP CORPORATION LIMITED

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

Note 4: EVENTS AFTER BALANCE DATE (Cont)

Cessation as a consolidated entity

The subsidiaries of the Company have all been deregistered by 12 May 2013 and therefore is no longer a consolidated entity at the date of signing this financial report. Therefore, the going concern has been prepared on the basis of the Company, refer to Note 2 for details.

VGP CORPORATION LIMITED

(Formerly Verticon Group Limited)

DIRECTORS' DECLARATION

Subject to the uncertainty of source documentation as disclosed in note 1(b), in the opinion of the directors of VGP Corporation Ltd:

1. Based on the available accounting records and limitations set out in note 1(b), the financial statements and notes, as set out on pages 6 to 15 of this Interim Financial Report, are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Accounting Standard AASB 134: Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.
2. In relation to the statements that there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, attention is drawn to note 1(b) to the financial statements.

This declaration is made in accordance with a resolution of the Board of Directors of VGP Corporation Limited.



Yuen Loke Chin
Director
14 July 2014

Independent Auditor's Review Report to the Members of VGP Corporation Limited (previously Verticon Group Limited)

Report on the Half-Year Financial Report

We were engaged to review the accompanying half-year financial report of VGP Corporation Limited (previously Verticon Group Limited) (the Company), which comprises the condensed consolidated statement of financial position as at 31 December 2011, and the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 6 to 16.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review conducted in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Because of the matters described in the Basis for Disclaimer of Conclusion paragraph, however, we were not able to obtain sufficient appropriate evidence to provide a basis for a review conclusion.

Auditor's Independence Declaration

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

Basis for Disclaimer of Conclusion

As disclosed in Note 1(b) to the financial report, the Company's securities were suspended from official quotation on the Australian Securities Exchange (ASX) on 23 March 2011. On 11 May 2011, the Company was placed into voluntary administration and appointed Messrs Matthew Wayne Caddy & Peter McKenzie Anderson of McGrathNicol as Joint & Several Voluntary Administrators. On 6 September 2011, the Company executed a Deed of Company Arrangement with its creditors (amended on 23 January 2013) and was released from Administration on 22 March 2013.

As stated in Note 1(b) to financial report, the accounting and statutory records from 1 July 2010 to 22 March 2013, when the Company was released from Administration, were not adequate to permit the application of necessary review procedures. As the accounting and statutory records are not adequate to obtain sufficient appropriate evidence regarding the amounts and disclosures included in the financial report, we are unable to obtain all the information and explanations we require in order to express a conclusion on the half-year financial report.

Disclaimer of Conclusion

Because of the significance of the matters described in the Basis for Disclaimer of Conclusion paragraph, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion. Accordingly, we do not express a conclusion on whether we have become aware of any matter that makes us believe that the half-year financial report for VGP Corporation Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Regarding Continuation as a Going Concern

We draw attention to Note 2 in the financial report which indicates that the ability of the Company to continue as a going concern is dependent upon continued financial support from Petra Pacific Pte Ltd. This condition, along with other matters as set forth in Note 2, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the ordinary course of business.

Report on Other Legal and Regulatory Requirements

Due to the matters described in the Basis for Disclaimer of Conclusion paragraph, we have not been given all information, explanation and assistance necessary for the conduct of the review; and we are unable to determine whether the consolidated entity has kept:

- (a) financial records sufficient to enable the financial report to be prepared and reviewed; and
- (b) other records and registers as required by the *Corporations Act 2001*.



DELOITTE TOUCHE TOHMATSU



Neil Smith
Partner
Chartered Accountants
Perth, 14 July 2014