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PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME / (LOSS)
(Amounts expressed in thousands of Australian Dollar ("AU$") currency)
These statements have not been audited.

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015*	%	9M 2016	9M 2015*	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Continuing operations						
Revenue	55,427	54,505	1.7	196,636	235,849	(16.6)
Cost of sales	(52,121)	(47,570)	9.6	(197,263)	(209,733)	(5.9)
Gross profit/(loss)	**3,306**	**6,935**	**(52.3)**	**(627)**	**26,116**	(102.4)
Gross margin	**6.0%**	**12.7%**		**-0.3%**	**11.1%**	
Other operating income	1,000	1,096	(8.8)	1,492	2,026	(26.4)
Other operating costs	(6,732)	(2,995)	124.8	(20,194)	(12,482)	61.8
Impairment of receivables	(1,847)	-	N.M.	(46,468)	-	N.M.
Impairment of other assets	(12,677)	-	N.M.	(12,677)	-	N.M.
Impairment of goodwill	(2,535)	-	N.M.	(2,535)	-	N.M.
Administrative expenses	(5,612)	(5,049)	11.2	(16,307)	(13,591)	20.0
Marketing and distribution expenses	(796)	(559)	42.4	(2,198)	(1,427)	54.0
Profit / (loss) from operations	**(25,893)**	**(572)**	N.M.	**(99,514)**	**642**	N.M.
Finance costs	(5,404)	(2,177)	148.2	(10,924)	(4,094)	166.8
Loss before income tax	**(31,297)**	**(2,749)**	N.M.	**(110,438)**	**(3,452)**	N.M.
Income tax benefit	2,589	1,444	79.3	4,764	2,783	71.2
Loss from continuing operations	(28,708)	(1,305)	N.M.	(105,674)	(669)	N.M.
Discontinued operation						
Profit from discontinued operation, net of tax	4,544	3,355	35.4	12,216	6,618	84.6
Net profit / (loss) for the period	**(24,164)**	**2,050**	N.M.	**(93,458)**	**5,949**	N.M.
Net profit / (loss) %	**-43.6%**	**3.8%**		**-47.5%**	**2.5%**	
Profit / (loss) attribute to:						
Owners of the Company	(24,088)	2,159	N.M.	(93,166)	5,908	N.M.
Non-controlling interest	(76)	(109)	(30.1)	(292)	41	N.M.
	(24,164)	**2,050**	N.M.	**(93,458)**	**5,949**	N.M.
Earnings / (loss) per ordinary share attributable to equity holders of the Company (cents)						
- basic	(3.3)	0.3	N.M.	(12.6)	0.9	N.M.
- diluted	(3.3)	0.3	N.M.	(12.6)	0.9	N.M.

N.M. – not meaningful
* The comparative Statement of Profit and Loss and accompanying notes have been re-presented due to the presentation requirements of discontinued operations. Refer to note 5 for further details.

(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME/(LOSS) (CONTINUED)

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015*	%	9M 2016	3Q 2015*	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Profit / (loss) for the period	(24,164)	2,050	N.M.	(93,458)	5,949	N.M.
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	(7,357)	3,511	(309.5)	(502)	4,641	(110.8)
Fair value changes on cash flow hedges	-	-		-	-	
Other comprehensive income / (loss) for the period	(7,357)	3,511	(309.5)	(502)	4,641	(110.8)
Total comprehensive income / (loss) for the period	**(31,521)**	**5,561**	N.M.	**(93,960)**	**10,590**	N.M.
Total comprehensive income / (loss) attribute to:						
Owners of the Company	(31,490)	5,612	N.M.	(93,685)	10,541	N.M.
Non-controlling interest	(31)	(51)	(39.2)	(275)	49	N.M.
	(31,521)	5,561	N.M.	(93,960)	10,590	N.M.

(ii) NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME / (LOSS)

A. PROFIT/(LOSS) FROM CONTINUING OPERATIONS

The following items have been included in determining the profit/(loss) before taxation

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015*	%	9M 2016	9M 2015*	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Other operating income						
Interest income	170	254	(33.1)	393	660	(40.5)
Profit on disposal of property, plant and equipment	463	99	367.5	821	254	223.2
Sundry income	585	220	166.1	1,094	521	110.1
Foreign exchange income / (loss)	(218)	523	(141.7)	(816)	591	(238.1)
Total other operating income	**1,000**	**1,096**	(8.7)	**1,492**	**2,026**	(26.3)
Amortisation and depreciation						
Depreciation of property, plant & equipment included in cost of sales	1,292	1,095	18.0	3,975	3,323	19.6
Amortisation of intangible assets included in cost of sales	80	149	(46.1)	240	439	(45.3)
Depreciation of property, plant & equipment included in administrative expenses	299	305	(2.1)	867	670	29.3
Amortisation of intangible assets included in administrative expenses	1,723	226	662.5	4,201	1,717	144.7
Total amortisation and depreciation	**3,394**	**1,775**	91.2	**9,283**	**6,149**	51.0

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015*	%	9M 2016	9M 2015*	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Employee share and share option scheme expense	270	(520)	(151.9)	864	210	311.4
Research and development tax credits	-	-	N.M.	13,723	-	N.M.
Restructuring and transformation costs	1,997	-	N.M.	3,430	-	N.M.
Impairment of other assets - inventory	5,044	-	N.M.	5,044	-	N.M.
Impairment of other assets - property, plant and equipment	7,633	-	N.M.	7,633	-	N.M.

As announced in 2Q FY2016, the Group has undergone restructuring in its overhead and administrative support functions and this has resulted in restructuring costs being recognized of AU$1.997m in the quarter.

B. FINANCE COSTS

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015*	%	9M 2016	9M 2015*	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Loans	5,261	2,172	142.2	10,673	3,997	167.0
Bank guarantee fees	143	31	361.3	249	86	189.5
Unwinding of earn out payable	-	3	N.M.	2	13	(84.6)
Finance leases and hire purchase	-	(29)	N.M.	-	(2)	N.M.
Total finance costs	**5,404**	**2,177**	148.2	**10,924**	**4,094**	166.8

C. INCOME TAX BENEFIT/(EXPENSE)

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015*	%	9M 2016	9M 2015*	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Loss before income tax from continuing operations	(31,297)	(2,749)	N.M.	(110,438)	(3,452)	N.M.
Prima facie taxation calculated at applicable rate on loss before income tax	6,487	1,032	528.6	27,677	836	N.M.
Tax effect of non-assessable /(non-deductible items)	1,521	(1,250)	(221.7)	(1,419)	(1,642)	(13.6)
Research and development tax incentives	-	1,662	N.M.	(4,117)	3,589	(214.7)
Income tax benefit	8,008	1,444	454.6	22,141	2,783	N.M.
Potential tax benefit of losses for which no deferred tax asset has been recognised	(5,419)	-	N.M.	(17,377)	-	N.M.
Total income tax benefit - continuing operations	2,589	1,444	79.3	4,764	2,783	71.2
Income tax expense percentage (%) - continuing operations	-8.3%	-52.5%		-4.3%	-80.6%	
Tax benefit relating to continuing operations	2,589	1,444	79.3	4,764	2,783	71.2
Tax expense relating to discontinued operations	(1,892)	(1,257)	50.5	(4,797)	(3,154)	52.1
Total income tax benefit/(expense)	697	187	272.7	(33)	(371)	(91.1)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group	Group	Company	Company
	As at	As at	As at	As at
	31/03/2016	30/06/2015	31/03/2016	30/06/2015
	AU$'000	AU$'000	AU$'000	AU$'000
CURRENT ASSETS				
Cash and cash equivalents	16,885	38,647	136	-
Trade receivables	86,298	177,609	-	-
Other receivables and prepayments	13,994	11,878	6,439	626
Inventories	6,249	7,856	-	-
Due from subsidiaries	-	-	165,457	12,789
Other assets	-	-	17,990	-
Assets classified as held for sale	104,240	-	-	-
Total current assets	**227,666**	**235,990**	**190,022**	**13,415**
NON-CURRENT ASSETS				
Property, plant and equipment	146,279	181,642	-	-
Goodwill	10,994	13,530	-	-
Intangible assets	92,717	94,500	-	-
Other receivables and prepayments	2	2	-	-
Due from subsidiaries	-	-	-	158,654
Other assets	-	-	96,222	114,212
Deferred income tax assets	3,392	17,372	-	-
Total non-current assets	**253,384**	**307,046**	**96,222**	**272,866**
Total assets	**481,050**	**543,036**	**286,244**	**286,281**
CURRENT LIABILITIES				
Trade payables	48,853	77,736	-	-
Other payables	26,207	37,201	3,797	2,432
Borrowings	137,152	10,235	114,908	8,663
Accruals for other liabilities and charges	7,627	13,019	-	-
Current income tax liabilities	3,541	2,541	215	78
Liabilities classified as held for sale	70,655	-	-	-
Total current liabilities	**294,035**	**140,732**	**118,920**	**11,173**
NON-CURRENT LIABILITIES				
Deferred income tax liabilities	945	2,601	-	-
Due to subsidiaries	-	-	8,671	9,740
Borrowings	36,845	156,823	14,680	121,013
Accruals for other liabilities and charges	890	1,449	-	-
Total non-current liabilities	**38,680**	**160,873**	**23,351**	**130,753**
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	128,040	128,040	128,040	128,040
Capital reserve	(163)	(163)	(163)	(163)
Share option reserve	3,978	3,114	3,978	3,114
Foreign currency translation reserve	13,539	14,058	20,106	20,112
Retained earnings/(Accumulated losses)	3,655	96,821	(7,988)	(6,748)
Total equity attributable to owners	**149,049**	**241,870**	**143,973**	**144,355**
Non-controlling interest	**(714)**	**(439)**	**-**	**-**
Total equity	**148,335**	**241,431**	**143,973**	**144,355**
Total liabilities and equity	**481,050**	**543,036**	**286,244**	**286,281**

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	31/03/2016		30/06/2015	
	AU$'000	AU$'000	AU$'000	AU$'000
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	30,831	106,321	10,235	-
Amount repayable after one year	171	36,674	17,359	139,464

On 20 October 2014, the Company announced that AusGroup Limited (the "issuer") had issued S$110m 7.45%. Notes due 2016 (the Notes") pursuant to the S$350m Multicurrency Debt Issuance Programme (the "Programme") established by the Issuer on 22 September 2014. DBS Bank Ltd., as sole arranger of the Programme, acted as the sole lead manager and bookrunner in relation to the issuance of the Notes. The Notes bear interest at a fixed rate of 7.45%. per annum payable semi-annually in arrears and, unless previously redeemed or cancelled, will mature on 20 October 2016.

On 1 April 2015, the Company announced that AusGroup Limited had entered into a facility agreement for a US$20m 3 year term loan. The loan facility was used to refinance the Wingate facility at a much reduced all-in interest rate, while extending the Group's debt maturity profile to 2018.

During 4Q FY2015 the Group entered into an AU$32m Surety bond facility with Vero to ensure the Group maintains its bonding capacity for bid bonds, performance bonds and financial guarantees.

In 4Q FY2015 the Group entered into a AU$23m bridge loan facility (Bridge Loan) with DBS Bank Ltd. The balance of the loan at 31 December 2015 was AU$13.0m. As at 31 March 2016 the balance had been repaid per the agreed repayment schedule.

In 2Q FY2016 the Group entered into an Accounts Receivable Purchase facility with DBS (ARP facility) for key debtor balances. This provided the Group with AU$23m of facility to be drawn down. As at 31 March 2016 AU$4.3m of this balance had been utilized.

The current portion of debt has increased when compared to that at 30 June 2015 due to the Notes being reclassified as current in 2Q FY2016 given the October 2016 repayment date as outlined above.

In 3Q FY2016 the Group entered into a AU$30m Short Term loan facility with DBS Bank Ltd. As at 31 March 2016, AU$6.0m of this balance was drawn down. The terms of this short term loan include covenant requirements consistent with that of the Group's other DBS facilities (refer below). The scheduled repayment date of the loan balance is 31 August 2016, thus it is classified a current liability.

Details of secured collateral

DBS Bank Ltd

A deed of charge executed by AGC Australia incorporating an all-monies charge over the fixed deposit account maintained by AGC Australia with DBS Bank Ltd ("The Lender") for an amount not less than AU$11.6 million (reduced from AU$25m in Q1). A fixed and floating charge executed by AusGroup Ltd, AusGroup Singapore and Modern Access Services in favour of The Lender.

First registered fixed and floating charge over all the present and future property, interests, rights and proceeds of AGC Australia Pty Ltd, AGC Industries Pty Ltd, MAS Australasia Pty Ltd, Seagate Structural Engineering Pty Ltd, AGC Energy & Infrastructure Pty Ltd, and Resource People Pty Ltd ("Australian Group Companies"), including real and personal property, goodwill, uncalled and called but unpaid capital.

First registered real property mortgage by AGC Australia Pty Ltd over the commercial properties located at 15 Beach Street, Kwinana WA 6167 and Seagate Structural Engineering Pty Ltd over property located at Lots 17 and 18 Gap Ridge Industrial Estate Karratha WA.

Facility covenants

AusGroup Limited is required to maintain in relation to the Consolidated Group a maximum gearing ratio as well as a maximum secured debt to total assets, a minimum EBITDA to interest cost and a minimum net worth (net asset) balance for both the Programme and DBS facilities. To note, the EBITDA to interest cost covenant applies only to stipulated test periods as outlined in the facility documents.

As reported in 2Q FY2016, as at the 31 December 2015 Notes covenant assessment date, the Group was in breach of the EBITDA / Interest Cover covenant. However, pursuant to an extraordinary general meeting of noteholders held on 29 January 2016, this breach was waived without modification to the resolution presented.

In the days following this resolution, the Group entered into a supplemental trust deed with DBS Bank Ltd, as trustee, to amend various provisions of the Trust Deed and Conditions of the Notes as described in the Extraordinary Resolution announced on 1 February 2016.

AusGroup Limited is also required to maintain a minimum consolidated trade debtor balance compared to the current outstanding under the existing Bridge Loan and ARP facilities.

Under the facilities, AusGroup Limited has a negative pledge requirement to ensure that no security is created, or permitted to be created, or have outstanding any security on or over the whole or any part of the respective undertakings, assets, property, revenues or rights to receive dividends, present or future.

1(c) A consolidated statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	GROUP 3Q 2016 AU$'000	GROUP 3Q 2015 AU$'000	GROUP 9M 2016 AU$'000	GROUP 9M 2015 AU$'000
Cash flows from operating activities				
Profit / (loss) after taxation	(24,164)	2,050	(93,458)	5,949
Add / (less) adjustments for:				
Depreciation of property, plant and equipment	2,759	2,386	8,260	6,945
Amortisation of intangible assets	1,817	380	4,465	2,173
Employee share and share option scheme expense	270	(513)	864	217
Impairment loss on goodwill	2,535	-	2,535	-
Impairment loss on trade receivables	1,847	294	46,468	328
Impairment loss on other assets	12,677	- 0	12,677	200
Net foreign exchange differences	1,755	-	1,460	-
Profit on disposal of property, plant and equipment	(520)	(366)	(920)	(1,054)
Interest income	(177)	(258)	(406)	(670)
Finance costs	5,078	1,930	10,386	3,978
Research and development tax credits	-	(5,540)	13,723	(11,963)
Income tax expense / (benefit)	(697)	(187)	33	371
Operating cash flows before working capital changes	**3,180**	**176**	**6,087**	**6,474**
Changes in operating assets and liabilities				
Changes in operating assets and liabilities, net of effects from acquisition of business				
Trade receivables	23,374	11,203	(15,790)	(18,678)
Other receivables and prepayments	(2,745)	(3,404)	(3,086)	(6,136)
Inventories	(3,043)	96	(3,846)	(484)
Trade payables	(2,435)	88	(1,548)	(7,669)
Accruals and other payables	(8,840)	(4,682)	26,230	1,297
Cash generated from / (used in) operations	**9,491**	**3,477**	**8,047**	**(25,196)**
Interest paid	(2,877)	(1,369)	(9,332)	(2,969)
Interest received	177	258	406	670
Income tax received / (paid)	(331)	897	(1,158)	11,216
Net cash generated from / (used in) operating activities	**6,460**	**3,263**	**(2,037)**	**(16,279)**
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	680	723	2,381	2,575
Purchase of property, plant and equipment	(513)	(20,144)	(21,365)	(36,714)
Net cash outflow on acquisition of subsidiaries	-	-	-	(12,189)
Release of restricted cash	-	-	13,894	-
Purchase of intangible assets	-	(240)	(274)	(2,029)
Net cash (used in) / generated from investing activities	**167**	**(19,661)**	**(5,364)**	**(48,357)**

1(c) Consolidated Statement of Cash Flows (continued)

	GROUP 3Q 2016 AU$'000	GROUP 3Q 2015 AU$'000	GROUP 9M 2016 AU$'000	GROUP 9M 2015 AU$'000
Cash flows from financing activities				
Payment of share issue costs	-	-	-	(122)
Repayment of finance leases	(3,723)	(160)	(8,043)	(716)
Proceeds from borrowings	1,210	-	18,898	104,180
Repayment of borrowings	(1,293)	-	(1,293)	(34,000)
Net cash (used in) / generated from financing activities	**(3,806)**	**(160)**	**9,562**	**69,342**
Net (decrease) / increase in cash and cash equivalents	**2,821**	**(16,558)**	**2,161**	**4,706**
Effect of exchange rate changes	(316)	5,077	(297)	5,687
Movement in cash and cash equivalents for the period	**2,505**	**(11,481)**	**1,864**	**10,393**
Cash and cash equivalents (net of overdraft) at beginning of period	6,341	62,719	6,982	40,845
Effect of discontinued operations	(3,576)	-	(3,576)	-
Cash and cash equivalents at end of period	**5,270**	**51,238**	**5,270**	**51,238**
Cash and cash equivalents represented by				
Cash and bank balances	16,885	11,349	16,885	11,349
*Restricted cash	(11,615)	39,889	(11,615)	39,889
Total cash and cash equivalents at end of period	**5,270**	**51,238**	**5,270**	**51,238**

*The amount represents cash security held for bank guarantees issued.

1(d)(i) A statement (for the issuer and group) showing either

(i) all changes in equity, or

(ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	SHARE CAPITAL	CAPITAL RESERVE	SHARE BASED PAYMENT RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	NON-CONTROLLING INTEREST	TOTAL EQUITY
Group	AU$'000	AU$ '000	AU$'000	AU$'000	AU$'000	AU$'000	AU$'000	AU$'000
9M 2016								
Balance as at 1 July 2015	128,040	(163)	3,114	14,058	96,821	241,870	(439)	**241,431**
Loss for the period ended 31 December 2015	-	-	-	-	(69,078)	(69,078)	(216)	**(69,294)**
Other comprehensive income for the period ended 31 December 2015	-	-	-	6,883	-	6,883	(28)	**6,855**
Share based payment reserve	-	-	594	-	-	594	-	**594**
Balance as at 31 December 2015	**128,040**	**(163)**	**3,708**	**20,941**	**27,743**	**180,269**	**(683)**	**179,586**
Loss for the period ended 31 March 2016	-	-	-	-	(24,088)	(24,088)	(76)	**(24,164)**
Other comprehensive income / (loss) for the period ended 31 March 2016	-	-	-	(7,402)	-	(7,402)	45	**(7,357)**
Share based payment reserve	-	-	270	-	-	270	-	**270**
Balance as at 31 March 2016	**128,040**	**(163)**	**3,978**	**13,539**	**3,655**	**149,049**	**(714)**	**148,335**
9M 2015								
Balance as at 1 July 2014	99,599	(163)	886	3,528	92,279	196,129	-	**196,129**
Acquisition of subsidiaries	28,441	-	-	-	-	28,441	-	**28,441**
Total comprehensive income for the period ended 31 December 2014	-	-	-	1,179	3,750	4,929	100	**5,029**
Additional non-controlling interests arising on the acquisition of subsidiaries	-	-	-	-	-	-	(50)	**(50)**
Share based payment reserve	-	-	730	-	-	730	-	**730**
Balance as at 31 December 2014	**128,040**	**(163)**	**1,616**	**4,707**	**96,029**	**230,229**	**50**	**230,279**
Total comprehensive income / (loss) for the period ended 31 March 2015	-	-	-	3,454	2,159	5,613	(51)	**5,562**
Share based payment reserve	-	-	387	-	-	387	-	**387**
Balance as at 31 March 2015	**128,040**	**(163)**	**2,003**	**8,161**	**98,188**	**236,229**	**(1)**	**236,228**

1(d)(i) A statement (for the issuer and group) of all changes in equity (continued)

	SHARE CAPITAL	CAPITAL RESERVE	SHARE BASED PAYMENT RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL	NON-CONTROLLING INTEREST	TOTAL
Company	AU$'000	AU$'000	AU$'000	AU$'000	AU$'000	AU$'000	AU$'000	AU$'000
9M 2016								
Balance as at 1 July 2015	128,040	(163)	3,114	20,112	(6,748)	144,355	-	**144,355**
Loss for the period ended 31 December 2015	-	-	-	-	(500)	(500)	-	**(500)**
Other comprehensive income for the period ended 31 December 2015	-	-	-	338	-	338	-	**338**
Share based payment reserve	-	-	594	-	-	594	-	**594**
Balance as at 31 December 2015	**128,040**	**(163)**	**3,708**	**20,450**	**(7,248)**	**144,787**	**-**	**144,787**
Loss for the period ended 31 March 2016	-	-	-	-	(740)	(740)	-	**(740)**
Other comprehensive income / (loss) for the period ended 31 March 2016	-	-	-	(344)	-	(344)	-	**(344)**
Share based payment reserve	-	-	270	-	-	270	-	**270**
Balance as at 31 March 2016	**128,040**	**(163)**	**3,978**	**20,106**	**(7,988)**	**143,973**	**-**	**143,973**
9M 2015								
Balance as at 1 July 2014	99,599	(163)	886	4,173	(3,290)	101,205	-	**101,205**
Acquisition of subsidiaries	28,441	-	-	-	-	28,441	-	**28,441**
Total comprehensive income / (loss) for the period ended 31 December 2014	-	-	-	6,887	(2,489)	4,398	-	**4,398**
Share based payment reserve	-	-	730	-	-	730	-	**730**
Balance as at 31 December 2014	**128,040**	**(163)**	**1,616**	**11,060**	**(5,779)**	**134,774**	**-**	**134,774**
Total comprehensive loss for the period to 31 March 2015	-	-	-	(4,724)	(1,940)	(6,664)	-	**(6,664)**
Share based payment reserve	-	-	387	-	-	387	-	**387**
Balance as at 31 March 2015	**128,040**	**(163)**	**2,003**	**6,336**	**(7,719)**	**128,497**	**-**	**128,497**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

	31 March 2016	31 December 2015
Number of issued shares		
Opening balance	740,432,016	740,432,016
Issuance of shares	-	-
Closing balance	740,432,016	740,432,016

As at 31 March 2016 there were outstanding options for 1,561,000 (31 March 2015: 1,674,000) unissued ordinary shares under the employee share option scheme. All the outstanding options have vested and are exercisable at the balance sheet date.

As at 31 March 2016 there were 1,650,554 (31 March 2015: 2,387,997) outstanding rights that may potentially be converted to shares under the employee share scheme. The Group did not meet the relevant TSR (Total shareholder return is based on a comparable peer group) targets for the financial year ended 30 June 2015, hence, no ordinary shares are expected to be issued under the employee share scheme.

As at 31 March 2016 and 31 March 2015 respectively there were no treasury shares held by the company.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	31 March 2016	30 June 2015
Number of issued shares	740,432,016	740,432,016

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those stated in the audited financial statements for the year ended 30 June 2015, except for new and amended FRS and Interpretation to FRS ("INTFRS") that are mandatory for application from 1 July 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

ASSETS HELD FOR SALE - DISCONTINUED OPERATION

During the quarter ended 31 March 2016, the Group announced that it had appointed a financial advisor to undertake a process to solicit and consider offers for the acquisition of the Group's scaffolding and access business ("MAS Business Segment"). With current operations throughout Australia, Singapore and Thailand, the MAS Business Segment provides scaffolding and associated services for both construction and maintenance activities on major projects in the resources, oil and gas, infrastructure and industrial sectors.

The sale process is on-going at the balance date, is considered highly probable, and is expected to be finalized within 12 months, requiring the reclassification of the MAS business segment as held for sale. The MAS business segment was not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated statement of profit or loss and OCI has been re-presented to show the discontinued operation separately from continuing operations.

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015	%	9M 2016	9M 2015	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Results of discontinued operation						
Revenue	64,067	32,356	98.0	181,751	100,961	80.0
Cost of sales	(56,920)	(26,887)	111.7	(161,917)	(88,528)	82.9
Gross Profit	7,147	5,469	30.7	19,834	12,433	59.5
Other operating income / (expense)	71	190	(62.6)	(2)	658	(100.3)
Expenses	(782)	(1,047)	(25.3)	(2,819)	(3,319)	(15.1)
Profit before tax from discontinued operations	6,436	4,612	39.5	17,013	9,772	74.1
Income Tax expense	(1,892)	(1,257)	50.5	(4,797)	(3,154)	52.1
Net profit from discontinued operations	4,544	3,355	35.4	12,216	6,618	84.6
Basic earnings per share (cents)	0.6	0.4	45.7	1.6	0.9	73.8
Diluted earnings per share (cents)	0.6	0.4	45.9	1.6	0.9	74.0

	GROUP		+/(-)	GROUP		+/(-)
	3Q 2016	3Q 2015	%	9M 2016	9M 2015	%
	AU$'000	AU$'000		AU$'000	AU$'000	
Cash flows from / (used in) discontinued operation						
Net cash from operating activities	2,872	10,414	(72.4)	9,902	27,193	(63.6)
Net cash used in investing activities	(1,505)	(3,342)	(55.0)	(5,500)	(3,389)	62.3
Net cash inflow / (outflow) from financing activities	51	(7,077)	(100.7)	(2,727)	(25,102)	(89.1)
Net cash flows from / (used in) discontinued operations	**1,418**	**(5)**		**1,675**	**(1,298)**	

Discontinued operation (continued)	**GROUP**
	As at
	31/03/2016
	AU$'000
Assets and liabilities of disposal group held for sale	
Cash and cash equivalents	3,577
Trade receivables	60,633
Other receivables and prepayments	968
Inventories	411
Property, plant and equipment	31,650
Deferred income tax assets	7,001
Assets classified as held for sale	**104,240**
Trade payables	20,200
Other payables	33,091
Borrowings	84
Accruals for other liabilities and charges	10,934
Current income tax liabilities	381
Deferred income tax liabilities	5,965
Liabilities classified as held for sale	**70,655**

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per share

	GROUP 3Q 2016 AU$'000	**GROUP 3Q 2015 AU$'000**	**GROUP 9M 2016 AU$'000**	**GROUP 9M 2015 AU$'000**
Profit/(loss) after taxation	(24,164)	2,050	(93,458)	5,949
Profit/(loss) after taxation - continuing operations	(28,708)	(1,305)	(105,674)	(669)
Weighted average number of ordinary shares in issue applicable to earnings ('000)	740,432	796,749	740,432	697,045
Fully diluted number of ordinary shares ('000)	742,083	799,216	742,083	699,568
Earnings/(loss) per ordinary share (AU cents)				
- Basic	(3.3)	0.3	(12.6)	0.9
- Diluted	(3.3)	0.3	(12.6)	0.9
Earnings/(loss) per ordinary share (AU cents) - continuing operations				
- Basic	(3.9)	(0.2)	(14.3)	(0.1)
- Diluted	(3.9)	(0.2)	(14.2)	(0.1)

Basic earnings per share is calculated by dividing the consolidated profit / (loss) after tax attributable to the equity holders of the Company by the weighted average of the number of shares outstanding during the period.

For the purposes of calculating diluted earnings per share, the weighted average number of shares on issue has been adjusted as if all dilutive share options and share awards were exercised. The number of shares that could have been issued upon the exercise of all dilutive shares is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the profit/(loss) after tax.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and
(b) immediately preceding financial year

	GROUP 31/03/2016 AU$'000	GROUP 30/06/2015 AU$'000	COMPANY 31/03/2016 AU$'000	COMPANY 30/06/2015 AU$'000
Net assets	148,335	241,431	143,973	144,355
Net asset value per ordinary share based on issued share capital at the end of the respective periods (AU cents)	20.0	32.6	19.4	19.5

Net asset value per ordinary share is calculated based on 740,432,016 ordinary shares as at 31 March 2016 (30 June 2015: 740,432,016 ordinary shares).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

A Income Statement for continuing operations

(i) Revenue

Revenue for the third quarter of FY2016 increased by 1.7% to AU$55.4m (3Q FY2015: AU$54.5m).

Revenue for the 9 months to March of FY2016 decreased by 16.6% to AU$196.6m (9M FY2015: AU$235.8m).

Revenue was relatively consistent during the quarter, but the decline in the YTD is mainly due to lower than expected performance of the Fabrication and Manufacturing business in both Australia and Singapore, partially offset however by better than expected performance in the Maintenance Services business units, and increased revenue contributions from Port & Marine Services which only started generating income towards the end of Q2 in the comparative YTD number (contribution of AU$17.2m in revenue during 9 months of FY2016).

(ii) Cost of sales and Gross profit / (loss)

Cost of sales
The cost of sales for the third quarter of FY2016 increased by 9.6% to AU$52.1m (3Q FY2015: AU$47.6m).

The cost of sales for the 9 months to March of FY2016 decreased by 5.9% to AU$197.3m (9M FY2015: AU$209.7m).

The cost of sales in the quarter increased on the back of higher operating activity in the Maintenance Services business unit than in the comparative period. The YTD cost of sales decreased however due to the lower activity in the Fabrication and Manufacturing business in both Australia and Singapore (consistent with the Revenue movement), partially offset by the increase in costs from the Port & Marine Services business unit, and the YTD net write back of research and development tax credits in of AU$13.7m (AU$16.3m write back, partially offset by AU$2.6m credit utilized).

Gross profit / (loss)
Gross margin has decreased to 6.0% during the third quarter of FY2016 mainly as a result of continued tightening in the oil & gas industry as primary producers continued to reduce capital spend and looked for operating efficiencies on the back of a severely deflated oil price, resulting in lower margins for services rendered. Further contributing to the movement, the comparative numbers included AU$5.0m in 3Q FY2015, and AU$11.4m in 9M FY2015 of research and development credits which offset cost of sales increasing the comparative margins, while there were R&D credit write backs recognized in the FY2016 as described above in the cost of sales analysis.

The industry conditions contributed largely to the gross margin of (0.3%) for the 9 months to March of FY2016 significantly down on the comparative period in FY2015. This is driven by the decrease in the Fabrications business unit, and tightening in the margins on Maintenance Services work, and the negative margins being realized in the Port and Marine business unit with postponements in the commercialization of the port caused by delays in environmental and regulatory approvals. This was further contributed to by the one off adjustment to write back research and development tax credits as described in Cost of sales above.

(iii) Other operating income

Other operating income for the third quarter of FY2016 decreased to AU$1.0m (3Q FY2015: AU$1.1m).

Other operating income for the 9 months to March of FY2016 decreased to AU$1.5m (9M FY2015: AU$2.0m).

The decrease is primarily due to the lower interest income, adverse foreign exchange movements in the period, offset by higher gains from disposal of property, plant and equipment and increase in sundry income.

(iv) Other operating costs, Administrative expenses and Marketing expenses

Other operating costs
Other operating costs for the third quarter of FY2016 increased by 124.8% to AU$6.7m (3Q FY2015: AU$3.0m). The increase is mainly due to the increased scope of operations of the Port & Marine business comparative to the FY2015 year resulting in a proportional increase in other operating expenses.

Other operating costs for the 9 months to March of FY2016 increased by 61.8% to AU$20.2m (9M FY2015 : AU$12.5m), consistent with the reasons outlined above.

Impairment of receivables
The extended delay in the full commercialization of the Port Melville facility, combined with the poor performance by our Fabrication and Manufacturing business in both Australia and Singapore due to the continued tightening in capital spend in the oil and gas industry, resulted in increased pressure on cash reserves. Following on from 2Q FY2016, the Group has continued to take an aggressive approach on work in progress claims to convert these receivables into cash, occasioning the writing down of the recoverability of carried work in progress balances in the quarter by AU$1.8m.

Impairment of other assets
Due to the ongoing challenges being faced by the Australian and Singaporean Fabrication businesses, this occasioned management to perform an impairment review of the carrying values of property, plant and equipment, software intangibles and inventory balances. This assessment resulted in an impairment of AU$12.7m being booked in the quarter.

Impairment of goodwill
Linked to the above, the impairment review performed over the Fabrication business units also resulted in the full impairment of the carried goodwill balance in the Singapore Fabrication business of AU$2.5m in 3Q FY2016.

Administrative expenses
Administration expenses for the third quarter of FY2016 increased by 11.2% to AU$5.6m (3Q FY2015: AU$5.0m). This is primarily driven by increased costs associated with ongoing restructuring and business transformation activities being undertaken in the FY2016 year aimed at delivering sustainable long term improvements to business operations. The increase in the scope of support functions attributable to the Port & Marine business also contributed to the increase.

Administration expenses for the 9 months to March of FY2016 increased by 20.0% to AU$16.3m (9M FY2015: AU$13.6m), consistent with the reasons outlined above.

Marketing and distribution expenses
Marketing and distribution expenses for the third quarter of FY2016 increased by 42.6% to AU$0.8m (3Q FY2015: AU$0.6m). The increase is mainly due to a larger Australian marketing team and slightly higher spend on marketing related activity in Australia and Singapore.

Marketing and distribution expenses for the 9 months to March of FY2016 increased by 54.0% to AU$2.2m (9M FY2015: AU$1.4m), consistent with the reasons outlined above.

(v) Finance costs

Finance costs for the third quarter of FY2016 significantly increased by 148.2% to AU$5.4m (3Q FY2015: AU$2.2m). The higher borrowing cost is mainly attributable to the higher overall debt position for the Group to support the development and commencement of the Port & Marine services business. This increase is further impacted by the construction phase of the Port Melville facility having been completed, and thus no further interest costs relating to this project were capitalised.

Finance costs for the 9 months to March of FY2016 increased by 166.8% to AU$10.9m (9M FY2015: AU$4.1m), consistent with the reasons outlined above.

(vi) Income tax expense

Please refer to Section 1(a)(ii)C.

(vii) Profit/(Loss) after tax

The loss after tax for the third quarter of FY2016 was AU$24.2m (3Q FY2015: profit of AU$2.0m) whilst for the 9 months to March of FY2016 it was AU$93.5m (9M FY2015: profit of AU$5.9m).

The Fabrication and Manufacturing business unit continues to feel the effects of the reduction in the capital spend in the oil and gas industry, now further exacerbated by the prolonged deflation in global oil prices stemming back to 2Q and continuing in 3Q resulting in a significant tightening in spending in all oil and gas related activities. This also brought about fixed, intangible and inventory assets being impaired by AU$12.7m in 3Q FY2016.

The Port & Marine business has also not yet brought a proportional increase in revenue and gross margins due to delays in the environmental and regulatory approvals postponing the full commercialization of the port.

The factors above have resulted in increased pressure on the Group's cash reserves, and in response the Group has taken an aggressive approach on work in progress claims to convert these receivables balances into cash, occasioning the writing down of the recoverability of carried work in progress balances by AU$46. 5m for the year to date, for immediate cash inflows of AU$19.2m received in 3Q FY2016. There are still some negotiations ongoing, with all carried WIP balances written down to their conservative recoverable values, with some further cash inflows in relation to long outstanding WIP balances expected to be recovered in 4Q FY2016.

These factors have also resulted in the Group taking steps in 3Q FY2016 to significantly restructure the business units and corporate support services, incurring up front restructuring costs in efforts to minimize overheads in the future, and ensuring the long term sustainability of the Group.

The loss after tax result for the 9 months to 31 March 2016 was also impacted by the one-off adjustment to the net write back of research and development tax credits as described in Cost of Sales above of AU$13.7m (AU$16.3m write back, partially offset by AU$2.6m credit utilized).

This should be read in conjunction with notes 8 A (i) to (vi) above.

C Balance Sheet

(i) Shareholders' Equity

Total shareholders' equity at 31 March 2016 amounted to AU$148.3m, a decrease of 38.6% over the previous year (30 June 2015: AU$241.4m) following the loss for the year to date of AU$93.5 million.

(ii) Non-current Assets

Total non-current assets amounted to AU$253.4m at 31 March 2016, representing a 17.5% decrease over the previous year (30 June 2015: AU$307.0m). The decrease is mainly due to the decision to dispose of the MAS business segment which resulted in a reclassification of the non-current assets of the segment to current assets.

(iii) Current Assets

Total current assets amounted to AU$227.7m at 31 March 2016, representing a 3.5% decrease compared with the previous year (30 June 2015: AU$236.0m). The decrease is the net effect of a significant reduction in long outstanding work in progress receivable balances from the combination of cash settlements and write offs, and lower trade receivables for on-going project work, partially offset by the reclassification of non-current assets of the MAS Business Segment to current during the period, as outlined above.

Trade receivables are split as follows:

	31/03/2016 AU$'000	30/06/2015 AU$'000
Trade receivables		
- Trade receivables	56,753	74,546
Construction contracts		
- Due from customers	29,545	91,923
- Retentions	-	11,140
	29,545	103,063
	86,298	177,609

Please note, the Parent Company balance sheet disclosure on page 5 included the balance “Due from subsidiaries” as a current asset as opposed to non-current in the comparative period. The Parent Company no longer has a right to defer this balance, resulting in the reclassification to current during the quarter.

(iv) Current Liabilities

Total current liabilities amounted to AU$294.0m, representing a 108.9% increase over the previous year (30 June 2015: AU$140.7m). The increase is mainly due to the reclassification of the Multicurrency Debt Notes (“Notes”) borrowings (31 March 2016: AU$106.3 million) from non-current to current due to the expiry date in October 2016, and the reclassification of non-current liabilities of the MAS Business Segment to current during the period. These increases are partially offset by the reduction in amounts owing to trade payables from payments made to suppliers during the period given a slightly lower level of operating activity.

Trade payables are split as follows:

	31/03/2016 AU$'000	30/06/2015 AU$'000
Trade payables		
- Trade payables	37,334	58,115
Construction contracts		
- Due to customers	11,519	19,621
	48,853	77,736

(v) Non-current Liabilities

Total non-current liabilities have decreased by 76.0% to AU$38.7m (30 June 2015: AU$160.9m). The decrease is mainly due to the reclassification of the Notes and the non-current liabilities of the MAS Business Segment to current as outlined above.

D Cash Flows

(i) Operating activities

Net cash generated from/(used in) operating activities is AU$6.5m and (AU$2.0m) in 3Q FY2016 and 9M FY2016 respectively. The variation in operating cash flows in 3Q FY2016 to comparative periods is mainly due to significant timing differences of the receipts from customers and payment to suppliers, and the aggressive approach in 2Q and 3Q to convert long outstanding WIP balances into cash.

(ii) Investing activities

Net cash generated from/(used in) investing activities is AU$0.2m and (AU$5.4m) in 3Q FY2016 and 9M FY2016 respectively. The net inflow in the quarter is due to proceeds from plant and equipment sales, partially offset by scaffolding acquired in the Access business. For the YTD the outflow is mainly from the purchase of operating equipment and construction activities related to the development of Port and Marine services business, and the acquisition of scaffolding assets in the Access business, partially offset by proceeds received from disposals of property, plant and equipment.

(iii) Financing activities

Net cash (used in)/generated from financing activities is (AU$3.8m) and AU$9.6m in 3Q FY2016 and 9M FY2016 respectively. The cash outflow in the quarter was attributable to the settlement of finance lease obligations, and the repayment of term loans. The increase in the YTD is due to receipt of proceeds from borrowings of AU$17.6 million through the net draw down of facilities with DBS, partially offset by the settlement of finance lease liabilities of AU$8.0 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Background Information

AusGroup offers a range of integrated service solutions to the energy, industrial and mining sectors across Australia and South East Asia. Our diversified service offering supports clients at all stages of their asset development and operational requirements.

Through subsidiaries AGC, AusGroup Singapore, MAS and Teras Australia, we provide maintenance, construction, access services, fabrication and manufacturing and port & marine services. With over 27 years of experience, we are committed to helping our clients build, maintain and upgrade some of the region’s most challenging projects.

Our capabilities

Maintenance Services
Our maintenance services include long-term specialist support, campaign shutdowns / turnarounds, refractory and the management of all maintenance services.

Construction
Our construction services include design, structural, mechanical, piping (SMP), painting, insulation and fireproofing (PIF) and engineering procurement and construction (EPC).

Access Services
Our access services include scaffolding, engineering and design, labour supply and stock control, logistics, transportation and rope access.

Fabrication and Manufacturing
Our services in this business unit includes manufacturing, fabrication, testing and precision machining.

Port and Marine Services
Our port and marine services include ocean towage, geared break-bulk carriers, module transport ballasting, marine supply bases, port operations, design and construct special purpose vessels and project management.

Significant Trends & Competitive Conditions

The major themes confronting the industry and the Group:
- There is rapidly declining capex activity in exploration and production phases for oil and gas resulting in historically lower volumes for Fabrication and Manufacturing.
- Continuing margin pressures creating an associated need to implement significant cost reduction initiatives.
- Innovation in contractual and project delivery processes is key to embedding long term relationships with clients.
- There is a need to strategically review how capital is deployed with consideration given to divestment alternatives.
- Industry consolidation is expected to gather pace as economies of scale become increasingly important in the market with fewer opportunities.

There is a need to continue to monitor headcount and cost base to ensure it is correctly sized for today's competitive market where all clients are focused on adding value to their operations and reducing cost.

Karara Mining Limited ("KML") update

The action in the Supreme Court of Western Australia by the Company's wholly-owned subsidiary, AGC Industries Pty Ltd ("AGC") and KML remains ongoing. As described in the operating performance summaries above, the Group is closely reviewing the recoverability of our work in progress positions, including Karara, though the Group is still of the opinion that we are in a strong legal position to recover all monies owing.

The Group will continue to monitor the recoverability of this receivable, particularly in light of the current conditions being experienced in global commodity markets.

General

AusGroup's work in hand at 31 March 2016 stands at AU$356.2 million (30 June 2015: AU$466.6 million).

This strong order book in an uncertain market for our Engineering Services business reflects the key strategic decisions of focusing on long-term recurring revenue contracts through providing maintenance services to capital projects committed to and completed and to focus upon our core strengths of providing multi-disciplinary services of scaffolding, insulation, refractory and fabrication services.

The diversification into Port & Marine Services has unfortunately stalled since the completion and commissioning of the Port Melville fuel facility in July 2015. The commencement of full port operations has suffered due to continued delays in environmental and regulatory approval processes. In 2Q FY2016 the Group received an assessment from the Northern Territory Environmental Protection Authority stating that Port Melville did not require an assessment under the Environmental Authority Act as announced to the market on 16 October 2015. Further to this, the Group received a referral decision from the Department of the Environment (DoE) that the Port Melville Supply Base is not a controlled action, and as such, further assessment and approval will not be required under the Environment Protection and Biodiversity Conservation Act before it can proceed, provided it is taken in accordance with the manner described in the decision document. This was announced to the market on 28 October 2015. The port received their first vessel in 2Q and another in 3Q, facilitating the export of woodchips from the Tiwi Islands. The fuel distribution aspect of the port, however, is being affected by an environmental group appeal over the Environmental Protection Authority's decision to grant the environmental approvals, leading to further delays to the commercialization of the port. The appeal is now scheduled to be heard by the High Court of Australia in September 2016.

The forward pipeline remains solid, but is suffering on the back of a the oil price falling to 11 year lows, resulting in a slowing not only in capital spend, but all non-compulsory spend in the oil and gas sectors. These events have particularly impacted our Fabrication and Manufacturing arms in Australia and Singapore. Our diversified strategic model across construction, maintenance and port & marine services segments, however, continues to provide opportunities to utilize our multi-disciplinary services.

The Group expects, from time to time, delays in the finalizing of variations around certain types of projects under our contractual entitlements. This will create a degree of variability in the Group results from quarter to quarter. The Group's accounting policy states that when the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Overall

The Group has recognised a net loss after tax of AU$93,458,000 for the 9 month period ended 31 March 2016 and as at that date, current liabilities exceed current assets by AU$66,369,000. The Group is in the process of considering all funding alternatives available including the renegotiation of its facilities to extend the planned repayment terms, disposal of assets as disclosed in note 5, with any further repayments to be funded from operating cash flows.

The Group acknowledges that uncertainty remains over the ability to meet its funding requirements and to refinance or repay its debt facilities as and when they fall due. However, as described above, the Group has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future.

As at 31 March 2016 the Group was in breach of its requirement to maintain a minimum net worth position as required under all DBS banking facilities. At the reporting date the Group had obtained a waiver for this breach from DBS Bank Limited.

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. IPT Mandate

Name of interested person	Aggregate value of all interested person transactions during third quarter of FY2016 under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of SGX-ST Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of SGX-ST Listing Manual during third quarter of FY2016 (excluding transactions less than $100,000)
Ezion Holdings Limited (expense)	AU$778,043*	AU$183,095**
Ezion Holdings Limited (revenue)		AU$441,748***

* The balance in the quarter consisted only of interest charges on a loan balance held with Ezion Holdings Limited.
** Charter of vessels and barges, management fee and reimbursement of expenses paid on behalf by Ezion Holdings Limited, covered under the shareholders’ mandate.
*** AusGroup has invoiced Ezion Holdings Limited for custodian charges on a vessel held by AusGroup in the quarter.

14. Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all of its directors and executive officers under Rule 720(1) of the Listing Manual

15. Negative Assurance pursuant to Rule 705 (5) of the Listing Manual.

To the best of our knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD

Stuart Maxwell Kenny	**Eng Chiaw Koon**
Non-Executive Board Chair	**Managing Director**

14 May 2016