

**CWH RESOURCES LTD
AND CONTROLLED ENTITIES**

ACN 009 230 111

Annual Report for the Year Ended
30 June 2015

CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES

Report for the Year Ended 30 June 2015

CONTENTS

OPERATING AND FINANCIAL REVIEW	1
CORPORATE GOVERNANCE STATEMENT	3
DIRECTORS' REPORT	10
AUDITOR'S INDEPENDENCE DECLARATION.....	16
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	17
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	18
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	19
CONSOLIDATED STATEMENT OF CASH FLOWS	20
NOTES TO THE FINANCIAL STATEMENTS.....	21
DIRECTORS' DECLARATION.....	43
INDEPENDENT AUDITOR'S REPORT	44
ADDITIONAL INFORMATION FOR LISTED COMPANIES.....	46

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
OPERATING AND FINANCIAL REVIEW**

OPERATING AND FINANCIAL REVIEW

Principal Activities

The principal activities of the consolidated group during the financial year were:

- Manufacturing and selling of building products in China (via a subsidiary, Chongqing Hanxing Building Materials Co Ltd (“CHBM”), (formerly Chongqing Yuao Building Materials Co. Ltd,)); and
- Undertaking mining exploration.

Significant Changes to Activities

There were no significant changes in the nature of the consolidated group's principal activities during the financial year. The Company is in the process of a change of nature and scale of its activities. This is detailed in the review of operations.

Operating Results

The net profit after tax of the consolidated group for the year ended 30 June 2015 was \$1,640,358 (net loss for 2014: \$2,162,560). In the opinion of the directors, the operating result of the consolidated group for the year ended 30 June 2015 was not affected by any item, transaction or event of a material or unusual nature, other than a gain of \$3,354,003 on transfer of a bank loan to a Director.

Review of Operations

(i) Australia

CWH has assembled an international group of directors with a blend of corporate, strategic, industry and financial skills and experience to lead the Group in the next few years where it will seek major growth in revenue and diversify investment activities.

CWH currently holds interests in the following tenements:

Tenement ID	District	Description	Ownership (100%)	Status
Inside Australia				
EPM 18007	Mt Isa	Area D	CWH Resources Ltd	Expired 22/12/2015
EPM 18042	Mt Isa		CWH Resources Ltd	Expires 18/9/2018
EPM 18158	Mt Isa		CWH Resources Ltd	Expires 18/9/2018
EPM 18160	Mt Isa	Area H	CWH Resources Ltd	Expired 22/12/2015
Outside Australia				
Permit No 001452	Kazakhstan		CWH Resources Ltd (45%)	Granted

CWH is in the final stages of reviewing its mining leases in Australia. The fall in the resources sector has seen the value that can be gained by expenditure on the mining leases dramatically reduced. CWH is considering letting the leases expire or their sale.

The interest in the tenement in Kazakhstan is owned though Discovery Co (45% owned by CWH Group). The permit is located in the Alisher mining area of Jiliangnuofsike Region of the Republic of Kazakhstan, with a size of 11.89 square kilometres. The main resources relating to the permit are copper and nickel ores.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
OPERATING AND FINANCIAL REVIEW**

(ii)(a) China

CWH has continued the upgrade of the cement plant in CHBM to increase its productivity levels in two stages. The first stage was completed during 2014 and resulted in an increase in cement production capacity to 30,000 tonnes per annum. The second stage was completed during calendar year 2015 and resulted in an increase in the cement production capacity to 70,000 tonnes per annum

(ii)(b) Ke Chao Industrial Acquisition

On 16th February 2015 the company announced that it had agreed terms to purchase 60% of the share capital of Shanghai KeChao Industrial Limited (Ke Chao Industrial). However, the vendors were interested in receiving cash for their shares. The ASX determined that the business to be purchased was a prescribed asset so the vendor could only receive escrowed shares. This was unacceptable to the vendor. The acquisition was cancelled on 22 September 2015.

ASX Listing Rule Compliance

The Company has received advice from the ASX that the change of the business to materials manufacturer will trigger a change in nature and scale of operations from the Company's current listing as a Copper Mineral Explorer. This requires the Company to issue a disclosure document and re-comply with Chapters 1 and 2 of the ASX listing rules. The Company will use the disclosure document to facilitate re-compliance with ASX listing rules. This change of nature and scale will also require shareholder approval at a General meeting of shareholders. CWH intends to hold the meeting of shareholders to approve the change of nature and scale of operations as soon as possible.

CWH is working to get the information to the ASX required to remove its shares suspension from trading as soon as possible.

(iii) Singapore

The Singapore subsidiary is presently non-operating.

(iv) Hong Kong

The Hong Kong subsidiary is presently non-operating.

(v) Malaysia

The Malaysian subsidiary is presently non-operating.

Events after the Reporting Period

The Directors are not aware of any significant events since the end of the reporting period.

Environmental Regulation

The CWH Group is not subject to significant environmental regulation, other than the general environmental regulations operational in Australia and China.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

CORPORATE GOVERNANCE STATEMENT

The Board's role is set out in the Board Charter which establishes the relationship between the Board and management and describes their respective functions and responsibilities.

The Board is responsible for the oversight and performance of the CWH Group, including matters such as:

Overall corporate governance;

- Formulating, approving and monitoring corporate objectives with a view to maximising shareholder value;
- Selecting, appointing and reviewing key consultants and executives;
- Identifying management and business risks;
- Monitoring systems of internal control and compliance;
- Evaluating, approving and monitoring the strategic and financial plans and performance objectives for the CWH Group; and
- Evaluating, approving and monitoring the annual budgets and business plans.

Set out below are the corporate governance policies and procedures adopted by the Board of CWH Resources Ltd ("the Company"). At regular intervals the Board will review the policies and procedures adopted, as it is expected that requirements will change as the CWH Group develops and grows in complexity. The policies in place are described under the headings of eight ASX Principles.

Principle 1 Lay Solid Foundations for Management and Oversight

Role of the Board

The Board has the primary responsibility for guiding and monitoring the business and affairs of the CWH Group, including compliance with the CWH Group's corporate governance objectives.

The Board is responsible for the oversight and performance of the CWH Group, which includes:

- Monitoring and approving all financial reports and all other reporting and external communications by the CWH Group;
- Evaluation of Board and individual director performance;
- Appointing, removing and managing the performance of, and the succession planning for, senior executives of the CWH Group;
- Overseeing and ratifying the terms of appointment and, where appropriate, removal, of senior executives, including their remuneration;
- Reporting to shareholders on the CWH Group's strategic direction and performance;
- Monitoring the CWH Group's performance in relation to best practice principles of corporate governance;
- Approving and monitoring the CWH Group's risk management strategy and internal controls and accountability systems and their effectiveness.

Role of Management

The Board has delegated the day to day management of the CWH Group to company management to undertake and work on the following:

- Developing business plans, budgets and group strategies for consideration by the Board and, to the extent approved by the Board, implementing those plans, budgets and strategies;
- Operating the business of the CWH Group within the parameters determined by the Board and keeping the Board promptly informed of all developments material to the CWH Group and its business;

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

- Identifying and managing operational risks and formulating strategies for managing those risks for consideration by the Board; and
- Managing the CWH Group's financial and other reporting mechanisms and controls and monitoring systems to ensure that they capture all relevant material information on a timely basis and are functioning effectively.

Letters of Appointment

Not all directors of the CWH Group have been provided with letters of appointment as suggested in the ASX Guidelines. Executives of the CWH Group are employed under contracts which outline their duties, rights and responsibilities, and entitlements on termination.

Principle 2 *Structure the Board to Add Value*

Board Composition

The Board has six directors at the date of this report, one executive and five non-executive.

The names, date of first appointment and status of the Company's directors at the date of this report are set out below. More details on the background qualifications and particular skills of these directors are provided in Qualifications, Experience and responsibilities of Directors in the Directors' Report.

Name	Date Appointed	Executive	Non-Executive	Independent
Bao Cheng Luo	15 August 2003	Yes	No	No
Hock Guan Charles Sher	15 August 2003	No	Yes	Yes
Wei Guo Wang	9 February 2009	No	Yes	Yes
Shun Ming Li	6 April 2011	No	Yes	Yes
Raymond Taylor	4 August 2015	No	Yes	Yes
Jack Luo	4 August 2015	No	Yes	No

Director Independence

Directors are expected to bring independent views and judgment to the Board's deliberations. The Board has reviewed the position and associations of each of the six directors in office and has determined that four of the directors are independent. In making this determination the Board has had regard to the independence criteria in ASX Principle 2 and other facts, information and circumstances that the Board considers relevant. The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of the other directors, as appropriate.

The directors who do not meet the independence criteria is Mr Bao Cheng Luo who is an executive and employee of the CWH Group and Mr Jack Luo as he is the son of Mr Bao Cheng Luo.

Meetings of the Board

The Board meets formally on a regular basis, as required. On the invitation of the Board, members of senior management attend and make presentations at Board meetings. The number of Board meetings held can be found in the Directors' Report.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

Retirement and Re-Election

The constitution of the Company requires one third of the directors, other than the Executive Chairman, to retire from office at each annual general meeting. Directors who have been appointed by the Board are required to retire from office at the next annual general meeting and are not taken into account in determining the number of directors to retire at that annual general meeting. Directors cannot hold office for a period in excess of three years (the latter of the third annual general meeting following their appointment) without submitting themselves for re-election. Retiring directors may be eligible for re-election by shareholders.

Board Committees

There are currently no operational Board Committees. CWH Resources Limited current size and operations do not allow for separate Board Committees. All issues are considered by all the Directors, unless a Director is unable to exercise independence. CWH Resources Limited does not comply with ASX recommendations on these issues.

Principle 3 Promote Ethical and Responsible Decision-Making

Through its oversight of Group activities, the Board ensures that best practice standards of ethics and integrity in all business dealings and operations are maintained, including the CWH Group's interactions with its shareholders, employees, business partners, customers, suppliers, and the community.

The CWH Group has adopted a policy on Share Trading, for employees and directors or their related entities. Employees, executives and directors of the CWH Group may not trade in the Company's shares when in possession of inside information and outside of specified trading windows declared by the Chairman and/or with permission of the Chairman.

The CWH Group acknowledges that it has no official diversity policy at the moment but it complies with all employee and workplace laws both in Australia and in China. The CWH Group is committed to establishing a diversity policy when the Company grows its operations.

Principle 4 Safeguard Integrity in Financial Reporting

Executive Director Declaration:

Consistent with ASX Principle 4, the CWH Group's financial report preparation and approval process involves the Executive Chairman providing a written statement to the Board that "to the best of my knowledge and belief, the CWH Group's financial report presents a true and fair view, in all material respects, of the CWH Group's financial condition and operating results and is in accordance with applicable accounting standards".

Appointment of Auditors

The CWH Group's current external auditors are HLB Mann Judd. The effectiveness, performance and independence of the external auditors are reviewed by the Board. If it becomes necessary to replace the external auditors for performance or independence reasons, the Board will then formalise a procedure and policy for the selection and appointment of new auditors. It is a requirement, given that the Company is listed, that the audit engagement partners be rotated at least every five years.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

Principle 5 *Make Timely and Balanced Disclosure*

The Board has established Group policies on Continuous Disclosure (including requirements for approval for release of information by the CWH Group), and on Shareholder Communications, to promote effective communication with its shareholders.

In addition to its disclosure obligations under the ASX Listing Rules, the CWH Group communicates with its shareholders through a number of means including:

Annual and half-yearly reports, including material presented at the Annual General Meeting;

Quarterly shareholder updates released to the ASX, sent by email to shareholders and others who so Request, and placed on the CWH Group's website; and

Media releases, public announcements and investor briefings.

All material disclosed, where feasible, and as authorised by the Board, is posted to the CWH Group's website (<http://www.cwh.com.au/>).

Principle 6 **Respect the Rights of Shareholders**

The CWH Group has a positive and formal strategy to communicate with shareholders and actively promote shareholder involvement in the CWH Group. This is outlined above. It aims to continue to increase and improve the information available to shareholders on its website. All Group announcements, presentations to analysts and other significant briefings are posted on the CWH Group's website after release to the Australian Securities Exchange. Consistent with ASX Principle 6 and the Corporations Act

2001, the CWH Group's auditors attend, and are available to answer questions at, the CWH Group's Annual General Meetings. The CWH Group encourages shareholders to register for receipt of announcements and updates electronically. It is exploring means to provide remote access to Group meetings for those unable to attend in person.

Principle 7 **Recognise and Manage Risk**

The CWH Group is committed to the identification, monitoring and management of risks associated with its business activities and has established, as part of its management and reporting systems, a number of risk management controls.

In particular the Executive Chairman provides the Board with an annual written statement that:

The statement given with respect to the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and

The CWH Group's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

The risk profile can be expected to change and procedures will be adapted as the CWH Group's business develops and it grows in size and complexity. Regular review by the Board will ensure that procedures adopted continue to be appropriate.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

Principle 8 Remunerate Fairly and Responsibly

The CWH Group's remuneration policy and details of director and executive remuneration are outlined in the Directors' Report. The guiding principles of this policy are to balance the need to provide industry-competitive remuneration in order to attract and retain high quality personnel, with the objectives of ensuring effective use of shareholder funds.

Non-executive directors are remunerated by director's fees only. No schemes for retirement benefits (other than statutory contributions to a superannuation scheme where relevant) or termination payments are in place.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

An electrical engineer by training, Mr Sher was involved in the areas of electrical and mechanical projects in various organisations where he worked, including Sunyen Engineering Pte Ltd, Mass Rapid Transit Corporation and Asia Cement (Singapore) Pte Ltd in Singapore. In addition, he has been conferred as an Honorary Citizen of Xiamen Municipal Government since 1996. Mr Sher holds a Bachelor of Applied Science in Electrical Engineering from the University of Ottawa, Ontario, Canada. He has attended the Asian International Executive Programme by INSEAD Euro-Asia Centre.

Interest in Shares	-	Nil
Special Responsibilities	-	Nil

Wei Guo Wang - Non-Executive Director

Appointed to the Board on 9 February 2009. Mr Wang has been a securities market consultant since 2005. In 1992 Mr Wang participated in the establishment of China Securities Co. Ltd and has filled various roles up to Vice President and Chairman of the Supervisory Committee. Mr Wang has also held various management roles within the People's Bank of China and ICBC.

Mr Wang is a graduate of the Xiamen University with a Master degree in Economics.

Interest in Shares	-	Nil
Special Responsibilities	-	Nil

Peter Blair - Non-Executive Director (Resigned 04/08/2014)

In the past ten years Mr. Blair has had work experience at various professions. From 2000 to 2004, Mr Blair worked as the General Manager for Tad Electrical Pty Ltd. He performed the roles of Research and Development Commercial Manager and Business Development Manager. As of the year 2005, Mr Blair is a Private Business Owner and Investor in the following fields: Waste Management Consultancy, Electrical Consultancy, Mining/Mineral Exploration Consultancy and Property Development.

Interest in Shares	-	Nil
Special Responsibilities	-	None

Shun Ming Li - Non-Executive Director

Mr Shun Ming Li was born in Fuzhou, Fujian Province in China, in April 1962 and studied at Fujian Chang Le Sha Jing Elementary School and Fujian No. 1 Middle School between 1970 and 1980. He graduated from Fuzhou University with a Bachelor Degree of Science in 1984 and held a position as a teacher in Fu Zhou No. 7 Middle School between 1985 and 1987. Then he was employed by Fujian International Trade Association in 1988. Mr Li came to Australia around August 1990 for further education.

Mr Li held a position as Managing Director in Australia of Fujian Mining Pty Ltd which was established by him in 1985. He was also the Chairman of Hunan Huiyuan Mining Pty Ltd which was also founded by him in 2002. He was appointed as Vice President and General Manager in Fujian Xianglong Wine Pty Ltd in 1997 and Vice President and Deputy of Asia Department in ACP Mining Pty Ltd in Australia since 2010

Interest in Shares	-	Nil
Special Responsibilities	-	None

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Raymond Taylor BEcon MComm MIPA – Non-Executive Director and Company Secretary

Mr Taylor has a bachelor of Economics degree and a Masters of Commerce Degree form Macquarie University; he has completed his CPA qualification and Public practice certificate, and the Graduate Diploma of Company Secretarial Practice from the Institute of Company Secretaries and is a member of the Institute of Public Accountants. He has in excess of 25 years of experience as an accountant at a senior level and has many years of experience and involvement in reporting to boards and owners of businesses. Mr Taylor has experience as a company secretary and a director of listed public companies.

Interest in Shares - Nil
Special Responsibilities - None

Chongxing Jack Luo - Non-Executive Director

Mr Luo, whilst born in China is a resident of Australia and has completed a Bachelor degree in Accounting and Finance at Melbourne University. He is based in Sydney and is currently the Manager of Investor relations at Moshav Financial Pty Ltd a Sydney based private lender and property developer. Mr Luo is the son of the Chairman Mr Bao Cheng Luo. Mr Luo is bilingual and will assist the Australian head office communicate with the Chinese operations. His commercial background and qualifications in accounting and finance will assist him in this role.

Interest in Shares - Nil
Special Responsibilities - None

Company Secretary

The following persons held the position of company secretary during the 2015 financial year:

Robert Kineavy, FCMA, MBA, CA - Appointed 30 April 2014, resigned 9 January 2015

Robert's experience as a Company Secretary and Finance Executive most notably includes over 20 years managing public and private business company secretarial affairs, including ASX listed companies. He has held very notable positions with major groups including Gourmet Food Holdings Limited, WBHO Construction Limited and CMA Corporation Limited.

Raymond Taylor BEcon MComm MIPA Appointed 9 January 2015

Mr Taylor's description is under the directors details as he was appointed a non-executive director on 4 August 2015.

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendances by each director during the year were as follows:

	Meetings eligible to attend	Meetings attended
Bao Cheng Luo	4	4
Hock Guan Charles Sher	4	3
Wei Guo Wang	4	4
Peter Blair	-	-
Shun Ming Li	4	-
Raymond Taylor	-	-
Jack Luo	-	-

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Dividends Paid or Recommended

The directors of CWH recommend that no dividend be paid in respect of the year ended 30 June 2015.

Indemnifying Officers or Auditor

The Company has agreed to indemnify all directors and officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has not during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

Insurance of officers

No Directors and Officers insurance policy is in place as at 30 June 2015. Insurance costing \$20,020 for the Calendar year ended 31 December 2014 was paid.

Non-audit Services

The CWH Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the CWH Group are important. No non-audit services were provided by the auditor during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and a copy is on page 16 of the Annual Report.

Options

No options were granted during the year ended 30 June 2015. There were no outstanding options as at 30 June 2015.

Review of Operations

A review of operations is included on pages 1 and 2 of the Annual Report.

REMUNERATION REPORT

The remuneration report is set out under the following main headings:

Principles Used to Determine the Nature and Amount of Remuneration
Details of Remuneration
Share-Based Compensation
Additional Information

A. Principles Used to Determine the Nature and Amount of Remuneration

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the directors.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Non-Executive Directors' fees and payments are reviewed annually by the Board and minuted in the relevant board meeting minutes.

Executives including Executive Director

The executive director's pay and reward framework has two components:

- Base pay and benefits (fixed);
- Short-term performance incentives (variable; paid as a cash bonus).

The combination of these comprises the executive's total remuneration.

Base Pay

Structured as a total employment cost package which may be delivered as a combination of cash and prescribed benefits including superannuation. Base pay for the executive director is determined and reviewed by the Board of Directors. There is no guaranteed base pay increases included in the executive director's contract.

Retirement Allowances for Directors

There are no retirement allowances for directors, other than payment of statutory superannuation for the executive director.

B. Details of Remuneration

Details of remuneration of the directors and the key management personnel of CWH Resources Ltd and the CWH Group for the financial years ended 30 June 2015 and 30 June 2014 are set out in the following tables:

Remuneration of Directors and Key Management Personnel

Year ended 30 June 2015	Short term benefits			Post Employment benefits		Total
	Cash Salary and Fees	Cash Bonuses	Non-monetary Benefits	Superannuation	Share options	
Name	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors</i>						
Hock Guan Charles Sher	-	-	-	-	-	-
Wei Guo Wang	-	-	-	-	-	-
Peter Blair	20,717	-	-	1,710	-	22,427
Shun Ming Li	-	-	-	-	-	-
Raymond Taylor*	18,700	-	-	-	-	18,700
Total Non Executive Directors	39,417	-	-	1,710	-	41,127
<i>Executive Directors</i>						
Bao Cheng Luo	218,546	-	-	20,762	-	239,308
Total Executive Directors	218,546	-	-	20,762	-	239,308
						-
Total	257,963	-	-	22,472	-	280,435

* Mr Taylor's consulting company received fees in the 2015 financial year for undertaking the role of Company Secretary. He was appointed to the board on 4 August 2015.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Year ended 30 June 2014	Short term benefits			Post Employment benefits		Total
	Cash Salary and Fees	Cash Bonuses	Non-monetary Benefits	Superannuation	Share options	
Name	\$	\$	\$	\$	\$	\$
Non-Executive Directors						
Hock Guan Charles Sher	-	-	-	-	-	-
Wei Guo Wang	-	-	-	-	-	-
Peter Blair	18,000	-	-	1,665	-	19,665
Shun Ming Li	-	-	-	-	-	-
Total Non Executive Directors	18,000	-	-	1,665	-	19,665
Executive Directors						-
Bao Cheng Luo	291,395	-	-	26,954	-	318,349
Subtotal Executive Directors	291,395	-	-	26,954	-	318,349
						-
Total	309,395	-	-	28,619	-	338,014

C. Share Based Compensation

At present the company does not have a share option plan and no share options have been issued to directors during the year.

D. Additional Information

The overall level of executive reward will take into account the performance of the CWH Group over a number of years, with greater emphasis given to the most recent year.

Loans to Key Management Personnel

There are no loans provided to directors or executives.

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



Bao Cheng Luo
Director

Dated: 11 August 2017

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
AUDITOR'S INDEPENDENCE DECLARATION**

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of CWH Resources 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:

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

This declaration is in respect of CWH Resources Limited and the entities it controlled during the year.



**D K Swindells
Partner**

**Sydney, NSW
11 August 2017**

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2015

		Consolidated Group	
		2015	2014
	Note	\$	\$
Revenue from Continuing Operations			
Sale of goods	3	7,982,397	3,745,314
Other revenue	3	3,425,440	112,252
		11,407,837	3,857,566
Expenses			
Net Operating Costs	4(a)	(9,692,367)	(5,869,665)
Impairment loss on investments		-	(11,020)
Total Operating Expenses		(9,692,367)	(5,880,685)
Result from Operating Activities		1,715,470	(2,023,119)
Finance costs	4(b)	(75,112)	(129,942)
Other expenses			(9,499)
Profit/Loss before Income tax		1,640,358	(2,162,560)
Income Tax expense	5	-	-
Net Profit for the year		1,640,358	(2,162,560)
Other Comprehensive income: items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Foreign Currency translation difference for foreign operations (no income tax applicable)		(1,546,978)	287,079
Total Other Comprehensive income for the year		(1,546,978)	287,079
Total comprehensive income/(loss) for the year		93,380	(1,875,481)
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company	8	1.73	(2.28)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

		Consolidated Group	
		2015	2014
ASSETS	Notes	\$	\$
CURRENT ASSETS			
Cash and cash equivalents	9	688,925	26,513
Trade and other receivables	10	1,451,606	1,018,765
Inventories	11	358,574	371,080
Other financial assets	13	20,601	15,130
Other assets	17	37,137	144,765
TOTAL CURRENT ASSETS		2,556,843	1,576,253
NON-CURRENT ASSETS			
Trade and other receivables	10	47,615	47,615
Investments	12	2,149	2,149
Property, plant and equipment	15	2,400,523	2,008,073
Land use and mining rights	16	1,734,752	1,324,185
TOTAL NON-CURRENT ASSETS		4,185,039	3,382,022
TOTAL ASSETS		6,741,882	4,958,275
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	18	4,602,770	8,046,103
Borrowings	19	-	3,584,990
Current tax liabilities	20	4,695,238	1,120,458
Provisions	21	167,010	3,257
TOTAL CURRENT LIABILITIES		9,465,018	12,754,808
NON-CURRENT LIABILITIES			
Borrowings	19	5,733,430	753,413
TOTAL NON-CURRENT LIABILITIES		5,733,430	753,413
TOTAL LIABILITIES		15,198,448	13,508,221
NET ASSETS		(8,456,566)	(8,549,946)
EQUITY			
Issued capital	22	18,698,814	18,698,814
Reserves		(3,739,527)	(2,192,549)
Accumulated losses		(23,415,853)	(25,056,211)
TOTAL EQUITY (DEFICIENCY)		(8,456,566)	(8,549,946)

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Share Capital	Retained Profits / (Accumulated Losses)	Reserves		Total
	Ordinary		Foreign Currency Translation Reserve	General Reserve	
	\$	\$	\$	\$	\$
Consolidated Group Balance at 1 July 2013	18,698,814	(22,893,651)	(3,125,695)	646,067	(6,674,465)
Comprehensive income					
Profit / (loss) for the year		(2,162,560)			(2,162,560)
Other comprehensive income / (loss) for the year			287,079		287,079
Total comprehensive income for the year	-	(2,162,560)	287,079	-	(1,875,481)
Balance at 30 June 2014	18,698,814	(25,056,211)	(2,838,616)	646,067	(8,549,946)
Balance at 1 July 2014	18,698,814	(25,056,211)	(2,838,616)	646,067	(8,549,946)
Comprehensive income					
Profit / (loss) for the year		1,640,358			1,640,358
Other comprehensive income / (loss) for the year			(1,546,978)		(1,546,978)
Total comprehensive income for the year	-	1,640,358	(1,546,978)	-	93,380
Balance as at 30 June 2015	18,698,814	(23,415,853)	(4,385,594)	646,067	(8,456,566)

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

		Consolidated Group	
		2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Receipts from customers		8,777,800	4,413,290
Interest received/ (paid)		8,048	(7,164)
Payments to suppliers and employees		(10,377,094)	(4,914,568)
Net cash provided by operating activities	25	<u>(1,591,246)</u>	<u>(508,442)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		155,114	42,000
Purchase of intangible assets		(735,571)	(171,509)
Purchase of property, plant and equipment		(196,478)	(149,161)
Net cash used in investing activities		<u>(776,935)</u>	<u>(278,670)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(513,985)
Loans from related parties			
- payments made		-	-
- proceeds from borrowings		3,018,193	1,269,369
Net cash provided by (used in) financing activities		<u>3,018,193</u>	<u>755,384</u>
Net increase/ (decrease) in cash held		650,012	(31,728)
Cash and cash equivalents at beginning of financial year		26,513	58,918
Effect of exchange rates on cash holdings in foreign currencies		12,400	(677)
Cash and cash equivalents at end of financial year	9	<u>688,925</u>	<u>26,513</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

NOTES TO THE FINANCIAL STATEMENTS

CWH Resources Ltd (“the parent” or “the Company”) is a company limited by shares, incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange (“ASX”).

These consolidated financial statements and notes represent those of CWH Resources Ltd and its controlled entities (“the Group” or “CWH Group”).

The financial statements were authorised for issue on 25 July 2017 in accordance with a resolution of the Directors.

The nature of operations and principal activities of the CWH Group are described in the Operating and Financial Review Report which should be read in conjunction with the Directors’ Report.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Boards and with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Historical Cost Convention

These financial statements have been prepared under the historical cost convention, except for financial assets that have been classified as at fair value through profit and loss, which are measured at fair value, and for property, plant and equipment and land use rights that have been measured at fair value in the current year.

Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the CWH Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1(v).

Going Concern

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

As at 30 June 2015 the statement of financial position of the group shows a net asset deficit of \$8,456,566 (2014 a deficiency of \$8,549,946) but there is a shortfall of Current Assets (\$2,556,843) to current liabilities (\$9,465,018) of \$6,908,175.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

The Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2015 shows a gain after income tax from continuing operations of \$1,640,358 (2014 loss of \$2,162,560), and a loss on translation of foreign operations of \$1,546,978 (2014 gain \$287,079).

Despite the shortfall in Current Assets to Current Liabilities, the directors believe that the Company and the consolidated entity will be able to fund future operations through the cash generated by CHBM, continuation of the personal loan from the Chairman, Mr Bao Cheng Luo, and the provision of additional funding by Mr Luo. The Board will also consider additional fundraising activities in the near future if required. Without this fund raising and achievement of positive cash flow from CHBM operations, there is material uncertainty as to whether the consolidated entity will be able to continue as a going concern.

If the consolidated entity is unable to continue as a going concern, it may be required to make adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities, and may be unable to realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report.

Note 1 Summary of Significant Account Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Company and all of its subsidiaries. Subsidiaries are entities that the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 14.

The assets, liabilities and results of all subsidiaries are consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure conformity with the accounting policies adopted by the Group.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

(b) Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Inventories

Finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual inventory items on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to make the sale.

(d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Makers (“CODM”) i.e the Board. The Board is responsible for the allocation of resources to operating segments and assessing their performance.

(e) Fair value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the CWH Group for similar financial instruments.

(f) Property, Plant and Equipment, and Intangibles

These assets are stated at cost and are depreciated over their useful lives using the straight line method.

The expected useful life for asset classes is as follows:

- Plant and office equipment – between 5 and 10 years.
- Motor vehicles – between 5 and 10 years.
- Buildings – 25 years.
- Mining rights – 10 years.
- Land use rights – 25 years.

An asset’s residual values and useful life is reviewed, and adjusted if appropriate, at each balance sheet date.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount (Note 1(i)).

Gains and losses on disposal are determined by comparing proceeds with the asset’s carrying amount, and are included in profit or loss.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

(g) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to entities in the consolidated group are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(h) Financial Instruments

(i) Financial assets at fair value through profit or loss

An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are carried at their fair value. Realised and unrealised gains and losses arising from changes in the fair value of financial assets at fair value through profit or loss are included in profit or loss in the period in which they arise.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the CWH Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position. Subsequent to initial recognition at fair value plus any directly attributable transaction costs, loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment losses.

(i) Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit").

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the CWH Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(k) Foreign Currency transactions and balances

(i) Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is CWH Resources Ltd's functional currency.

(ii) Translations and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Assets and liabilities are translated at the year-end exchange rate, other than for intangible assets which are translated at historical rates.

(iii) Foreign Operations

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

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates at the dates of the transactions); and
- retained earnings are translated at the exchange rates prevailing at the dates of the transactions.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

(l) Employee Benefits

(i) Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

(ii) Long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

(iii) Retirement benefit obligations

The Group contributes the required statutory superannuation or pension rate on behalf of employees to licensed superannuation or pension funds. The Group's legal or constructive obligation is limited to these contributions.

Contributions to a defined contribution fund are recognised as an expense as they become payable.

(m) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(n) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue from the sale of goods is recognised upon the delivery of goods to customers as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised as it accrues, using the effective interest method. All revenue is stated net of the amount of goods and services tax.

(o) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are due for settlement between 30 and 90 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (Provision for impairment of trade receivables) is established when there is objective evidence that the CWH Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in profit or loss with other expenses.

(p) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the CWH Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

(q) Goods and Services tax

Revenues, expenses and assets are recognised net of the amount of GST or VAT, except where the amount of GST or VAT incurred is not recoverable from the relevant Taxation Office. In these circumstances the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST or VAT as appropriate.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST or VAT component of investing and financing activities, which are disclosed as operating cash flows.

(r) Contributed Equity

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.

(s) Earnings per Share

The CWH Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options. There are no outstanding convertible notes or share options as at 30 June 2015 and therefore diluted EPS is the same as Basic EPS.

(t) Comparative Figures

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

(u) New and amended accounting Standards

Certain new Australian Accounting Standards were issued during the year that applied to the year ended 30 June 2015. The adoption of these Standards did not result in any effect on the financial statements of the Group.

(v) 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.

Provision for Impairment of Receivables

The CWH Group undertakes a detailed analysis of trade receivables on a monthly basis and writes off those debtors which it considers not recoverable and makes an impairment provision for those where recovery is considered doubtful.

Income Tax

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

For the year ended 30 June 2015 the CWH Group did not recognise deferred tax assets on temporary differences or on tax losses.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

(w) New Accounting Standards for Application in Future Periods

A number of new accounting standards, amendments to standards and interpretations have been issued prior to 30 June 2015 that are effective for future financial periods. They are available for early adoption at 30 June 2015, but have not been applied in preparing the financial report.

These standards are not expected to have a material impact on future financial reports of the group.

Note 2 Parent Information

	2015	2014
	\$	\$
Statement of financial position		
ASSETS		
Currents Assets	669,412	36,315
Non-Current Assets	72,071	52,663
TOTAL ASSETS	<u>741,483</u>	<u>88,978</u>
LIABILITIES		
Current Liabilities	444,433	636,920
Non-current Liabilities	2,209,162	753,413
TOTAL LIABILITIES	<u>2,653,595</u>	<u>1,390,333</u>
Statement of Profit or Loss and Other Comprehensive Income		
Total Profit/Loss	<u>(610,757)</u>	<u>(759,020)</u>

Contractual commitments

The parent entity does not have any capital commitments or contingences as at 30 June 2015 (2014: \$Nil).

Note 3 Revenue

	Consolidated Group	
	2015	2014
	\$	\$
(a) Revenue from continuing operations		
Sales Revenue		
Sales of Goods	7,982,397	3,745,314
Total Revenue	<u>7,982,397</u>	<u>3,745,314</u>
Other Revenue		
Interest Income - other person	2,155	99
Write back of Investment in shares value	1,643	-
Write down of accruals	48,347	-
Gain on Bank Loan transferred to Director	3,354,003	-
Other revenue	19,292	112,153
	<u>3,425,440</u>	<u>112,252</u>

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 4 Operating Costs

	Consolidated Group	
	2015	2014
	\$	\$
Profit before income tax from continuing operations includes the following specific expenses:		
(a) Cost of Sales	7,351,954	3,710,341
Overhead expenses		
Selling and operating expenses	134,461	39,563
Loss on Sale	25,658	
Administrative expenses	2,180,294	2,119,761
	9,692,367	5,869,665
Finance Expenses		
Interest Expense	75,112	129,668
Other finance expense	-	274
	75,112	129,942

Note 5 Income Tax expense

	Consolidated Group	
	2015	2014
	\$	\$
(a) Income tax expense		
The prima facie tax on profit/loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Net Profit(loss) for the year	1,640,358	(2,162,560)
Prima facie tax payable on profit/loss from ordinary activities before income tax at 30% (2014: 30%)	492,107	(648,768)
adjustments for:		
Offset against tax losses	(492,107)	-
Non-deductible items	-	(1,584)
Temporary differences	-	20,662
Tax losses not recognised - foreign jurisdiction	-	421,062
Tax losses not recognised - Australia	-	208,628
Income tax expense	-	-

(b) Unrecognised deferred tax assets related to tax losses

The CWH Group has unrecognised tax losses in Australia of approximately \$10.3 million (2014: \$15.9 million). The benefit at 30% of approximately \$3.1 million (2014: \$4.77 million) associated with the tax losses will only be obtained if:

- The CWH Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised in Australia;
- The CWH Group continues to comply with the conditions for deductibility imposed by the Australian and Chinese income tax law; and
- No changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 6 Key Management Personnel

(a) Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel ("KMP") for the year ended 30 June 2014.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Consolidated Group	
	2015	2014
	\$	\$
Short term employee benefits	257,963	359,645
Post employment benefits	22,472	30,577
Total Key Management Personnel Compensation	280,435	390,222

(b) Shareholdings

The numbers of shares in the Company held during the financial year by each director of CWH Resources Ltd and other key management personnel of the CWH Group, including their personally related parties, are set out below.

Name	Bao Cheng Luo
Balance as at 1 July 2013	748,607
Additions	-
Disposals	-
Other changes during the year	-
Balance at 30 June 2014	748,607
Additions	-
Disposals	-
Other changes during the year	-
Balance as at 30 June 2015	748,607

(c) Loans to Key Management Personnel

There were no loans made to directors of CWH Resources Ltd or other key management personnel of the CWH Group, including their personally related parties, during the years ended 30 June 2015 and 30 June 2014.

(d) Loans from Directors

Loans from Directors	Note	Consolidated Group	
		2015	2014
		\$	\$
Loans from director (Mr Bao Cheng Luo) – Current	19	-	1,961,824
Less receivable (Mr Bao Cheng Luo related entities)	10	(825,832)	(673,075)
Loans from director (Mr Bao Cheng Luo) – Non-Current	19	5,733,430	753,413
		4,907,598	2,042,162

The loans are secured and loan agreements are in place. The terms of the loans are outlined in Note 19.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 7 Auditors' Remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related firms:

	Consolidated Group	
	2015	2014
	\$	\$
(a) HLB Mann Judd		
Auditing or reviewing the financial statements	67,256	60,600
(b) Non-HLB Mann Judd Firms		
Auditing or reviewing the financial statements	37,232	12,237
Total Auditors' Remuneration	104,488	72,837

Note 8 Earnings per share

	Consolidated Group	
	2015	2014
	\$	\$
(a) Earnings used in calculating earnings per share Profits/(losses) attributable to the ordinary equity holders of the Company used in calculating earnings per share	1,640,358	(2,162,560)
(b) Weighted average number of shares used as the denominator	Number of Shares 2015	Number of Shares 2014
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and diluted earnings per share	94,748,968	94,748,968
(c) Basic and diluted earnings per share (cents)	1.73	(2.28)

Note 9 Cash and Cash Equivalents

	Consolidated Group	
	2015	2014
	\$	\$
Cash at bank and on hand	688,925	26,513

The CWH Group's exposure to interest rate risk and foreign currency risk is discussed in Note 28.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 10 Trade and Other receivables

	Consolidated Group	
	2015	2014
	\$	\$
Current Receivables		
Trade receivables	1,306,099	859,407
Provision for impairment	(1,108,034)	(859,407)
	198,065	-
Other receivables	427,709	345,690
Amounts receivable from related parties		
Yongchuan Xuyang Transportation Co. Ltd	782,820	638,012
Chongqing Zhongao Waterproof Material Co. Ltd	43,012	35,063
Total other receivables	1,253,541	1,018,765
Total current trade and other receivables	1,451,606	1,018,765

Both Yongchuan Xuyang Transportation Co. Ltd and Chongqing Zhongao Waterproof Material Co. Ltd are controlled by a director of the Group, Bao Cheng Luo. Refer to Note 6(d) for further information.

	Consolidated Group	
	2015	2014
	\$	\$
Non-Current		
Rental deposit/ bonds	7,615	7,615
Bank guarantee	40,000	40,000
Total non-current trade and other receivables	47,615	47,615
(a) Financial Assets Classified as Loans and Receivables		
Trade and other receivables		
- Total Current	1,451,606	1,018,765
- Total Non-Current	47,615	47,615
Financial Assets Classified as Loans and Receivables	1,499,221	1,066,380

Note 11 Inventories

	Consolidated Group	
	2015	2014
	\$	\$
Current		
At cost:		
Raw Materials	60,847	269,900
Work in Progress	198,275	-
Finished Goods	99,452	101,180
	358,574	371,080

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 12 Associates and Joint Arrangements

(a) Investment Accounted for Using Equity Method

The investment comprises a 45% (2014: 45%) interest in Discovery Company Limited, a company registered in Kazakhstan. The Company was not operating as at 30 June 2015.

	Consolidated Group	
	2015	2014
	\$	\$
Investment in unlisted entity – at cost	206,834	206,834
Provision for impairment	(206,834)	(206,834)
Net Assets	-	-

(b) Other Investment

At Cost	2,149	2,149
Total Investment	2,149	2,149

Note 13 Other Financial Assets

	Consolidated Group	
	2015	2014
	\$	\$
Current		
Financial Assets at fair value through profit or loss	20,601	15,130
Total Current Assets	20,601	15,130

Note 14 Associates and Joint Arrangements

The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of subsidiary	Principal place	Ownership interest held by the Group	
		2015	2014
		%	%
Armourglass Secure Sdn	Malaysia	100	100
Chongqing Hanxing Building Materials Co. Ltd (formerly Chongqing Yuao Building Materials Co. Ltd,)	China	100	100
Chinawest International Pte Ltd	Singapore	100	100
CWH Global Exploration Pty Ltd	Australia	100	100

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 15 Property, plant and equipment

	Consolidated Group	
	2015	2014
	\$	\$
Buildings at Cost	5,702,776	4,353,249
Less Accumulated Depreciation	(3,007,910)	(2,171,409)
Accumulated impairment losses	(1,816,999)	(1,438,324)
	877,867	743,516
Plant and equipment at cost	9,419,611	7,077,510
Accumulated depreciation	(5,935,813)	(4,258,399)
Accumulated impairment losses	(2,096,893)	(1,661,468)
	1,386,905	1,157,643
Motor Vehicles at cost	737,081	554,403
Accumulated depreciation	(601,330)	(447,489)
	135,751	106,914
Total Property plant and Equipment	2,400,523	2,008,073

(a) Movements in carrying amounts

Movements in carrying amounts for each class of property plant and equipment between the beginning and the end of the current financial year.

	Buildings	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at 30 June 2013	780,407	1,272,678	232,431	2,285,516
Additions	19,687	28,378	-	48,065
Disposals	-	-	(71,097)	(71,097)
Depreciation expense	(56,578)	(143,413)	(54,420)	(254,411)
Balance at 30 June 2014	743,516	1,157,643	106,914	2,008,073
Additions	-	154,032	139,947	293,979
Disposals	-	-	(129,456)	(129,456)
Depreciation expense	(61,925)	(76,009)	(13,118)	(151,052)
Foreign Currency Translation	196,276	151,239	31,464	378,979
Balance at 30 June 2015	877,867	1,386,905	135,751	2,400,523

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 16 Intangible assets

	Consolidated Group		
	2015	2014	
	\$	\$	
Mining rights	1,066,470	603,404	
Land use rights	668,282	720,781	
Total Intangibles	1,734,752	1,324,185	
	Mining Rights	Land Use Rights	Total
	\$	\$	\$
Year Ended 30 June 2014			
Balance at the beginning of the year	523,591	773,280	1,296,871
Additions	171,509	-	171,509
Amortisation charge	(91,696)	(52,499)	(144,195)
Closing Value at 30 June 2014	603,404	720,781	1,324,185
Year Ended 30 June 2015			
Balance at the beginning of the year	603,404	720,781	1,324,185
Additions	735,571	-	735,571
Amortisation charge	(272,505)	(52,499)	(325,004)
Closing Value at 30 June 2014	1,066,470	668,282	1,734,752

Note 17 Other Assets

	Consolidated Group	
	2015	2014
	\$	\$
Current Prepayments	37,137	47,264
Construction In Progress	-	97,501
	37,137	144,765

Construction in progress represents property, plant and equipment under construction and is stated at cost less any impairment losses. Cost comprises of direct costs of acquisition or construction, installation and testing.

Construction in progress is transferred to the appropriate category of property, plant and equipment when it is completed and ready for its intended use. No depreciation is provided on construction in progress until the asset is completed and is ready for its intended use.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 18 Trade and Other Payables

		Consolidated Group	
		2015	2014
CURRENT	Notes	\$	\$
<i>Unsecured Liabilities</i>			
Trade Payables		1,622,400	1,429,649
Sundry Payables and accrued expenses		2,980,370	6,616,454
		4,602,770	8,046,103
 (a) Financial Liabilities at amortised cost classified as			
<i>Trade and Other Payables</i>			
<i>Trade and Other Payables</i>			
- Total Current		4,602,770	8,046,103
- Total non-current		-	-
		4,602,770	8,046,103
Less Accruals		(167,010)	(184,197)
Financial Liabilities as Trade and Other Payables	28	4,435,760	7,861,906

Note 19 Borrowings

		Consolidated Group	
		2015	2014
CURRENT	Notes	\$	\$
<i>Unsecured liabilities</i>			
Loan from Director		-	1,961,824
<i>Secured liabilities</i>			
Bank loan		-	1,623,166
Total current borrowings		-	3,584,990
 NON-CURRENT			
<i>Secured Liabilities</i>			
Loan from Director	6	5,733,430	753,413
		5,733,430	753,413

The Loan from Director is unsecured, and carries an interest rate of 8% p.a. CWH Resources has the right to defer repayment of this loan at least until after 31 August 2018.

The secured bank loan in 2014 was from Agricultural Bank of China and is pertaining to CHBM's operation. As at 30 June 2014, the overdue loan amounted to RMB 9,490,000 (translated to AUD equivalent amount at balance date using the closing rate at balance date). This loan matured in December 2005. During the 2015 financial year the Chairman Mr Luo took responsibility for the loan, signing a deed of indemnity for CHBM. In April 2016 Mr Luo was able to negotiate removal of the security over the assets of the subsidiary CHBM. The company and its subsidiary operations are now unencumbered.

Note 20 Taxes Payable

		Consolidated Group	
		2015	2014
CURRENT		\$	\$
Taxes Payable		4,695,238	1,120,458
		4,695,238	1,120,458

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

This balance relates mainly to the Chinese subsidiary Chongqing Hanxing Building Materials Co., Ltd and comprises VAT payable, withholding tax accrued upon declaration of dividends and resource tax.

Note 21 Provisions

	Consolidated Group	
	2015	2014
CURRENT	\$	\$
Employee Benefits	167,010	3,257

Provision for employee benefits represents amounts accrued for annual leave.

Note 22 Issued Capital

	Consolidated Group	
	2015	2014
	\$	\$
94,748,968 (2014: 94,748,968) fully paid ordinary shares	18,698,814	18,698,814
	18,698,814	18,698,814
(a) Ordinary shares		
At the beginning of the reporting period	18,698,814	18,698,814
Shares Issued during the year	-	-
At the end of the reporting period	18,698,814	18,698,814

(b) Options

There were no options on issue at 30 June 2014. The Company did not issue any options during 2015 and no options were on issue at 30 June 2015.

Note 23 Capital and Leasing Commitments

(a) Future Tenement expenditure

It is a condition of the Exploration Permits that the company shall carry out a program of works and comply with expenditure.

The future expenditure commitments for the Queensland permits owned by CWH are as follows:

Year	EPM 18160	EPM 18007
December	640,000	600,000

The Company has not complied with its commitment in the 2015 financial year.

(b) Operating lease commitments

Commitments for minimum lease payments in relation to non-cancellation operating leases are payable as follows:

	Consolidated Group	
	2015	2014
	\$	\$
- not later than 12 months	11,249	15,468
- between 12 months and five years	-	11,249
- later than five years	-	-
	11,249	26,717

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 24 Operating Segments

The CWH Group has two separate segments described below which are the CWH Group's strategic business units. The China business comprises a cement production plant while the Australia business is primarily a corporate office, also undertaking strategic investments.

30 June 2015	China \$	Australia \$	Consolidated \$
REVENUE			
Sales of goods	7,982,397	-	7,982,397
Other revenue	3,373,295	52,145	3,425,440
Total segment revenue	11,355,692	52,145	11,407,837
RESULTS			
Segment result before tax	2,251,115	(610,757)	1,640,358
Income tax expense	-	-	-
Profit for the year	2,251,115	(610,757)	1,640,358
ASSETS			
Segment assets	6,000,399	741,483	6,741,882
LIABILITIES			
Segment liabilities	12,544,853	2,653,595	15,198,448
OTHER SEGMENT INFORMATION			
Investment (Note 12)	-	2,149	2,149
Acquisitions of other non-current segment assets	1,029,550	-	1,029,550
Depreciation and amortisation expense	474,144	1,192	476,056
	China \$	Australia \$	Consolidated \$
30 June 2014			
REVENUE			
External sales	3,745,314	-	3,745,314
Other Income	112,153	99	112,252
Total segment revenue	3,857,467	99	3,857,566
RESULTS			
Segment result before tax	(1,403,540)	(759,020)	(2,162,560)
Income tax expense	-	-	-
Profit for the year	(1,403,540)	(759,020)	(2,162,560)
ASSETS			
Segment assets	4,873,818	84,457	4,958,275
LIABILITIES			
Segment liabilities	12,122,710	1,385,511	13,508,221
OTHER SEGMENT INFORMATION			
Investment(Note 12)	-	2,149	2,149
Acquisitions of other non-current segment assets	219,574	-	219,574
Depreciation and amortisation expense	394,452	4,154	398,606

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 25 Cash Flow Information

	Consolidated Group	
	2015	2014
	\$	\$
Reconciliation of Cash Flow from Operating Activities with Profit after Income Tax		
Profit / (loss) after income tax	1,640,358	(2,162,560)
Amortisation of intangible assets	325,004	144,195
Depreciation	151,052	254,411
Financial expenses	75,112	122,025
Fair value loss on investments	-	11,020
Debt forgiveness	(3,354,003)	-
Bad debt expense	48,585	146,855
(Gain)/loss on disposal of assets	25,658	29,098
Unrealised foreign exchange gain/ loss	1,245,289	-
(Increase)/decrease in trade and term receivables	(432,841)	(234,482)
(Increase)/decrease in inventories	12,506	74,137
Increase/(decrease) in trade payables and accruals	131,447	1,099,262
Increase/(decrease) in borrowings	(1,623,166)	7,240
Increase/(decrease) in provisions	163,753	357
Cash flow from operating activities	<u>(1,591,246)</u>	<u>(508,442)</u>

Note 26 Events After the Reporting Period

On 15 July 2015 the The Company agreed to terms to purchase 60% of the share capital of Shanghai KeChao Industrial Ltd (KeChao). After representations to the Australian Securities Exchange (“ASX”) the Company was advised that the ASX considered KeChao as a classified asset. As a result the consideration to the vendors had to be restricted securities. The KeChao vendors advised that they were not prepared to receive restricted securities as consideration and so the Board of Directors of the Company resolved not to progress with the transaction.

In April 2016 the Chinese subsidiary changed its name from Chongqing Yuao Building Materials Co. Limited to Chongqing Hanxing Materials Co. Ltd (“CHBM”).

Some of the fixed assets of CHBM were pledged as security to the Agricultural Bank of China (“ABC”). There is no amount owing to ABC. The Chairman Mr Luo has negotiated the release of the pledge as security for the loan which means that the assets of CHBM are now unencumbered.

Note 27 Related Party Transactions

Related Parties

The group’s main related parties are as follows

Parent Entities

CWH Resources Ltd is the parent entity of the CWH group and is an Australian registered public company, listed on the Australian Securities Exchange.

The Ultimate parent Company is believed to be Beltrading International Corp, registered in the British Virgin Islands.

Key Management Personnel

For details of key management personnel, refer to Note 6.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 28 Financial Risk Management

		Consolidated Group	
	Notes	2015	2014
		\$	\$
Financial Assets			
Cash and Cash equivalents	9	688,925	26,513
Financial Assets at fair value through profit or loss			
- held for trading	13	20,601	15,130
Loans and other receivables	10	1,499,221	1,066,380
Total Financial Assets		2,208,747	1,108,023
Financial Liabilities			
Financial Liabilities at amortised cost			
- Trade and other payables, including taxes	18	4,435,760	9,166,561
- Borrowings	19	5,733,430	4,338,403
		10,169,190	13,504,964

Financial Risk Management Policies

The CWH Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk. The CWH Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the CWH Group. The CWH Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and ageing analysis for credit risk.

(a) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions.

The CWH Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The CWH Group has policies that limit the amount of credit exposure to any one entity. The compliance with credit limits by customers is regularly monitored by line management.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the CWH Group for similar financial instruments.

The average credit period on sale of goods and rendering services is 60 days. No interest is charged on overdue debtors. An allowance has been made for estimated irrecoverable trade receivable amounts arising from the past sale of goods determined by reference to past default experience.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The CWH Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial asset and liabilities. Surplus funds are generally only invested in instruments that are tradable in highly liquid markets.

Financing arrangements

The CWH Group does not have access to any undrawn borrowing facilities at the reporting date.

(c) Market Risk

1. Interest rate risk

The Group is exposed to interest rate risk in relation to its cash holdings.

2. Foreign exchange risk

The Group is exposed to foreign currency risks in relation to the assets, liabilities and net assets of its subsidiary in China and its investment in Kazakhstan.

3. Other price risk

The Group is exposed to price risk in relation to its investments in shares in listed entities.

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

(d) Fair value estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

Note 29 Reserves

	Consolidated Group	
	2015	2014
	\$	\$
Foreign Currency Translation	(4,385,594)	(2,838,616)
General	646,067	646,067
	3,739,527	(2,192,549)

(a) Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of the financial statements of a foreign subsidiary. The reserve is recognised in profit or loss when the net investment is disposed of.

(b) General Reserve

The general reserve records statutory funds set aside from an overseas controlled entity of the parent entity under the company law requirements and relevant financial regulations in the country of domicile, for future expansion of the controlled entity and for providing employee facilities and other collective benefits. The reserve amount cannot be distributed as a dividend by the controlled entity.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS**

Note 30 Company Addresses

The registered office of the company is: CWH Resources Ltd
11A/ 10-12 Woodville Street
HURSTVILLE NSW 2220

The principal place of business is:
CWH Resources Ltd
11A / 10-12 Woodville Street,
HURSTVILLE NSW 2220

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION**

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of CWH Resources Ltd, the directors of the company declare that, in the Directors' opinion:

1. The financial statements and notes, as set out on pages 17 to 42, are in accordance with the *Corporations Act 2001* including:
 - (a) complying with Australian Accounting Standards, the Corporations Regulations 2001, other mandatory professional reporting requirements and Note 1 to the financial statements, confirming that the financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board; and;
 - (b) giving a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group;
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declaration required by section 295A of the Corporations Act 2001 from the Chairman of the Board for the financial year ended 30 June 2015.

The declaration is made in accordance with a resolution of directors.



Bao Cheng Luo
Director

Dated: 11 August 2017

INDEPENDENT AUDITOR'S REPORT

CWH RESOURCES LIMITED ACN 009 230 111 INDEPENDENT AUDITOR'S REPORT

To the members of CWH Resources Limited:

We have audited the accompanying financial report of CWH Resources Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the consolidated 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 about 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 and its controlled entities' 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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

HLB Mann Judd (NSW Partnership) ABN 34 482 821 289

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CWH RESOURCES LIMITED
ACN 009 230 111
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*

Opinion

In our opinion:

- (a) the financial report of CWH Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and 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 report also complies with International Financial Reporting Standards as disclosed in Note 1.

Material Uncertainty Regarding Continuation as a Going Concern

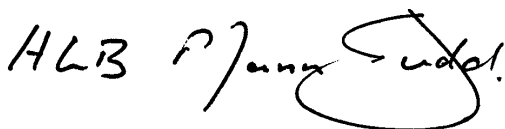
We draw attention to the Notes to the financial statements on page 21, which describe the reasons for which the financial report has been prepared on a going concern basis. The Notes indicate that at 30 June 2015 the consolidated entity had a net asset deficiency of \$8,456,566, a shortfall of current assets in relation to current liabilities of \$6,908,175 and that the continuation of normal business activities is dependent on the generation of positive cash flow from the operations of Chongqing Yuao Building Materials Co. Ltd, the continuation of a personal loan from the Chairman of CWH Resources Ltd Mr Bao Cheng Luo, the provision of additional funding by Mr Luo and the completion of additional fund raising if required. These conditions, along with other matters as set forth in the Notes, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 15 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 CWH Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

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

HLB Mann Judd
Chartered Accountants

Sydney, NSW
11 August 2017

A handwritten signature in black ink that reads 'D K Swindells'.

D K Swindells
Partner

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED COMPANIES**

ADDITIONAL INFORMATION FOR LISTED COMPANIES

The following information is current as at 21 July 2017:

1. Shareholding

(a) Distribution of Equity Securities

Category (size of holding)	Number of Holders	Number of ordinary Shares
1 – 1,000	71	25,249
1,001 – 5,000	44	139,975
5,001 – 10,000	394	3,651,860
10,001 – 100,000	191	6,182,485
100,001 – and over	31	84,789,483
	<hr/> 731 <hr/>	<hr/> 94,789,052 <hr/>

(b) Substantial shareholders

Substantial shareholders (owning more than 5% of the share capital) in CWH Resources Ltd on 21 July 2017 are set out below.

	Ordinary Shares Held	Percentage of Shares Held
BELTRADING INTERNATIONAL CORP	40,476,059	42.72%
MR CHANGXING XU	9,429,670	9.95%
HONG KONG BENLING INTERNATIONAL INDUSTRIAL LTD	5,882,353	6.21%
LONGMAX CORPORATION LIMITED	5,000,000	5.28%
RING & KING INVESTMENT CO LIMITED	5,000,000	5.28%
ORCHID & HOPE INVESTMENT LTD	4,900,000	5.17%

(c) Voting Rights

All ordinary shares carry one vote per share without restriction.

**CWH RESOURCES LTD ACN 009 230 111
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED COMPANIES**

(d) 20 Largest Shareholders — Ordinary Shares

Shareholder	Ordinary Shares Held	Percentage of Shares Held
1 BELTRADING INTERNATIONAL CORP	40,476,059	42.72%
2 MR CHANGXING XU	9,429,670	9.95%
3 HONG KONG BENLING	5,882,353	6.21%
4 RING & KING INVESTMENT CO	5,000,000	5.28%
5 LONGMAX CORPORATION LIMITED	5,000,000	5.28%
6 ORCHID & HOPE INVESTMENT LTD	4,900,000	5.17%
7 GREATLINK DEVELOPMENT LIMITED	3,333,333	3.52%
8 MR YUEXI YU	2,539,000	2.68%
9 HSBC CUSTODY NOMINEES	1,346,834	1.42%
10 JESSIE LIM SIEW LING	842,818	0.89%
11 YOKE NGOH FONG	661,200	0.70%
12 BAO CHENG LUO	598,886	0.63%
13 CITICORP NOMINEES PTY LIMITED	446,727	0.47%
14 MS FENGXIAN WANG	310,000	0.33%
15 MRS JIAQIN MOU	309,700	0.33%
16 MR SHUPING HUANG &	303,500	0.32%
17 MR PHIROSE MAINE	300,000	0.32%
18 STORMINION PASTORAL COMPANY	300,000	0.32%
19 MRS JIAQIN MOU	290,000	0.31%
20 MS JIAQIN MOU	275,641	0.29%
Totals	82,545,721	87.12%
Total Remaining Holders Balance	12,243,331	12.88%
Total Shares	94,789,052	100.00%

(e) Directors' Interests in Securities

Director	Direct Interests
BAO CHENG LUO	748,607

2. Stock Exchange Listing

The Company's securities are not quoted on any securities exchange other than the Australian Securities Exchange.