VGP CORPORATION LIMITED

ABN 53 111 398 040

Annual Report

For the year ended

30 June 2015

FOR THE YEAR ENDED 30 JUNE 2015

CORPORATE INFORMATION

This annual report covers VGP Corporation Ltd (ABN 53 111 398 040) as an individual entity.

A description of the Company's operations and of its principal activities is included in the review of operations and activities in the directors' report.

Directors
Yuen Loke Chin – Appointed 22 March 2013
Kasudjono Harianto – Appointed 22 March 2013
Michael Thirnbeck – Appointed 23 December 2013
Alberto Migliucci – Appointed 13 October 2014

Company Secretary
Nicola Betteridge – Appointed 23 March 2015

Registered Office
2b William Street
NORTH SYDNEY NSW 2060

Principal place of business
2b William Street
NORTH SYDNEY NSW 2060

Share Register
Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Legal Advisors
Allion Legal
123 Pitt Street
Sydney NSW 2000

Auditors
Deloitte Touche Tohmatsu
Level 14, Woodside Plaza
240 St Georges Terrace
PERTH WA 6000

VGP CORPORATION LIMITED – ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

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CORPORATE GOVERNANCE STATEMENT

Background

The board of directors is responsible for the corporate governance of VGP Corporation Ltd (the Company). The Company operates in accordance with the corporate governance principles as set out by the ASX Corporate Governance Council and required under ASX listing rules.

The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The VGP Corporation Limited’s Corporate Governance Statement on the governance practices adopted by the Company is structured with reference to the ASX Corporate Governance Council‘s Principles and Recommendations. The practices are summarised below.

The Board is committed to improving its corporate governance practices and embracing the principles put out by the ASX Corporate Governance Council, however the Board is of a view that the adoption of the practices and principles should be in line with the growth in size, changes in the nature and increase in complexity of the Company‘s business.

The Board aims to achieve all of the Best Practice Recommendations in stages as the Company grows and its circumstances change over time. As reported in the current year’s annual report, the Company has been concentrating its efforts to restore the financial position of the Company and has worked to improve its corporate governance practices.

It is the Board‘s intention to apply all principles to comply with the re-quotation on the ASX and achieve all of the Best Practice Recommendations.

Principle 1: Lay solid foundations for management and oversight

On resumption of quotation of securities on the ASX, it is the Board’s intention to ensure the Company is structured such that there are clearly defined roles, segregation of duties and responsibilities and approved levels of authority between the management and the governance of the Company. The Board will set the overall corporate governance policy for the Company including determining the strategic direction, establishing policies and goals for management and monitoring the achievement of them. The Board will delegate responsibility for the day to day management of the Company to the Chief Executive Officer and the senior executive team.

The key responsibilities of the Board will include:

- Setting the long-term strategy and annual business plan including objectives and milestones to be achieved;
- Evaluating capital, cash and operating risk budgets and making appropriate recommendations on an annual basis;
- Reviewing and approving the Company's financial, strategic and operational goals and assessing key business developments as formulated by management in line with the objectives and goals set by the Board;
- Monitoring the performance of the Company against the financial objectives and operational goals set by the Board and reviewing the implementation of Board approved strategies;
- Assessing the appropriateness of the skill sets and the levels of experience of the members of the Board, individually and as a whole and selecting new members to join the Board when a vacancy exists;
- Appointing, removing and determining the terms of engagement of the Directors, Chief Executive Officer and Company Secretary;
- Overseeing the delegation of authority for the day to day management of the Company;
- Ensuring that the risk management systems, financial reporting and information systems, personnel, policies and procedures are all operating efficiently and effectively by establishing a framework of internal controls and compliance;
- Reviewing major contracts, goods or services on credit terms‘ acceptance of counter-party risks and issuing guarantees on behalf of the Company;
- Approving the capital structure and major funding requirements of the Company;
- Making recommendations as to the terms of engagement, independence and the appointment and removal of the external auditors;
- Setting the Code of Conduct for the Company and ensuring that appropriate standards of corporate governance and ethics are effectively communicated throughout the Company and complied with;
- Reviewing the adherence by each director to the Director’s Code of Ethics;
- Establishing policies to ensure that the Company complies with the ASX Continuous Disclosure Policy;
- Approving the Company's half year and full year reports to the shareholders, ASX and ASIC; and

- Ensuring that recruitment, retention, termination, remuneration, performance review and succession planning policies and procedures are in place and complied with.

The Board strives to achieve an appropriate mix of gender diversity among its directors pursuant to the Company's goals, activities and strategy and the relevant guidelines as recommended by the Corporate Governance council from time to time. The Board will review this issue annually.

Principle 2: Structure the Board to add value
The Board is presently structured to maximise value to the Company and the shareholders. The Board is of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspectives, experiences and skills.

Board composition
The Board is composed of four directors. The skills, experience and expertise relevant to the position of Director held of each Director in office at the date of the annual report are included in the Directors' Report.

The Board is of the opinion that the current stage of uncertainty in relation to the future operations of the Company requires the Company to have a board, which has more of a hands-on and technical experience in order to stabilise the Company.

It is the Board's intention to comply with the re-quotation on the ASX and achieve all of the Best Practice Recommendations.

The Board has determined that there are sufficient appropriate alternative governance measures in place to ensure that non-compliance with the recommendations does not give rise to undue risk or other material concerns relating to the management and oversight of the Company.

Term of office
The members of the Board are elected by the shareholders to ensure that the Board has the appropriate mix of expertise and experience.
In accordance with the Corporations Act 2001, if a person is appointed as Director during the year, the Company must confirm appointment by resolution at the Company's next Annual General Meeting.

One-third of the Board retires and makes themselves available for re-election at the following AGM, with the exception of the Chief Executive Officer. No Director, with the exception of the Chief Executive Officer, is allowed to retain office for more than 3 years without submitting himself or herself for re-election.

When a vacancy exists on the Board, the Board appoints the most suitable candidate from a panel of candidates, who then must stand for election at the next Annual General Meeting if he or she wishes to continue as a member of the Board in the following year.

Personal interests & conflicts
Directors must not take advantage of their position as Directors and must not allow their personal interests, or the interests of any associated person to interfere or exert undue influence on their conduct or decisions as a Director.
Directors also have a duty to avoid conflicts of interest between the best interests of the Company and their own personal or commercial interests. Conflicts of interest can be either actual or potential. If a conflict of interest arises, Directors must disclose their interests to the Board immediately. The Directors concerned must not be present at the meeting while the matter is being considered and must not be allowed to vote on the matter either.

Independent professional advice
There are procedures in place, agreed by the Board, to enable directors in furtherance of their duties to seek independent professional advice at the Company's expense.

Board Standing Committees
The Board established a Remuneration and Nomination Committee, however, at the date of this report, the Company has not appointed any member to the Committee and as such, the responsibilities and duties of this Committee were taken up by the Board during the year.

CORPORATE GOVERNANCE STATEMENT

Although the Board established an Audit and Risk Management Committee, at the date of this report, the Company has not appointed any member to the Committee and as such, the responsibilities and duties of this Committee were taken up by the Board during the year. The small size and the hands on approach of the Board enable it to handle particular issues relevant to verifying and safeguarding the integrity of the Company's financial reporting with the same efficiency as an Audit and Risk Management Committee.

As the size of the Company does not yet warrant the position of an audit committee member, the Board does intend to appoint such a position at an appropriate time in the future.

As explained throughout this section, the Board feels that at the present time each of the recommendations is not cost effective for adoption in a small public company such as VGP Corporation Limited. However, the Board will constantly monitor and review the situation.

Principle 3: Act ethically and responsibly

Code of Conduct & Ethics
The Company had a Code of Conduct, which sets the standards in accordance with which each director, manager and employee of the Company is expected to act. The code is communicated to all levels of the Company and deals with areas such as professional conduct, customers/consumers, suppliers, advisers/regulators, competitors, the community and the employees.

In addition to the Code of Conduct, the Company also had a Directors' Code of Ethics, which sets out particular issues relevant to directors' obligations to the Company.

Share trading policy
The constitution permits directors, senior executives and other officers of the Company to trade in Company shares as long as they comply with the Company's Share Trading Policy. The Share Trading Policy is a code that is designed to minimise the potential for insider trading.
Directors must notify the Chairman of the Board, before they buy or sell shares in the Company. If the Chairman of the Board intends to trade in the Company shares, the Chairman of the Board must give prior notice to the Chairman of the Audit & Risk Management Committee. The details of the share trading must be given to the Company Secretary who must lodge such details of such changes in with the ASX.

Senior executives must give prior notice to the Chief Executive Officer, while other officers must notify the Company Secretary, before trading in the Company shares and details of all such transactions must be given, in writing, to the Company Secretary within 7 business days.

Any changes in substantial shareholding of the Directors, senior executives or other officers must be reported to the ASX within 2 business days of such trading. The policy also recommends that trading in the Company shares only occur in the following trading windows:

- 30 days after the announcement of the Company's half year results; and
- 30 days after the announcement of the Company’s full year results.

Principle 4: Safeguard integrity in corporate reporting
It is the Board’s responsibility to ensure an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information as well as non-financial considerations such as benchmarking of operational key performance indicators.

Executive Certification
The Director in charge of financial reporting is required to and has provided assurance to the Board stating that the financial statements and reports of the Company:

- Present a true and fair view, in all material respects, of the operating results and financial condition in accordance with the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001;

- Are founded on a system of risk management and internal compliance and control, and these are operating efficiently and effectively in all material aspects.

Audit & Risk Management Committee - audit responsibilities
Although the Board established an Audit and Risk Management Committee, at the date of this report, the Company has not appointed any member to the Committee and as such, the responsibilities and duties of this Committee were taken up by the Board during the year. The Board believes a separate audit committee in a company of this size with the absence of independent Directors would be of little value. The small size of the company and the hands on approach of the Board enable it to handle particular issues relevant to verifying and safeguarding the integrity of the Company's financial reporting with the same efficiency as an audit committee.

The Board is committed to following the Best Practice Recommendation 4.3, and will establish an independent Audit & Risk Management Committee once independent Directors are appointed and the Company increases in size.

Principle 5: Make timely and balanced disclosure
The Company's market disclosure policy is to ensure that shareholders and the market are fully informed of the Company's strategy performance and details of any information or events that could be material to the value of the Company's securities. The Company is committed to ensuring that all information that may have a material impact on the Company's share value is disclosed to the market in a timely and balanced manner.

The Chief Executive Officer and the Company Secretary, in consultation with the Board, are responsible, for the review, authorisation and disclosure of information to the ASX and for overseeing and coordinating information disclosures to the ASX, shareholders, brokers, analysts, the media and the public.

The Company ensures that it also complies with the requirements of the Listing Rules of the Australian Stock Exchange ("ASX") and the Corporations Act in providing information to shareholders through:

- The half-yearly report to the ASX;
- The annual Report which is distributed to the ASX and to shareholders prior to the AGM;
- The AGM and other meetings called to obtain approval from shareholders where appropriate;
- Ad-hoc releases to the ASX as required under the ASX Listing Rules.

The AGM for the financial years ended 30 June 2014 and 2015 is anticipated to be held in October 2015.

Principle 6: Respect the rights of security holders
The Company recognises the rights of its security holders and other interested stakeholders to have easy access to balanced, understandable and timely information concerning the operations of the Company. The Chief Executive Officer and the Company Secretary are primarily responsible of ensuring communications with security holders are delivered in accordance with this strategy and with our policy of continuous disclosure.

The Company strives to communicate with security holders and other stakeholders in a regular manner as outlined in Principle 5 of this statement.

Security holders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares to Directors, issue of shares and changes to the constitution.

Annual General Meeting
The Board encourages participation of security holders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals.

The Board has also requested representatives from Deloitte Touche Tohmatsu, the Company's external auditor, to be present at the Annual General Meeting to answer questions that shareholders might have about the scope and conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

CORPORATE GOVERNANCE STATEMENT

Principle 7: Recognise and manage risk

Risk management responsibilities

The Company's risk management framework is designed to identify, assess, monitor and manage material business risks, both financial and non-financial, to minimise their impact on the achievement of organisational goals.
As no member has been appointed to the Audit & Risk Management Committee, the Board is responsible for reviewing and ratifying the system of risk management, internal compliance and control, codes of conduct and legal compliance.

The Board annually reviews these issues, and is of the opinion that the Company has no material exposure to environmental and social sustainability risks.

It is the Board's intention to apply all principles on the resumption of quotation on the ASX and achieve all of the Best Practice Recommendations in stages as the Company grows and its circumstances change over time.

Principle 8: Remunerate fairly and responsibly

Remuneration responsibilities

The Company's remuneration policy is disclosed in the Director's Report. The policy has been set out to ensure that the performance of Directors, key executives and staff reflect each person's accountabilities, duties and their level of performance, and to ensure that remuneration is competitive in attracting, motivating and retaining staff of the highest quality. A program of regular performance appraisals and objective setting for key executives and staff is in place. These annual reviews take into account individual and company performance, market movements and expert advice.

The Board determines any changes to the remuneration of key executives on an annual basis.

Due to the size of the Board of Directors, the Company has not appointed any Directors to the remuneration committee.

The Board determines and reviews compensation arrangements for the Directors and the executive team.

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2015.

DIRECTORS

The names and details of the company's directors in office during the financial year and up to 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 Chin has over 30 years' experience in banking, investments, and mining. Prior to serving as a Director of a mining company listed in the TSX (Toronto Stock Exchange) in 2000; Mr Chin worked in the banking industry for 19 years for global financial institutions like Credit Suisse, Standard Chartered Bank, BNP and CIBC handling project finance, corporate lending, and wealth management in Canada, Hong Kong and Singapore.

Mr Chin is currently a Director of a manufacturing company listed on the Jakarta Stock Exchange, and holds a board position with AAT Corporation Ltd (since 22 August 2013), a company listed on the ASX. Mr Chin has a degree in Economics from the University of Western Ontario, Canada.

Mr Kasudjono Harianto, (Non-Executive Director) appointed 22 March 2013.
Mr Kasudjono Harianto is a qualified engineer with over 25 years' experience in management and operations in Indonesian natural resources. Mr Harianto has been Managing Director in his family timber business in Indonesia, which was the first concession in Kalimantan to be certified by an independent auditor as a Sustainable Forest Management Unit Production in 2010.

Mr Harianto is currently a Director of Indo Noble Pte Ltd; a Singapore investment holding and management company for various mining businesses in Indonesia and Asia. He oversees all operational aspects of nickel, gold, iron ore and copper projects in Indonesia. Mr Harianto also holds a board position with AAT Corporation Ltd, an ASX listed company, since 22 August 2013.

Mr Harianto holds a Bachelor of Science in Industrial System Engineering, from University of Southern California, CA, USA.

Mr Michael Thirnbeck, (Non-Executive Director) appointed 23 December 2013.
Mr Thirnbeck is an experienced geologist with over 25 years in managing numerous mineral development projects in Papua New Guinea, Indonesia and Australia. He has been a Member of the Australasian Institute of Mining and Metallurgy since 1989 and holds B.Sc. (Hons.) degree from University of Queensland.

Mr Thirnbeck is currently a Director of AAT Corporation Ltd (since 23 December 2013), a company listed on the ASX.

Mr Alberto Migliucci, (Non-Executive Director) appointed 13 October 2014.
Mr Migliucci is the CEO and founder of Petra Commodities, a Singapore boutique investment firm. He is a specialist in natural resources for mergers and acquisitions, capital raising (debt and equity), structured finance, lending and IPO/RTOs.

Mr Migliucci is a highly experienced investment banker with outstanding qualifications. He was Managing Director of Credit Suisse's Global Energy Company as well as Head of the investment bank's Mining & Metals and Oil and Gas/Energy franchise in Asia.

With 15 years' experience in Asia, Mr Migliucci also worked for Standard Bank PLC, where he was a Head of the bank's Energy/Mining Finance Department for Asia Pacific, and for Societe General in Hong Kong, where he was a Vice President in Project Finance & Advisory team.

He is a qualified geologist and has 25 years' industry and finance experience.

Mr Migliucci holds a Bachelor of Science (Geology) with First Class Honours, from the University of New South Wales (Sydney) and Masters of Applied Finance from Macquarie University (Sydney).

Company Secretary

Ms Nicola Betteridge, appointed 23 March 2015
Ms Betteridge is a Chartered Company Secretary with recent experience in advising the Boards of both ASX listed

and unlisted companies. She started her career as a Solicitor in Scotland, where she worked for over 5 years in the private client sector in both large and small companies. She acts as Company Secretary to a number of companies in numerous industry sectors, and provides Corporate Secretarial support to a wide range of ASX listed, unlisted and private Companies in Australia.

Ms Betteridge recently completed the Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

Ms Eryn Kestel, appointed 22 March 2013, resigned 23 March 2015
Ms Kestel holds a Bachelor of Business and is a professionally qualified Certified Practising Accountant with over 15 year's practical experience.

DIRECTORS MEETINGS

The following table sets out the number of directors' meeting held during the financial year and the number the number of meetings attended by each director (while they were a director). During the financial year, 4 board meetings were held.

Directors	Board of Directors	
	Held	Attended
Yuen Loke Chin	4	4
Kasudjono Harianto	4	4
Michael Thirnbeck	4	4
Alberto Migliucci	2	2

PRINCIPAL ACTIVITIES

During the 2013 financial year, the Company entered into, and was cleared from, a Deed of Company Arrangement and was released from Administration. The Company then commenced seeking investment opportunities.

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made at the date of this report.

REVIEW OF OPERATIONS

The Company's reported net loss attributable to VGP Corporation Limited was $129,614 (2014's net loss: $64,364).

On 29 July 2013, the Company lodged an Appendix 4C for the June 2013 Quarter.

On 31 October 2013, the Company lodged an Appendix 4C for the September 2013 Quarter.

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 18 July 2014, the Company released its Interim Financial Reports for the half-year ended 31 December 2011, December 2012 and December 2013.

On the same date, the Company also released its Annual Reports for the financial year ended 30 June 2011, June 2012 and June 2013.

On 31 July 2014, the Company lodged an Appendix 4C for the June 2014 Quarter.

On 03 September 2014, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $150,000 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 provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern

On 13 October 2014, the Company appointed Alberto Migliucci as a Director and lodged an initial Director's Interest notice for Alberto Migliucci.

DIRECTORS' REPORT

On 17 October 2014, the Company issued notice of 2014 Annual General Meeting to be held on 20 November 2014 for the purpose of:

- Adoption of 2011 to 2013 Annual Financial Reports
- Re-election of Mr Yuen Loke Chin, Kasudjono Harianto, and Michael Thirnbeck as Directors
- Election of Mr Alberto Migiucci as Director
- To consider any other business that may be brought forward in accordance with the Constitution of the Company or the Corporation Act.

On 20 November 2014, the above proposals were approved by the shareholders.

On 18 December 2014, the company released its Annual Reports for the financial year ended 30 June 2014.

On 31 December 2014, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $27,500, unsecured and repayable on the earlier of:

- 24 (twenty-four) months,
- When the Company enters a recapitalisation event; or
- The Lender or any of its subsidiaries ceases to own at least 51% of the Company provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

On 28 January 2015, the company lodged an Appendix 4C for the December 2014 Quarter.

On 11 March 2015, the Company lodged its Appendix 4D and half-year financial report for the period ending 31 December 2014.

On 23 March 2015, the company appointed Ms. Nicola Betteridge as the new Company Secretary, replacing Ms Eryn Kestel.

On 28 April 2015, the company lodged an Appendix 4C for the March 2015 Quarter.

On 30 June 2015, the company entered into a loan agreement with Petra Pacific Pte Ltd for $31,461 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 provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

For further details on the significant changes in the state of affairs of the company please see review of operations.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 03 July 2015, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $100,000 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 provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company is progressing efforts to become a natural resources exploration and development company, and working towards obtaining the re-quotation of its shares on the ASX, subject to satisfying Chapters 1 and 2 of ASX Listing Rules and other regulatory requirements.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is not subject to any specific environmental regulation in its operations under the law of a state/territory or Commonwealth of Australia or Asia.

OPTIONS

There are no options outstanding at the date of this report. There were no options granted which expired during or since the end of financial year.

INTERESTS IN THE SHARES AND WARRANTS (OPTIONS) OF THE COMPANY AND RELATED BODIES CORPORATES

As at the date of this report, none of the directors hold any shares or warrants (options) in the Company.

INDEMNIFICATION AND INSURANCE OF DIRECTORS, AUDITORS AND OFFICERS

The Company did not hold an insurance policy to insure the Directors and Officers of the company and its controlled entities against the liabilities to other persons that may arise from their position.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

The company was not a party to any such proceedings during the year.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for directors and key management personnel of VGP Corporation Ltd.

The Directors of VGP Corporation Limited during or since the end of the financial year ended 30 June 2015 were:

Name	Position	Appointment	Ceased
Alberto Migliucci	Non-executive director	October 2014	n/a
Michael Thirnbeck	Non-executive director	December 2013	n/a
Yuen Loke Chin	Non-executive director	March 2013	n/a
Kasudjono Harianto	Non-executive director	March 2013	n/a

Remuneration philosophy

The Remuneration and Nomination Committee comprises a minimum of two Non-Executive Directors and advises the Board on remuneration policies and practices generally and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other senior executives and Non-Executive Directors. However, at the date of this report, the Company has not appointed any member to the Committee and as such, the responsibilities and duties of this Committee were taken up by the Board during the year.

Non-Executive Directors

Remuneration of the Non-Executive Directors is determined by the Board within the maximum amount approved by the shareholders from time to time.

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, members of key management personnel (KMP) of the Company. The table also illustrates the proportion of remuneration that was performance and non-performance based:

DIRECTORS' REPORT

Key Management Personnel	Position held as at 30 June 2015 and any change during the year	Contract detail (duration & termination)	Proportions of elements of remuneration related to performance		Proportions of elements of remuneration not related to performance	
			Non-salary cash-based incentives	Options	Fixed Salary/ Fees	Total
			%	%	%	%
Michael Thirnbeck	Director (Non-Executive)*	No fixed term	-	-	100	100
Mr Yuen Loke Chin	Director (Non-Executive)	No fixed term	-	-	100	100
Mr Kasudjono Harianto	Director (Non-Executive)	No fixed term	-	-	100	100
Mr Alberto Migliucci	Director (Non-Executive)++	No fixed term	-	-	100	100

* Appointed 23 December 2013

\+ Appointed 22 March 2013

++ Appointed 13 October 2014

Other Key Management Personnel

The employment contracts in place for all other key management personnel contain provisions whereby the employment relationship can be terminated by either party at any time, with or without notice and with or without cause.

The number of shares in the Company held during the financial year by each Director of VGP Corporation Ltd, including their related entities, are set out below:

2015	Balance at the start of the year	Changes during the year	Balance at the end of the year
Directors of VGP Corporation Limited Ordinary shares			
Yuen Loke Chin	-	-	-
Kasudjono Harianto	-	-	-
Michael Thirnbeck	-	-	-
Alberto Migliucci+	-	-	-

\+ Appointed at 13 October 2014

Remuneration

Mr Michael Thirnbeck, Mr Yuen Loke Chin, Mr Kasudjono Harianto and Mr Alberto Migliucci were not paid any remuneration for the year ended 30 June 2015 and 30 June 2014.

Options granted as part of remuneration

No options were granted or outstanding at the date of this report.

NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the financial year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Board is satisfied that the services disclosed below did not compromise the external auditor's Independences for the following reasons:

- all non-audit services are reviewed by the Board prior to commencement to ensure that they do not adversely affect the Integrity and objectivity of the auditor; and

- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to Deloitte Touche Tohmatsu for non-audit services provided during the year ended 30 June 2015: $15,800.

The fees paid or payable for services provided by the auditor of VGP Corporation Limited and non-related audit firms, for the year ended 30 June 2014, is $nil

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 15 of the Annual Report.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors pursuant to s 298(2) of the Corporations Act 2001.

Signed by

Yuen Loke Chin
Director
29 July 2015

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Woodside Plaza
Level 14
240 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

DX 206
Tel: +61 (0) 8 9365 7000
Fax: +61 (0) 8 9365 7001
www.deloitte.com.au

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

29 July 2015

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 audit of the financial statements of VGP Corporation Limited for the year ended 30 June 2015, 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 audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Peter Rupp
Partner
Chartered Accountant

FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2015 $	2014 $
Continuing operations			
Revenue			
Other income	7	1,251	-
Professional fees		(71,009)	(35,339)
ASX listing fee		(27,501)	(22,067)
Other expenses		(14,283)	(5,422)
Interest on related party loan		(18,072)	(1,536)
Profit/(Loss) before income tax		(129,614)	(64,364)
Income tax expense	8	-	-
Profit/(Loss) for the year		(129,614)	(64,364)
Other comprehensive income/(loss):		-	-
Total comprehensive income/(loss) for the year		(129,614)	(64,364)
Net loss attributable to:-			
Owners of the Company		(129,614)	(64,364)
Total comprehensive income/(loss) attributable to:-			
Owners of the Parent		(129,614)	(64,364)
Loss per share			
From continuing operations:			
Basic earnings/(loss) per share (cents)	22	(0.12)	(0.06)
Diluted earnings/(loss) per share (cents)	22	(0.12)	(0.06)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

AS AT 30 JUNE 2015

STATEMENT OF FINANCIAL POSITION

	Note	2015	2014 Restated
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	82,342	265
Trade and other receivables	10	5,352	10,489
TOTAL CURRENT ASSETS		87,694	10,754
TOTAL ASSETS		87,694	10,754
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	37,876	40,462
Borrowings	12	28,285	500
TOTAL CURRENT LIABILITIES		66,161	40,962
NON CURRENT LIABILITIES			
Borrowings	13	209,141	27,785
TOTAL NON CURRENT LIABILITIES		209,141	27,785
TOTAL LIABILITIES		275,302	68,747
NET LIABILITIES		(187,608)	(57,994)
EQUITY			
Issued capital	14	53,103,984	53,103,984
Accumulated losses	15	(53,291,592)	(53,161,978)
TOTAL EQUITY		(187,608)	(57,994)

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

FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF CHANGES IN EQUITY

	Issued capital	Accumulated Losses	Total
	$	$	$
Balance at 1 July 2013	53,103,984	(53,097,614)	6,370
Total Comprehensive Income	-	(64,364)	(64,364)
Balance at 30 June 2014	53,103,984	(53,161,978)	(57,994)
Balance at 1 July 2014	53,103,984	(53,161,978)	(57,994)
Total Comprehensive Income	-	(129,614)	(129,614)
Balance at 30 June 2015	53,103,984	(53,291,592)	(187,608)

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

FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF CASH FLOWS

	Note	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(128,315)	(30,963)
Interest received		1,251	-
Net cash provided by (used in) operating activities	9(b)	(127,064)	(30,963)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		209,141	27,785
Net cash provided by (used in) financing activities		209,141	27,785
Net increase/(decrease) in cash and cash equivalents held		82,077	(3,178)
Cash and cash equivalents at beginning of financial year		265	3,443
Cash and cash equivalents at end of financial year	9(a)	82,342	265

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

FOR THE YEAR ENDED 30 JUNE 2015

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION

VGP Corporation Limited (the Company) is a listed public company incorporated in Australia. The address of its registered office and principal is as follow:

Registered office
2b William Street
North Sydney
NSW 2060
Australia
Tel: +61 299223317

NOTE 2: APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

In the current year, the Company has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2014, and therefore relevant for the current year end.

Standard/Interpretation
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'
AASB 2014-1 'Amendments to Australian Accounting Standards' (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)
Interpretation 21 'Levies'
AASB 1031 'Materiality'
AASB 2013-9 'Amendments to Australian Accounting Standards' – Conceptual Framework, Materiality and Financial Instruments' (Part B: Materiality)
AASB 2014-1 'Amendments to Australian Accounting Standards' (Part C: Materiality)

The application of the above amendments and Interpretation does not have any material impact on the disclosures or on the amounts recognised in the Company's financial statements.

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(b) Going concern

The financial report has been prepared on the going concern basis, which assumes that the Company will be able to realise its assets and discharge its liabilities in the normal course of business.

As at 30 June 2015, the Company had net liabilities of $187,608 and, in the year then ended, incurred a loss of $129,614 and net operating cash outflows of $127,064. The ability of the Company to continue as a going concern is dependent upon the continued financial support of the related entities, Petra Commodities Pte Ltd and Petra Pacific Pte Ltd which, to date, has been provided through the provision of related party loans.

The directors are satisfied that the going concern basis is appropriate in the preparation of the financial report for the following reasons:

- As disclosed in Notes 13 and 21 the Company has received related party loans totalling $209,141 during the year ended 30 June 2015 and $100,000 on 3 July 2015. Based on forecast cash flows prepared by the Company, these loans have provided sufficient working capital to meet the ongoing corporate and administration expenses of the Company for a period of at least 12 months from the date of approval of this financial report.

- Petra Pacific Pte Ltd have provided a letter of financial support to the Company whereby they have agreed to provide sufficient financial support to enable the Company to pay its debts as and when they fall due and payable for a period of at least 12 months from the date of this report.

- The Company continues to seek to acquire projects with potential for future cash flow and profit as part of the company's principal objectives. The Company is actively seeking the acquisition of suitable projects to achieve this objective.

Given the above, the Directors' are of the opinion that the Company will have sufficient cash to be able to continue as a going concern.

(c) Segment reporting

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.

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Australian dollars, which is VGP Corporation Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest income

Revenue is recognised as the interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(f) Trade and other receivables

Trade receivables for the activities which generally have 30 to 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Non-current trade and other receivables are discounted to their present value based on market rates of interest.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An allowance for impairment is recognised when there is objective evidence that the Company will not be able to collect the receivable. Financial difficulties of the debtor, default payments or overdue debts are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective Interest rate.

(g) Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost.

(h) Borrowing Costs

Borrowing costs are expensed as incurred (using effective interest rate method), except where they are directly attributable to the acquisition or construction of a qualifying asset, in which case they are capitalised as part of the asset. However, the Company does not have any qualifying assets in the reporting period.

(i) Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(j) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short term deposits with an original maturity of 3 months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(k) Employee Leave Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick lease expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the non-current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(l) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified ‘at fair value through profit or loss’, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Company of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

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.

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

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

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

If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

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

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(m) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(n) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(o) 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 statement of comprehensive income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore 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 unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the consolidated statement of comprehensive income when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, 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, based on tax rates enacted or substantively enacted at the end of the reporting period. 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 legally enforceable right of set-off exists, 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.

(p) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(q) 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 for the acquisition of business are not included in the cost of the acquisition as part of the purchase consideration.

(r) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at the end of the reporting date.

(s) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the Parent Entity, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares and adjusted for any bonus element.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(t) Comparatives

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

(t) Standards and Interpretations on issue not yet adopted

At the date of authorisation of the financial statements, following Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the year ended 30 June 2015:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 ‘Financial Instruments’, and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 ‘Revenue from Contracts with Customers’ AASB 2014-5 ‘Amendments to Australian Accounting Standards arising from AASB 15’	1 January 2017	30 June 2018
AASB 2015-1 ‘Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle’ AASB 2015-2 ‘Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101’	1 January 2016	30 June 2017
AASB 2015-3 ‘Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality’	1 July 2015	30 June 2016

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

At the date of authorisation of the financial statements, there were no IASB Standards and IFRIC Interpretations in issue but not yet effective.

The impact of these recently issued or amended standards and interpretations are not expected to have a material impact on the Company.

NOTE 4: FINANCIAL RISK MANAGEMENT

Objectives and policies and financial instruments

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2015 $	2014 $
Financial assets			
Cash and cash equivalents	9	82,342	265
Total financial assets			
Financial liabilities			
Trade and other payables	11	37,876	40,462
Borrowings – current	12	28,285	500
Borrowings – non-current	13	209,141	27,785
Total Financial liabilities		275,302	68,747

Financial Risk Management Policies

The Board of Directors monitors the Company's financial risk management policies and exposures and approves financial transactions. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk. For the reasons noted in the Corporate Governance Statement, page 4, the Company has not operated its Financial Risk Management policies for the full year.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and other price risk (commodity and equity price risk).

Credit risk

There are no significant concentrations of credit risk within the Company.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash the Company's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

NOTE 4: FINANCIAL RISK MANAGEMENT (Cont.)

The details of the maturity profile of the Company's financial liabilities based on undiscounted payments are as follows:

30 June 2015	1 year	1-5 years	5+ years	Total
Other payables	37,876	22,536	-	60,412
Borrowings	28,285	209,141	-	237,426
	66,161	231,677	-	297,838

30 June 2014	1 year	1-5 years	5+ years	Total
Other payables	40,462	4,608	-	45,070
Borrowings	500	27,785	-	28,285
	40,962	32,393	-	73,355

Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that primarily expose the Company to interest rate risk are borrowings and cash and cash equivalents. The Company is not aware of any significant risk relating to interest rates.

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 Company holds financial instruments which are other than the AUD functional currency of the Company. The Company is not aware of any such risk**.**

Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk or currency risk) for commodities. The Company is not aware of any such risk.

Sensitivity analysis

The following table illustrates sensitivities to the Company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit $	Equity $
Year to 30 June 2015		
+/- 100 basis points in interest rates	823	823
Year to 30 June 2014		
+/- 100 basis points in interest rates	3	3

NOTE 4: FINANCIAL RISK MANAGEMENT (Cont.)

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Directors do not believe there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTE 6: SEGMENT INFORMATION

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. 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 7: REVENUE AND OTHER INCOME

	2015 $	2014 $
Income		
Other revenue		
Interest received	1,251	-
	1,251	-
Expenses		
Professional fees	71,009	35,339
ASX listing fees	27,501	22,067

NOTE 8: INCOME TAX

	2015 $	2014 $
a. The components of tax expense/(benefit) comprise:		
Deferred tax	-	-
	-	-
b. The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax (benefit)/expense on (loss)/profit from ordinary activities before income tax at 30% (2014: 30%)	(38,884)	(19,309)
Non-assessable income	-	-
Non deductible amounts	33,711	19,309
Tax losses not recognised	5,173	-
	-	-

NOTE 9: CASH & CASH EQUIVALENTS

	2015 $	2014 $
Cash at bank and in hand	82,342	265

9(a) Reconciliation to Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following at 30 June:

	2015 $	2014 $
Cash at bank and in hand	82,342	265
9(b) Reconciliation of Cash Flows from Operations with Profit after income Tax		
Profit/(Loss) after income tax	(129,614)	(64,364)
Non-cash flows in profit:		
Depreciation and amortisation	-	-
Operating profit/(loss) before changes in working capital and provisions	(129,614)	(64,364)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	5,137	(5,294)
Increase/(decrease) in trade and other payables	(2,587)	38,695
Net cash flow from operations	(127,064)	(30,963)

NOTE 10: TRADE AND OTHER RECEIVABLES

	2015 $	2014 $
CURRENT		
Other receivables	5,352	10,488
Total current trade and other receivables	5,352	10,488

NOTE 11: TRADE AND OTHER PAYABLES

	2015 $	2014 $
Interest payable on related party loan	19,608	1,536
Other payables	18,268	38,926
Total current trade and other payables	37,876	40,462

Trade payables and other payables and accruals are non-interest bearing and are normally settled on 30 days - 150 days terms.

NOTE 12: BORROWINGS - CURRENT

	2015 $	2014 Restated $
Balance at beginning of year	500	500
Loan – Petra Commodities Pte Ltd (reclassified from non-current in 2015)	27,785	-
Balance at end of financial year	28,285	500

Petra Commodities Pte Ltd is a director related entity.

On 31 December 2013, the Company entered into a loan agreement with Petra Commodities Pte Ltd for $25,600 at 12% per annum interest, unsecured 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 provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

The Company has re-considered the terms and conditions of the loan taken out with Petra Commodities Pte Ltd on 31 December 2013. As a result the related borrowings of $27,785 outstanding at 30 June 2014 have been restated from current to non-current liabilities in the comparative period.

NOTE 13: BORROWINGS – NON CURRENT

	2015 $	2014 Restated $
Balance at beginning of year	27,785	-
Loan – Petra Commodities Pte Ltd (reclassified to current in 2015)	(27,785)	-
Shareholder loan – Petra Pacific Pte Ltd	209,141	27,785
Balance at end of financial year	209,141	27,785

NOTE 13: BORROWINGS – NON CURRENT (Cont.)

Petra Pacific Pte Ltd is a shareholder of the Company.

On 03 September 2014, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $150,000 at 12% per annum interest, unsecured 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 provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

On 31 December 2014, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $27,500, unsecured and repayable on the earlier of:

- 24 (twenty-four) months,
- When the Company enters a recapitalisation event; or
- The Lender or any of its subsidiaries ceases to own at least 51% of the Company provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

On 30 June 2015, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $31,641, unsecured and repayable on the earlier of:

- 24 (twenty-four) months,
- When the Company enters a recapitalisation event; or
- The Lender or any of its subsidiaries ceases to own at least 51% of the Company provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

NOTE 14: ISSUED CAPITAL

a) Issued and paid up capital	2015 $	2014 $
Fully paid ordinary shares at the beginning of the year	53,103,984	53,103,984
Fully paid ordinary shares at end of the year	53,103,984	53,103,984

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Fully paid ordinary shares participate in the wounding up of the parent entity in proportion to the number of securities held.

Capital Management

Management controls the capital of the Company in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Company can fund its operations and continue as a going concern. The Company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Company is not subject to any externally imposed capital requirements.

	2015 No.	2014 No.
b) Movement in shares on issue		
Balance at beginning of financial year	106,587,499	106,587,499
Balance at end of financial year	106,587,499	106,587,499

NOTE 15: ACCUMULATED LOSSES

	2015 $	2014 $
Balance at beginning of year	(53,161,978)	(53,097,614)
Total comprehensive income for the year	(129,614)	(64,364)
Balance at end of financial year	(53,291,592)	(53,161,978)

NOTE 16: INTEREST OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2015.

The key management personnel during the year ended 30 June 2015 and 2014 were as follows:

2015	2014
Mr Yuen Loke Chin	Mr Yuen Loke Chin
Mr Kasudjono Harianto	Mr Kasudjono Harianto
Mr Michael Thirnbeck	Mr Michael Thirnbeck
Mr Alberto Migliucci	Mr Steven Nicols – resigned 8 January 2014
	Mr Bruce Garlick – resigned 17 December 2013

Mr Michael Thirnbeck, Mr Yuen Loke Chin, Mr Kasudjono Harianto, and Mr Alberto Migliucci were not paid any remuneration for the year ended 30 June 2015 and 30 June 2014.

NOTE 17: DIVIDENDS

No dividends were paid to members during the financial year or prior year.

NOTE 18: AUDITOR'S REMUNERATION

The remuneration of auditors will be paid in the year ended 30 June 2015 as part of the completion of the audits and half-year reviews for recompliance of the Company's reporting requirements.

	2015 $	2014 $
Audit or review of financial statements	20,000	15,826
Other services - Tax	15,800	-
	35,800	15,826

NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At the date of this report, the Company is not aware of any Contingent Asset or Liability that should be disclosed in accordance with AASB 137 (2014 : $nil) .

NOTE 20: RELATED PARTIES

On recapitalisation and release from Administration on 22 March 2013, Petra Commodities Pte Ltd owned 91% of the issued ordinary shares of VGP Corporation Limited. Petra Commodities Pte Ltd then transferred its shares in the Company to its wholly owned subsidiary, Petra Pacific Pte Ltd in June 2014. On 12 June 2014, Petra Pacific Pte Ltd becomes the Company's substantial shareholder.

NOTE 20: RELATED PARTIES (Cont.)

Transactions with other related parties:

Transactions between other related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties during 2015:

- $209,141 was lent to VGP Corporation Limited from Petra Pacific. See note 13 for more details.
- $18,072 was charged to the Company on related party loan. Please refer to note 11 for total interest payable on related party loan.

The following transactions occurred with related parties during 2014:

- $27,785 was lent to VGP Corporation Limited from Petra Commodities Pte Ltd. See note 12 for more details.
- $1,536 was charged to the Company on related party loan. Please refer to note 11 for total interest payable on related party loan.

No amounts were outstanding to other related parties at the end of the year.

NOTE 21: SUBSEQUENT EVENTS

On 03 July 2015, the Company entered into a loan agreement with Petra Pacific Pte Ltd for $100,000 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 provided that VGP Corporation Ltd raises sufficient surplus funds to continue as a going concern.

NOTE 22: EARNINGS PER SHARE

Basic earnings/(loss) per share amounts are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the Parent Entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) attributable to ordinary equity holders of the Parent Entity by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings/(loss) per share computations:

	2015 $	2014 $
Profit/(Loss) for the year attributable to members	(129,614)	(64,364)
	No.	No.
Weighted average number of ordinary shares for basic earnings per share	106,587,499	106,587,499
Effect of dilution	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	106,587,499	106,587,499

In accordance with AASB 133 'Earnings per Share', as potential ordinary shares may only result in a situation where their conversion results in an increase in loss per share or decrease in profit per share from continuing operations, no dilutive effect has been taken into account.

NOTE 23: COMMITMENTS

The Company has no commitments as at 30 June 2015 and 30 June 2014.

FOR THE YEAR ENDED 30 JUNE 2015

DIRECTORS DECLARATION

The Directors declare that:

1. In the directors opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:

   (a) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   (b) complying with Accounting Standards and Corporations Regulations 2001; and

2. In the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in note 3(a) to the financial statements;

3. 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.

4. As previously disclosed, the Chief Executive Officer and Chief Finance Officer have resigned from their positions and have not provided declarations required by S295A of the Corporation Act 2001.

Signed in accordance with a resolution of the board of directors of VGP Corporation Ltd

Yuen Loke Chin
Director
29 July 2015

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Woodside Plaza
Level 14
240 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 (0) 8 9365 7000
Fax: +61 (8) 9365 7001
www.deloitte.com.au

Independent Auditor's Report to the Members of VGP Corporation Limited

Report on the Financial Report

We have audited the accompanying financial report of VGP Corporation Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the entity as set out on pages 16 to 36.

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 x, the directors also state, in accordance with Accounting Standard 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. Those 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 judgement, 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 company's preparation of the financial report that gives a true and fair view, 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 company'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.

Auditor's Independence Declaration

In conducting our audit, 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 report.

Deloitte.

Opinion

In our opinion:

(a) the financial report of VGP Corporation Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

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

(b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 3.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 13 of the directors' report for the year ended 30 June 2015. 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 VGP Corporation Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Peter Rupp
Partner
Chartered Accountants
Perth, 29 July 2015

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES – UNAUDITED

The following additional information is required by the ASX Limited in respect of listed public companies only. Shareholders information set out below was applicable at 30 June 2015.

1. Shareholdings

a. Distribution of Shareholders

Category	Number of equity security holders Ordinary shares
1 - 1,000	321
1,001 - 10,000	178
10,001 - 100,000	43
100,001 and over	9

b. The number of shareholdings held in less than marketable parcel is 551.

c. The names of the substantial shareholders listed in the holding company's register are:

Shareholder	Number Ordinary
Petra Pacific Pte Ltd	97,000,000

d. Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES – UNAUDITED

e. 20 Largest Shareholders – Ordinary Shares

	Name	**Number of Ordinary Fully Paid Shares Held**	**% Held of Issued Ordinary Capital**
1	Petra Pacific Pte Ltd	97,000,000	91.01
2	Taraville Pty Ltd	3,439,841	3.23
3	Diamond Mountain Wealth Corp	3,000,000	2.81
4	N. R. & L. J. Henderson	400,436	0.38
5	Mrs Fiona Helen Torrington	308,805	0.29
6	Mr Teira Mason	128,274	0.12
7	Zarvale Pty Ltd	124,695	0.12
8	Abela Company Pty Ltd	102,874	0.10
9	Emadale Pty Ltd	100,386	0.09
10	Mr Trevor Neil Hay	99,252	0.09
11	Investogain Limited	81,757	0.08
12	Mr Bradley Victor Skelton	79,581	0.07
13	Pennys Pty Ltd	73,630	0.07
14	M & M Pagliari	71,053	0.07
15	Manar Nominees Pty Ltd	67,737	0.06
16	Kellason Pty Ltd	66,316	0.06
17	Skydene Pty Ltd	66,316	0.06
18	Arcelia Pty Ltd	57,406	0.05
19	Eternal Search Pty Ltd	47,243	0.04
20	J & D Farrugia Nominees Pty Ltd	43,860	0.04
		105,359,462	98.84

2. Stock Exchange Listing

Quotation has been granted for all the ordinary shares and options issued by the company on all Member Exchanges of the Australian Securities Exchange Limited (ASX).

3. Difference in results reported to Australian Securities Exchange

The results reported to the ASX in the preliminary final report do not differ from those reported in the annual report.