



OGL
RESOURCES
LIMITED
ARBN 007 509 319

Annual
Report | 2013

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CORPORATE DIRECTORY

NAME

OGL RESOURCES LIMITED

ARBN 007 509 319

DIRECTORS

Jian Chen

Chairman & Non-Executive Director

Henry Khoo

Executive Director

Neil Stuart

Non-Executive Director

COMPANY SECRETARY

Robert Lees

c/o CoySec Services Pty Ltd

Suite 605 Level 6

50 Clarence Street

Sydney NSW 2000

Australia

REGISTERED OFFICE

c/o Corlett Bolton Administration Services Ltd

4 Finch Road

Douglas, Isle of Man IM1 2PT

British Isles

BRANCH OFFICES

Level 25, St Martins Tower

31 Market Street

Sydney NSW 2000

Australia

Telephone : (612) 9267 4633

Facsimile : (612) 9267 4388

Unit 309, 3rd Floor, Block B

Phileo Damansara 2

15 Jalan 16/11

46350 Petaling Jaya

Selangor, Malaysia

Telephone : (603) 7956 2119

Facsimile : (603) 7955 2117

AUDITORS

Grant Thornton

Exchange House

54/58 Athol Street

Douglas, Isle of Man IM1 1JD

British Isles

LEGAL FORM

A Public Company quoted on the Australian Securities Exchange and CLOB International, Singapore, formerly registered under the Isle of Man Companies Act 1931 to 2004, and re-registered under Isle of Man Companies Act 2006 on 3 September 2008.

LAWYERS

Hemming Hart Lawyers

Level 2 CPA Building

307 Queen Street

Brisbane Qld 4000

Australia

McCullough Robertson Lawyers

Level 11 Central Plaza Two

66 Eagle Street

Brisbane QLD 4000

Australia

BANKERS

Investec Bank (Australia) Limited

National Australia Bank Limited

Westpac Banking Corporation

HOME STOCK EXCHANGE

Australian Securities Exchange Limited

OVERSEAS STOCK EXCHANGE

CLOB International, Singapore

ISLE OF MAN REGISTRY

c/o Corlett Bolton Administration Services Ltd

4 Finch Road

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Telephone : 44 (0) 1624 676868

AUSTRALIAN SHARE REGISTRY

Computershare Investor Services Pty Ltd

Yarra Falls

452 Johnston Street

Abbotsford VIC 3067

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Telephone : (613) 9415 4000

SINGAPORE SHARE REGISTRY

Boardroom Corporate & Advisory Services Pte Ltd

50 Raffles Place

#32-01 Singapore Land Tower

Singapore 048623

Telephone : (65) 6536 5355

REVIEW OF OPERATIONS FOR THE YEAR 2013

On 17 May 2011, OGL Resources Limited ("**Company**") announced it has entered into a Heads of Agreement with Zedemar Holdings Pty Ltd to acquire its 100% owned Ebenezer Coal Mine under Mining Lease 4712 and Bremer View Coal Deposit under Mineral Development License 172 located in south east Queensland near the township of Ipswich.

In December 2011, the Company was informed that two residents located near the mine lodged an application under the Judicial Review Act 1991 requesting the decision made on 15 September 2011 to renew Ebenezer Mining Lease 4712 be set aside. On 4 May 2012, the Company announced that the Supreme Court had upheld the Mining Lease renewal. The two landowners lodged an appeal with the Court of Appeal, Supreme Court of Queensland on 4 June 2012.

On 3 October 2012, the Company announced it had been approved for a US\$50m Debt Financing Facility which together with the planned equity raising would allow production from the Ebenezer Coal Mine by end of 2013. It had also set out details of its proposed equity raising to acquire the Ebenezer and Bremer View Projects. On 31 May 2013, the Queensland Supreme Court of Appeal dismissed the challenge by the two landowners over the Ebenezer Coal mine license renewal. The two landowners then lodged application for special leave to appeal to the High Court of Australia. This was rejected on 14 February 2014. The acquisition agreements the Company had entered into and that had been the focus of the Company's expenditure from May 2011 has lapsed. The Company is currently reviewing its position regarding this project.



Jian Chen - Chairman

CORPORATE GOVERNANCE

Board of Directors (“The Board”)

The Board is responsible for the overall corporate governance of the Company and its controlled entities, including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for executive and non-executive directors and senior executives. The Board is also responsible for establishing and monitoring of management goals and ensuring the integrity of the internal control framework and management information systems by:

- setting overall financial goals for the Company and its controlled entities;
- strategic planning of the Company’s businesses to achieve the goals;
- approving of financial and operational budgets and capital expenditure proposals by management
- monitoring of :
 - business performance and results against budgets via the establishment and reporting of both financial and non-financial key performance indicators (KPI);
 - key management recommendations (e.g. major capital expenditure, acquisitions, investments, divestment, fund-raising, etc);
 - effectiveness of internal controls and risk reporting and mitigation;
 - compliance with key policies, laws and regulations.

The responsibility for the daily operation and administration of the Company is delegated by the Board to the executive management team. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the executive management team.

It is a director's responsibility, in all decisions he is called upon to make concerning the Company's affairs, to consider the effects of such decisions on the interests of all shareholders. The directors also have a duty to act in the best interests of the Company at all times and a statutory duty not to gain benefit through the improper use of information gained from being a director.

During 2013 financial year, the Board met 6 times formally. Individual attendance at board meetings is set out in the following table:

Name	Number of meetings entitled to attend	Number of meetings attended
Jack Tan	6	6
Allan Fidock	5	5
Roger Marshall	5	3
Henry Khoo	6	6
Neil Stuart	6	6
Jian Chen	1	1

Board Composition

The Board consists of a group of directors which collectively possesses the knowledge and experiences to contribute to the deliberations of the Board and is continuously committed to the principles of sound corporate governance, accountability, transparency and independence. The independent Directors ensure that the Board can bring about quality judgements which are free of bias to all issues. All directors are expected to bring independent views and quality judgments to the Board's deliberations.

The composition of the Board is determined using the following principles:

- there shall be at least two non-executive directors;
- directors shall have a range of expertise encompassing the current and proposed activities of the Company; and
- procedures for election and retirement of Directors are governed by the Company's Articles of Association.

The names, skills, experiences, expertise and independence of the directors of the Company in office at the date of this report are set out below.

Jian Chen - Chairman & Non-Executive Director
(Appointed 13 September 2013)

Jian Chen has been in Australia since 1989. Since 1990, he started his furniture import and distribution business of manufactured goods from China. He has many years of financial, business development and operational experience in his import/export businesses and is also involved in property development projects in N.S.W. Since 2nd January 2010, he has been a director of an unlisted coal mining company Ridglands Coal Resources Pty Ltd which is developing a thermal coal project in the Hunter Valley in N.S.W.

Henry Khoo - Executive Director
(Appointed 13 May 2009)

Henry Khoo has extensive sales, marketing and management experience in consumer and durable products in the Asia Pacific region, having worked in Malaysia, Singapore and Australia. He has also been involved in project acquisitions, evaluation, company mergers and acquisitions and Initial Public Offerings (IPO). He was formerly the Managing Director of an Australian subsidiary of a Malaysian public listed company. Henry Khoo holds a Diploma in Marketing and Management from the UK and is an Associate of the Chartered Institute of Marketing (CIM) and a Member of the Chartered Management Institute (CMI). He is also an Associate Fellow of the Australian Marketing Institute (AMI) and a Certified Practising Marketer (CPM).

Neil Stuart - Non-Executive Director
(Appointed 22 December 2009)

Neil Stuart is a Fellow of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscientists and a number of other professional organisations. He is a highly experienced exploration geologist with over 40 years of experience in the minerals industry. Earlier in his career, he worked with Utah Development Company (exploring for uranium, base metals and coal) with activity in all states of Australia, as well as Kenya, Morocco, South Africa, Madagascar and Indonesia. He then managed the highly successful coal exploration program for Marathon Petroleum Australia Ltd. In 1979, Neil Stuart established a geological consultancy based in Brisbane and has since undertaken assignments for numerous major and junior mining companies. Work during this period involved many commodities including gold, metals, coal and uranium. Since 2000, he has been heavily involved in project delineation and acquisition in Australia, Mexico and Argentina. As a founding Director of Oroplata Ltd, he was instrumental in acquiring the highly prospective Cerro Negro Epithermal Gold Project from MIM Holdings Ltd and advancing the project until the company merged with Andean Resources Ltd. He was a founding Director and executive of ASX-listed company Rimfire Pacific Mining N.L. until leaving the Company in February 2000. He is presently a Non-Executive Director of ASX-listed Axiom Mining Ltd (ASX code: AVQ). He was also a founding Director of Orocobre Limited (ASX code: ORE) until his retirement from the Company in 2012. Orocobre is developing a lithium carbonate project in Northern Argentina.

ASX Corporate Governance Council (CGC): Corporate Governance Principles and Recommendations

ASX listing Rule 4.10.3 requires a statement by the consolidated entity disclosing the extent to which the entity has followed the best practice recommendations set by the ASX Corporate Governance Council (“CGC”) during the reporting period.

Principle 1: Lay solid foundation for management and oversight

In relation to CGC Principles and Recommendations 1.1 (*“establish the function reserved to the Board and those delegated to senior executives and disclose those functions”*), the Company has not formalised by resolution the functions reserved to the Board and those delegated to senior executives. In carrying out its duties, the Board also meets regularly to discuss formally matters relevant to the Company. Notwithstanding this, the functions of the Board and that of senior executives are separated. Procedures for appraising the performance of senior executives, has not yet been formally documented by the Company, due to its size. Induction procedures are available to new senior executives to enable a better understanding of the Company’s strategies, operations and management policies and their respective roles and responsibilities. The Board makes formal offers to new executives and directors.

Principle 2: Structure the board to add value

The Company currently complies with CGC Principles and Recommendations 2.1 (*“a majority of the board should be independent directors”*) as four of the five current Board members are non-executives. All directors are encouraged to bring independent judgement to bear in decision making. To facilitate this, individual board members are allowed to seek independent professional advice at Company’s expenses. This is elaborated below.

Independent Professional Advice

Directors have the right of access to all relevant Company information and to the Company’s executives and the Company Secretary. Directors are at liberty and on their own volition to seek external professional advice on matters being considered by the Board or them as directors. Directors may seek independent professional advice at the Company’s expense. This is subject to prior consultation and notification with the Board, and subject to the requirement being in relation to their duties and responsibilities. The consolidated entity will meet reasonable costs associated with obtaining this advice. A copy of the advice must be made available to all Directors.

Materiality Thresholds

Each director is required to disclose any interest he has which might create potential conflict of interest with their duties as a director or which would affect their independence. The Board has determined the materiality levels for the Company to be at a threshold level of 5%. None of the directors’ shareholdings exceed this materiality level.

The Chair and Chief Executive Officer

CGC Principles and Recommendations recommends that the role of the Chair should be filled by an independent director (CGC Principles and Recommendations 2.2), and that it should not be exercised by the same individual as the Chief Executive Officer (CGC Principles and Recommendations 2.3).

The Board currently complies with CGC Principles and Recommendations 2.2 (*“the chair should be an independent director”*) and Recommendation 2.3 (*“separate individual roles for Chair and Chief Executive Officer”*).

Nomination Committee - CGC Principles and Recommendations 2.4 (*"establishment of a nomination committee"*)

The Board does not currently have a Nomination Committee, and therefore does not comply with CGC Principles and Recommendations 2.4 (*"establishment of a nomination committee"*).

The functions and responsibility of the nomination committee are currently being performed by the full Board and this is reflected in the written policy setting out the responsibilities of the Board. Having regard to the number of members currently comprising OGL Resources Limited's Board, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee of the Board since no efficiencies would be enhanced by establishing a separate nomination committee.

The Board will meet from time to time to discuss and assess whether it comprises directors whose expertise, knowledge, age, experience and diversity are appropriate for the present and future activities of the Company.

Notwithstanding the absence of a nomination committee, the Board critically reviews the process for selection and appointment of directors and senior executives.

Summary of the areas of review are as follows:

Nomination Policy Reviews

- Composition of the Board and of its controlled entities
 - Criteria for board membership
 - Recommendation for appointment and removal of directors
 - Size and membership of the Board
 - Evaluation of director's competencies and effectiveness of the Board
 - Regularly assess the independence of each director
-

Performance Evaluation - CGC Principles and Recommendations 2.5 (*"disclose process for evaluating performance of board, committees and individual directors"*)

Apart from procedures for appraising the performance of senior executives, there is currently no procedure in place for a formal evaluation of Board performance.

Principle 3: Promote ethical and responsible decision-making

Code of Conduct & Ethics - CGC Principles and Recommendations 3.1 (*"establish a code of conduct and ethical standards"*)

The Company requires that all directors maintain high standards of integrity and are committed to ensuring that the Company conducts its business in accordance with high standards of ethical behaviour.

The Board requires that employees must observe the Company's Code of Conduct & Ethics, as well as adhere to high standards of ethical behaviour in the execution of their duties. A copy of the Company's Code of Conduct & Ethics is available on request from the company's secretary. This is in accordance and complies with Principles 3 of the ASX CGC Principles and Recommendations.

Fair Dealings & Related Party Transactions

Directors, as well as senior management, must confirm by their actions to all shareholders that integrity and effective control must not be compromised when dealing with related parties. A director, or an entity in or over which a director has a significant interest and/or influence, who proposes to enter a transaction with the Company must make full prior disclosure to the Board.

All directors have an obligation to immediately advise the Company of all changes to their interests in shares, options and debentures, if any, in the Company for reporting to the ASX by the Communications Officer.

Directors and employees may not deal in securities of the Company when in possession of any information which, if made publicly available, could reasonably be expected to materially affect the price of the Company's securities, whether upwards or downwards.

All directors are required to comply with ASX Listing Rule 3.19A regarding disclosure by Company directors' notifiable interests within 5 business days.

The Company complies with CGC Principles and Recommendations 3.1.1 and 3.1.2.

Diversity Policy - CGC Principles and Recommendations 3.2("establish the policy concerning diversity")

The Company takes a broad view of diversity. It recognises that the key factor to the company's success is a talented and diverse workforce at all levels of the company. Due to its size the Company does not currently have a formal diversity policy in place, and therefore does not comply with CGC Principles and Recommendations 3.2 and CGC Principle and Recommendations 3.3 pertaining to disclosure for achieving gender diversity set by the Board.

Notwithstanding this, the Company strives to undertake the recruitment of employees at all levels from as diverse a pool of qualified candidates as reasonably possible based on their skills, qualifications and experience. All employees are treated fairly and with respect, in accordance with the Company's Code of Conduct & Ethics.

Gender Participation - CGC Principles and Recommendations 3.4("disclose the proportion of women employees in the whole organization, women in senior executive positions and women on the Board")

Executives are defined as those professional or senior managerial team members who report directly to the Board. Of the number of women in the Company's workforce, one woman reports directly to the Board as at 31 December 2013. .

Principle 4: Safeguard integrity in financial reporting

Audit Committee - CGC Principles and Recommendations 4.1 ("the board should establish an audit committee")

Given the size of the Company and the Board itself, the Company did not comply with CGC Principles and Recommendations 4.2 pertaining to structure and composition of the audit committee and CGC Principles and Recommendations 4.3 pertaining to establishment of a formal charter for the committee, as no efficiencies or other benefits will be gained by establishing an audit committee.

Notwithstanding the above, the Board assumes ultimate responsibility for the integrity and effectiveness of the Company's internal and external financial reporting as well as its compliance and conformity with the relevant legislation, International Financial Reporting Standards (IFRS) and the Australian Securities Exchange's Listing Rules.

To safeguard the integrity of the financial reports, certain procedures are in place such as:

- Scheduling separate board meetings several days before the Board's approval of annual and half-yearly financial reports to ensure that the report is reviewed meticulously before its release to the market and shareholders;
- Regular interface with external auditors to review:
 - periodic statutory accounts and reports of the Company with the external auditors;
 - the external audit plan;
 - reports prepared by the external auditors relating to the audit and their review of internal controls;
 - the independence of the external auditor;
 - any changes in accounting practices and subsequent effects on the financial accounts of the Company; and
 - assessing the effectiveness of internal controls, policies, procedures in identifying business and financial risks and controlling the financial impact

The nomination of external auditors currently rests with the Board which also reviews and evaluates the adequacy, scope and quality of the external audit function.

The current external auditor's for the Company is Grant Thornton. The effectiveness, performance and independence of the external auditors are regularly reviewed by the Board.

The external auditor, Grant Thornton, is invited to all general meetings of shareholders, and is available to answer any questions pertaining to the audit and the audit report during the Company's annual general meeting. Shareholders are at liberty to submit questions for external auditors to the Company or Company Secretary no later than 5 business days before an annual general meeting.

Principle 5: Make timely and balanced disclosure

Continuous Disclosure Policy

The Company adheres to Chapter 3 of the ASX Listing Rules on Continuous Disclosure and complies with CGC Principles and Recommendations 5.1 (*"establish policies and procedures to ensure compliance with ASX Listing Rules disclosure requirement"*). The Board provides shareholders with information which includes identifying matters that may have a material effect on the price of the Company's securities, notifying them to the ASX, posting them on the Company's website, and issuing media releases.

In summary, the procedures followed by the Board in regard to continuous disclosures to shareholders and the market are as follows:

- the Executive Directors are responsible for interpreting the Company's policy and where necessary informing the Board. The Company's Communication Officer and Company Secretary is responsible for all communications with the ASX.
- the text of all announcements is approved, as appropriate, by the Board or Executive Directors. The Communications Officer ensures that all price sensitive announcements are immediately sent to the ASX as soon as practical, once a release has been approved.
- no communication is permitted to any external third party about an announcement until confirmation has been received from the ASX that the communication has been released to the market.
- the annual report is distributed to all shareholders (unless a shareholder has specifically requested not to receive the document), including relevant information about the operations of the consolidated entity during the year, changes in the state of affairs and details of future developments;
- the half-yearly report and preliminary final report contain summarised information and a review of the operations of the consolidated entity during the period. The half-year reviewed financial report is lodged with the ASX and full year audited financial report is lodged with the Australian Securities and Investments Commission (ASIC) and the ASX, and sent to shareholders (unless a shareholder has specifically requested not to receive a copy);
- proposed major changes in the consolidated entity which may impact on share ownership rights are submitted to a vote of shareholders;
- all announcements made to the market, and related information (including information provided to analysts or the media during briefings), are placed on the Company's website after they are released to the ASX;
- transcripts of analyst and media presentations (if any) are placed on the Company's website; and
- the external auditor is requested to attend the annual general meeting to answer any questions concerning the audit and the content of the auditor's report.

Principle 6: Respect the rights of shareholders***Communication with Shareholders***

The Company complies with CGC Principles and Recommendations 6.1 (*“design and disclose a communication strategy to promote effective communication with shareholders and encourage their participation at general meetings”*).

The Board aims to ensure that the shareholders are informed of all major developments affecting the company. Towards this end, the Company’s corporate communications policy seeks to promote the communication of information to shareholders through announcements to the Australian Securities Exchange, the distribution of the annual reports, explanatory memorandums as well as through its corporate website.

The Company reviews and updates its website, www.oglltd.com, on a regular basis, and provides a service through its website which allows shareholders to receive notification of announcements made on the Australian Securities Exchange via email. The Board regularly reviews its communication policies and processes to ensure effective communication with its shareholders are maintained.

The Board encourages participation of shareholders at the Company’s Annual General Meeting to promote a high level of accountability and identification of shareholders with the Company’s goals and strategy.

Principle 7: Recognise and manage risk

A formal risk management policy has not been established although the Executive Directors and senior executive management is charged with the responsibility of designing, implementing, reviewing and reporting to the Board on the implementation and operation of risk assessment and risk management practices.

However, to comply with CGC Principles and Recommendations 7.2, the Board requires management to report half-yearly on whether the Company’s business and operational risks are being managed effectively. Management has complied with these policies and has reported to the Board on the effectiveness of the Company’s management of its material business risks.

Frameworks in place for identifying and managing areas of significant risk include:

- Adoption of strategies to manage the Company’s risk exposure in a cost effective manner
- Comprehensive and regular budgetary control, financial and management reporting;
- Procedures requiring the approval of significant revenue and capital expenditures at the appropriate level of management or by the Board;
- Procedure for the management of funds, foreign exchange and financial instruments;
- Prohibition on speculative transactions;
- Direct access by the external auditors to the Board at any time to convey any concerns, independently of management influence.

Risk management areas that are given attention to are as follows (but not limited to):

- Operational risk factors facing the group of companies
- Occupational Health and Safety
- Environmental Compliance
- Insurable Risks

The Chairman has declared that the Company’s financial statements are based on a sound system of risk management and internal compliance and control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate fairly and responsibly**Remuneration Committee** - Recommendation 8.1 (*"establishment of a remuneration committee"*)

In view of the Company's size and its current level of activity, it has not complied with CGC Principles and Recommendations 8.1 and 8.2.

The Board is of the opinion since all members of the Board currently participate in policy matters, no efficiencies would be achieved by establishing a separate remuneration committee at the present time.

Despite the absence of a remuneration committee, the Board critically reviews the compensation arrangements for executive and non-executive directors and senior executives. Remuneration policies of the Company are reviewed regularly by the Board to ensure that the remuneration package of the senior executives properly reflects their duties and responsibilities, and are competitive in attracting, motivating and retaining people of the highest calibre and quality.

Summary of the areas of review are as follows:

Remuneration Policy Reviews:

- Appointments and associated remuneration
 - Directors and executive remunerations are made in reference to the overall performance of the Company as a consolidated entity
 - Performance of operating business with reference to relevant markets and industries
 - The achievement of specific corporate objectives
 - Consideration of employment market trends
-

CGC Principles and Recommendations 8.3 (*"distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives"*)

The Company does not currently have a formal remuneration policy for directors and senior executives. However, the Board aims to ensure that the directors are competitively rewarded on a basis that is comparable with Companies listed on the ASX and the Singapore Exchange which are of a similar size.

Currently, non executive directors are remunerated on the basis of their anticipated time commitments and the responsibilities entailed in their role. There are currently no service contracts in place for the non-executive directors, and they do not participate in any of the Company's incentive arrangement.

The Company complies with the principles underlying CGC Principles and Recommendations 8.2 as it clearly distinguished the structure of the non-executive director's remuneration from that of executive directors and senior executives.

There is currently no equity-based executive remuneration in place. The Board plans to seek approval of shareholders to implement an equity-based executive remuneration linked with appropriate performance thresholds. This will be subject to shareholder approval.

The emoluments of directors during 2013 were:

	Salary / Fees	Consulting Fees	Non-cash benefits	Total
Executive Director				
Allan Fidock	273,500	-	-	273,500
Non-Executive Directors				
Jack Tan	99,000	-	-	99,000
Henry Khoo	33,000	-	-	33,000
Neil Stuart	33,000	-	-	33,000
Roger Marshall	21,000	-	-	21,000
Jian Chen	7,500	-	-	7,500
TOTAL	467,000	-	-	467,000

The emoluments of directors during 2012 were:

	Salary / Fees	Consulting Fees	Non-cash benefits	Total
Executive Directors				
Allan Fidock	488,012	-	-	488,012
Non-Executive Directors				
Jack Tan	108,000	-	-	108,000
Henry Khoo	36,000	-	-	36,000
Neil Stuart	36,000	-	-	36,000
Roger Marshall	31,500	-	-	31,500
TOTAL	699,512	-	-	699,512

OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013

OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013

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OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

DIRECTORS' REPORT

The Directors of OGL Resources Limited ('Company') and controlled entities ('the Group') submit their report together with the audited financial statements of the Company and the Group for the year ended 31 December 2013.

The Company is incorporated in the Isle of Man. In view of the listing of the Company's shares on the Australian Securities Exchange, the amounts shown in these financial statements are presented in Australian dollars currency.

DIRECTORS

The Directors of the Company in office during the year since the date of the last report are as follows:

Jack Tan (resigned 29 November 2013)
Allan Fidock (resigned 5 August 2013)
Roger Marshall (resigned 5 August 2013)
Henry Khoo
Neil Stuart
Jian Chen (appointed 13 September 2013)

All directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were commercial cultivation and development of tropical hardwood plantations in Fiji, sales and marketing of plant seedlings to Fiji and Papua New Guinea and coal exploration, development and mining in Australia.

The Company is principally an investment holding company.

RESULTS AND TRANSFERS TO RESERVE

	<u>Group</u> \$'000	<u>Company</u> \$'000
(Loss) before tax	(1,378)	(1,224)
Taxation	79	-
(Loss) for the year from continuing operations	<u>(1,299)</u>	<u>(1,224)</u>
Attributable to non-controlling interest	-	-
Net (loss) attributable to shareholders	<u>(1,299)</u>	<u>(1,224)</u>
Accumulated losses brought forward	(84,950)	(91,959)
Accumulated losses carried forward	<u>(86,249)</u>	<u>(93,183)</u>

OGL RESOURCES LIMITED
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DIRECTORS' REPORT (CONTINUED)

DIVIDEND

No dividend for ordinary shares has been paid or declared by the Company since 31 December 2013.

The Directors do not recommend the payment of any other dividend for the year ended 31 December 2013.

REVIEW OF OPERATIONS

On 17 May 2011, OGL Resources Limited ("**Company**") announced it has entered into a Heads of Agreement with Zedemar Holdings Pty Ltd to acquire its 100% owned Ebenezer Coal Mine under Mining Lease 4712 and Bremer View Coal Deposit under Mineral Development License 172 located in south east Queensland near the township of Ipswich.

In December 2011, the Company was informed that two residents located near the mine lodged an application under the Judicial Review Act 1991 requesting the decision made on 15 September 2011 to renew Ebenezer Mining Lease 4712 be set aside. On 4 May 2012, the Company announced that the Supreme Court had upheld the Mining Lease renewal. The two landowners lodged an appeal with the Court of Appeal, Supreme Court of Queensland on 4 June 2012.

On 3 October 2012, the Company announced it had been approved for a US\$50m Debt Financing Facility which together with the planned equity raising would allow production from the Ebenezer Coal Mine by end of 2013. It had also set out details of its proposed equity raising to acquire the Ebenezer and Bremer View Projects. On 31 May 2013, the Queensland Supreme Court of Appeal dismissed the challenge by the two landowners over the Ebenezer Coal mine license renewal. The two landowners then lodged application for special leave to appeal to the High Court of Australia. This was rejected on 14 February 2014. The acquisition agreements the Company had entered into and that had been the focus of the Company's expenditure from May 2011 has lapsed. The Company is currently reviewing its position regarding this project.

EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any matters or circumstances subsequent to 31 December 2013 not otherwise dealt with in this report that have significantly or may significantly affect the operations of the Group and the Company, the results of those operations or the state of affairs of the Group and the Company in subsequent years.

OGL RESOURCES LIMITED
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DIRECTORS' REPORT (CONTINUED)

DIRECTORS' BENEFITS

No Director of the Company has, since the end of the previous year, received or become entitled to receive a benefit (other than Directors' remuneration as disclosed in Note 4 to the financial statements) by reason of a contract made by the Company, a controlled entity or a related body corporate with the Director or with a firm of which the Director is a shareholder, or with an entity in which the Director has a substantial interest.

DIRECTORS' INTERESTS IN SHARES

As at the end of the year, the interests of the Directors in the shares of the Company were as follows:

	<u>Shareholdings</u> <u>Direct interest</u>
	<u>Ordinary shares</u>
Neil Stuart	5,171,333
	<u>Indirect interest</u>
	<u>Ordinary shares</u>
Henry Khoo	7,670,189
Neil Stuart	4,333,333

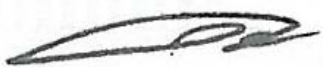
DIRECTORS' INTERESTS IN CONTRACTS

No material contracts involving Directors' interests were entered into since the end of the previous year or existed at the end of the year.

AUDIT COMMITTEE

Due to the current level of activity in the Company, and the structure of the current Board, the role of the Audit Committee was assumed by the Board of Directors as no efficiencies or benefits would be gained by establishing an Audit Committee. All members of the Board participate in policy matters.

This report has been made in accordance with a resolution of Directors.



JIAN CHEN
DIRECTOR



HENRY KHOO
DIRECTOR

Date: 28 March 2014

OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

	<u>Note</u>	<u>Consolidated</u>		<u>Company</u>	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue		-	-	-	-
Cost of sales		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Gross profit/(loss)		-	-	-	-
Other operating income	2	16	4	8	4
Administrative expenses		(944)	(3,358)	(782)	(3,271)
Other operating expenses:					
Impairment of biological assets	11	-	(1)	-	-
Impairment of amounts due from controlled entity		-	-	-	(1)
Impairment of other receivables	8	(450)	-	(450)	-
		<u>(1,378)</u>	<u>(3,355)</u>	<u>(1,224)</u>	<u>(3,268)</u>
Operating (loss) before finance costs	4	(1,378)	(3,355)	(1,224)	(3,268)
Finance costs		-	-	-	-
		<u>(1,378)</u>	<u>(3,355)</u>	<u>(1,224)</u>	<u>(3,268)</u>
(Loss) before tax		(1,378)	(3,355)	(1,224)	(3,268)
Taxation	6	79	-	-	-
		<u>(1,299)</u>	<u>(3,355)</u>	<u>(1,224)</u>	<u>(3,268)</u>
(Loss) for the year from continuing operations		(1,299)	(3,355)	(1,224)	(3,268)
Profit after tax for the year from discontinued operations	3	-	1	-	-
(Loss) on disposal of controlled entities	3	-	-	-	-
		<u>(1,299)</u>	<u>(3,354)</u>	<u>(1,224)</u>	<u>(3,268)</u>
(Loss) for the year		<u>(1,299)</u>	<u>(3,354)</u>	<u>(1,224)</u>	<u>(3,268)</u>
Attributable to:					
Equity holders of the parent		(1,299)	(3,354)	-	-
Non-controlling interests	19	-	-	-	-
		<u>(1,299)</u>	<u>(3,354)</u>	<u>(1,224)</u>	<u>(3,268)</u>

OGL RESOURCES LIMITED
 (Incorporated in the Isle of Man)
 ARBN 007 509 319

INCOME STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

	<u>Note</u>	<u>Consolidated</u>	
		<u>2013</u>	<u>2012</u>
		Cents	Cents
(Loss) per ordinary share of \$1.00 each:			
- Basic	21	<u>(0.79)</u>	<u>(2.06)</u>
- Basic for continuing operations	21	<u>(0.79)</u>	<u>(2.06)</u>
- Basic for discontinued operations	21	<u>-</u>	<u>-</u>
- Diluted	21	<u>(0.79)</u>	<u>(2.06)</u>
- Diluted for continuing operations	21	<u>(0.79)</u>	<u>(2.06)</u>
- Diluted for discontinued operations	21	<u>-</u>	<u>-</u>

The above income statement is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

OGL RESOURCES LIMITED
 (Incorporated in the Isle of Man)
 ARBN 007 509 319

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	<u>Note</u>	<u>Consolidated</u>		<u>Company</u>	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
(Loss) for the year		(1,299)	(3,354)	(1,224)	(3,268)
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences	17	(5)	118	-	-
Income tax/expense on items of other comprehensive income		-	-	-	-
Other comprehensive income for the year, net of tax		(5)	118	-	-
Total comprehensive income for the year		<u>(1,304)</u>	<u>(3,236)</u>	<u>(1,224)</u>	<u>(3,268)</u>
Attributable to:					
Equity holders of the parent		(1,304)	(3,236)	-	-
Non-controlling interests	19	-	-	-	-
		<u>(1,304)</u>	<u>(3,236)</u>	<u>(1,224)</u>	<u>(3,268)</u>

The above statement of comprehensive income is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	<u>Note</u>	<u>Consolidated</u>		<u>Company</u>	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
CURRENT ASSETS					
Cash and cash equivalents	7	75	138	70	29
Receivables	8	15	462	248	733
Other assets	9	1	1	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Current Assets		91	601	318	762
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NON-CURRENT ASSETS					
Investments in controlled entities	10	-	-	3	3
Plant and equipment	11	5	10	3	5
Biological asset	12	1	1	-	-
Deferred tax assets	13	2	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Non-Current Assets		8	11	6	8
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS		<u>99</u>	<u>612</u>	<u>324</u>	<u>770</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
CURRENT LIABILITIES					
Payables	14	403	75	403	35
Other liabilities	15	1,383	1,035	1,250	955
Borrowings	16	1,615	1,500	1,615	1,500
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Current Liabilities		3,401	2,610	3,268	2,490
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES		<u>3,401</u>	<u>2,610</u>	<u>3,268</u>	<u>2,490</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET (LIABILITIES)		<u>(3,302)</u>	<u>(1,998)</u>	<u>(2,944)</u>	<u>(1,720)</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The above statement of financial position is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

OGL RESOURCES LIMITED
 (Incorporated in the Isle of Man)
 ARBN 007 509 319

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013
 (CONTINUED)

	<u>Note</u>	<u>Consolidated</u>		<u>Company</u>	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		\$'000	\$'000	\$'000	\$'000
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE HOLDING COMPANY					
Share capital - ordinary shares	17	86,935	86,935	86,935	86,935
- options	17	-	-	-	-
Foreign exchange reserve	17	(7,292)	(7,287)	-	-
Other reserves		3,304	3,304	3,304	3,304
Accumulated losses		(86,249)	(84,950)	(93,183)	(91,959)
TOTAL SHAREHOLDERS' EQUITY		<u>(3,302)</u>	<u>(1,998)</u>	<u>(2,944)</u>	<u>(1,720)</u>
Non-controlling interest		-	-	-	-
TOTAL EQUITY		<u><u>(3,302)</u></u>	<u><u>(1,998)</u></u>	<u><u>(2,944)</u></u>	<u><u>(1,720)</u></u>

Approved by the Board of Directors on 28 March 2014



.....
JIAN CHEN
 DIRECTOR



.....
HENRY KHOO
 DIRECTOR

The above statement of financial position is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	<u>Non-distributable</u>		<u>Accumulated</u>	<u>Total</u>
	<u>Share capital</u>	<u>Other reserves*</u>	<u>losses</u>	
	\$'000	\$'000	\$'000	\$'000
Company				
Balance as at 1 January 2013	86,935	3,304	(91,959)	(1,720)
Net loss for the year	-	-	(1,224)	(1,224)
Total comprehensive income for the year attributable to equity holders	-	-	(1,224)	(1,224)
Transactions with Equity Holders in their capacity as Equity Holders:				
Balance as at 31 December 2013	86,935	3,304	(93,183)	(2,944)
Balance as at 1 January 2012	86,135	3,304	(88,691)	748
Net loss for the year	-	-	(3,268)	(3,268)
Total comprehensive income for the year attributable to equity holders	-	-	(3,268)	(3,268)
Transactions with Equity Holders in their capacity as Equity Holders:				
Issuance of 10,000,000 ordinary shares (Note 20)	800	-	-	800
Balance as at 31 December 2012	86,935	3,304	(91,959)	(1,720)

* Other reserves comprise the following:

	Company	
	2013	2012
	\$'000	\$'000
Reclassification of share premium to other reserves	3,304	3,304
	3,304	3,304

The above statement of changes in shareholders' equity is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

	Non-distributable				
	Share capital	Foreign exchange reserve	Other reserves*	Accumulated losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated					
Balance as at 1 January 2013	86,935	(7,287)	3,304	(84,950)	(1,998)
Net (loss) for the year	-	-	-	(1,299)	(1,299)
Other comprehensive income:					
Net loss not recognised in the income statement - currency - translation differences	-	(5)	-	-	(5)
Total comprehensive income for the year attributable to equity holders	-	(5)	-	(1,299)	(1,304)
Transactions with Equity Holders in their capacity as Equity Holders:					
Balance as at 31 December 2013	86,935	(7,292)	3,304	(86,249)	(3,302)

* Other reserves comprise the following:

	<u>Consolidated</u>
	<u>2013</u>
	\$'000
Reclassification of share premium to other reserves	3,304
	<u>3,304</u>

The above statement of changes in shareholders' equity is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

	<u>Non-distributable</u>			<u>Accumulated</u>	<u>Total</u>
	<u>Share capital</u>	<u>Foreign exchange reserve</u>	<u>Other reserves*</u>	<u>losses</u>	
	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated					
Balance as at 1 January 2012	86,135	(7,405)	3,304	(81,596)	438
Net loss for the year	-	-	-	(3,354)	(3,354)
Other comprehensive income:					
Net loss not recognised in the income statement					
- currency translation differences	-	118	-	-	118
Total comprehensive income for the year attributable to equity holders	-	118	-	(3,354)	(3,236)
Transactions with Equity Holders in their capacity as Equity Holders:					
Issuance of 10,000,000 ordinary shares (Note 20)	800	-	-	-	800
Balance as at 31 December 2012	86,935	(7,287)	3,304	(84,950)	(1,998)

* Other reserves comprise the following:

	<u>Consolidated</u>
	<u>2012</u>
	\$'000
Reclassification of share premium to other reserves	3,304
	<u>3,304</u>

The above statement of changes in shareholders' equity is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

OGL RESOURCES LIMITED
(Incorporated in the Isle of Man)
ARBN 007 509 319

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

		<u>Consolidated</u>		<u>Company</u>	
	<u>Note</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		-	-	-	-
Payments to suppliers and employees		(517)	(2,618)	(239)	(2,475)
Cash (used in) operations		(517)	(2,618)	(239)	(2,475)
Interest received		-	4	-	3
Net cash (used in) operating activities		(517)	(2,614)	(239)	(2,472)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment		-	(3)	-	(3)
Deposit payment for equipment purchase		-	(400)	-	(400)
Net cash (used in) investing activities		-	(403)	-	(403)

The above statement of cash flows is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

	<u>Note</u>	<u>Consolidated</u>		<u>Company</u>	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of ordinary shares		-	800	-	800
Proceeds from issuance of convertible notes		115	1,500	115	1,500
Gross receipts from controlled entities		-	-	-	15
Gross receipts from related parties		328	75	328	35
Gross repayments to controlled entities		-	-	(163)	(192)
Net cash from financing activities		<u>443</u>	<u>2,375</u>	<u>280</u>	<u>2,158</u>
Net (decrease)/increase in cash and cash equivalents		(74)	(642)	41	(717)
Cash and cash equivalents at the beginning of the year		138	768	29	746
Effect of exchange rate differences		<u>11</u>	<u>12</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the year	7	<u><u>75</u></u>	<u><u>138</u></u>	<u><u>70</u></u>	<u><u>29</u></u>

The above statement of cash flows is stated in Australian dollars currency and should be read in conjunction with the accompanying notes on pages 16 to 48.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 31 DECEMBER 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of OGL Resources Limited and controlled entities ('Group') and the separate financial statements and notes of OGL Resources Limited as an individual parent entity ('Company').

This financial report is a general purpose financial report that has been prepared in accordance with International Financial Reporting Standards and with the Isle of Man Companies Act 2006.

The Company is incorporated in the Isle of Man. However, in view of the fact that the Company's shares are listed on the Australian Securities Exchange, the presentation currency used in these financial statements is Australian dollars ("A\$"), and all values are rounded to the nearest thousand (A\$000) except when otherwise indicated.

The registered and head office of the Company is located at 4 Finch Road, Douglas, Isle of Man IM1 2PT, British Isles. The principal place of business of the Company is located at Level 25, St Martins Tower, 31 Market Street, Sydney NSW 2000, Australia and Unit 309, 3rd Floor, Block B, Phileo Damansara 2, 15 Jalan 16/11, 46350 Petaling Jaya, Selangor, Malaysia.

The accounting policy used to translate the measurement currency to the presentation currency is set out in Note 1(f).

The principal accounting policies adopted in the preparation of the financial statements of the Company, and the consolidated financial statements of the controlled entities are set out below. The Group has consistently applied these policies.

GOING CONCERN

The Group has made a net loss of A\$1,299,000 (2012: loss of A\$3,354,000) and has net liabilities of A\$3,302,000 (2012: A\$1,998,000) for the year ended 31 December 2013.

These financial statements have been prepared on a going concern basis in spite of the fact that the Group is trying to undergo an as yet unsuccessful major reorientation of its activities to focus on the mining industry with particular emphasis on coal exploration, development and mining in Australia. The Group had entered into an asset sale agreement with Zedemar Holdings Pty Ltd to purchase two coal mining operations in Australia for a total maximum purchase consideration of A\$30m being A\$15m in cash and A\$10m worth of the Company's shares at the public offering price, and paid deposits totalling A\$450k in respect of this agreement, however this agreement lapsed on 30 July 2013, at which point these deposits were written off (see note 8). An appeal was made to the High Court of Australia by the appellants whose challenge in the Queensland Supreme Court of Appeal was dismissed on 28 May 2013. This appeal was against a ruling that the mining lease on the two tenements that the company wishes to acquire can be renewed for a period of 15 years. This appeal was rejected by the High Court of Australia on 14 February 2014. The Group planned to complete the necessary capital raising to finance the project on the successful dismissal of the appeal, but the company is currently reviewing its position regarding this project. In summary, at this stage, the capital raising has not yet commenced and the coal tenements have not been purchased so whether the Group will be able to enter this new area of operations is currently uncertain.

In addition, the activities of the Group in the commercial cultivation and upstream development of tropical hardwood plantations in Fiji remain in the early stages of their development and are not yet generating income. The company has impaired the value of the biological assets to A\$1k as a result of an impairment review.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN (continued)

As the new Australian coal venture and related capital raising are currently uncertain, the hardwood plantations are not yet generating any income, liabilities exceed assets by A\$3.302m and the group made a loss for the year of A\$1.299m, the appropriateness of preparing the Group and Parent Company financial statements on a going concern basis is dependent on the success of these activities. If the capital raising does not take place or the coal or hardwood ventures are not profitable, which cannot be determined with any certainty at this stage, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and in amounts different from those stated in the financial report. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

(a) **Basis of preparation**

The financial statements have been prepared on an accruals basis using the historical cost convention except as disclosed in this summary of significant accounting policies. Cost is based on the fair values of the consideration given in exchange for assets.

(b) **New Accounting Standard and Interpretations**

The International Accounting Standards Board has issued a number of new and revised Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the impact of these new Standards and Interpretations that are relevant to the Group but applicable in future reporting is set out below:

IFRS 10 Consolidated Financial Statements (Amendments) (effective from 1 January 2014)

The amendment to IFRS 10 provides further definition of an investment entity. An investment entity is an entity that obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services, commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both and measures and evaluates the performance of substantially all of its investments on a fair value basis. A non-investment entity parent of an investment entity is not permitted to retain the fair value accounting that the investment entity subsidiary applies to its controlled investees.

This Standard is not expected to significantly impact the Group.

IAS 36 Recoverable Amount Disclosures for Non-Financial Assets (Amendments) (effective from 1 January 2014)

This amendment removes the requirement for an entity to disclose the recoverable amount of impaired assets if that amount was based on fair value less costs to sell. Two disclosure requirements were added into this Standard, including disclosure on additional information about the fair value measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal and information about the discount rates that have been used when the recoverable amount is based on fair value less costs of disposal using a present value technique.

This Standard is not expected to significantly impact the Group.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) **New Accounting Standard and Interpretations (continued)**

Annual Improvements 2011 - 2013 (effective from 1 July 2014)

The IASB has issued *Improvements for International Financial Reporting Standards 2011-2013* with certain changes applicable for IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 3 *Business Combinations*, IFRS 13 *Fair Value Measurement* and IAS 40 *Investment Property*. This Standard is not expected to impact the Group significantly.

IFRS 9 Financial Instruments (effective from 1 January 2018)

The IASB aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety, with the replacement standard being issued in phases, to be effective for annual periods beginning 1 January 2018. As of to date, the chapters dealing with recognition, classification, measurement and subsequent measurement of financial assets and liabilities have been issued. The IASB had issued new hedge accounting requirements in November 2013 and has now completed redeliberations on the impairment and classification and measurement requirements. The completed version of IFRS 9 is expected to include the classification and measurement, impairment and hedge accounting requirements which is expected to be issued in the second quarter of 2014.

Management has yet to assess the impact of this amendment to the financial statements of the Group.

(c) **Group accounting**

Controlled entities

Company's financial statements

Investments in controlled entities in the Company's financial statements are shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Group's financial statements

Controlled entities, which are those companies in which the Group, directly or indirectly, is exposed, or has rights, to variable returns from its involvement with the controlled entity and has the ability to affect those returns through its power over the controlled entity have been consolidated. Controlled entities are consolidated in the consolidated financial statements from the date on which effective control is transferred to the Group and are no longer consolidated from the date that control ceases. All intercompany transactions, balances and unrealised surpluses and deficits on transactions within Group companies have been eliminated. The controlled entities are as set out in Note 19.

Non-controlling interests in the results and equity of controlled entities are shown separately, based on their respective ownership interests, in the consolidated statement of comprehensive income and statement of financial position respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) **Group accounting (continued)**

Group's financial statements (continued)

The Group's financial statements have been prepared using uniform accounting policies for all controlled entities.

In the event that it is not practicable to use uniform accounting policies in preparing the consolidated financial statements that fact will be disclosed together with the proportions of the items in the consolidated financial statements to which different accounting policies have been applied.

(d) **Operating Segments**

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resource allocation to the segment and assess its performance and for which discrete financial information is available.

Operating segments that meet the quantitative criteria as prescribed by IFRS 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. Information about operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(e) **Investments**

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, are classified as available for sale; these are included in non-current assets unless management has the express intention of holding the investment for less than 12 months from the reporting date or unless they will need to be sold to raise operating capital, in which case they are included in current assets. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

The gain/loss arising from a change in the fair value of available for sale investments is credited/charged to other reserves in shareholders' equity. On disposal of an investment or when an investment is determined to be impaired, the gain/loss arising from a change in the fair value relating to the investment previously recognised in equity is transferred to the income statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) **Foreign currency, transactions and balances**

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Company's presentation currency.

Foreign currency transactions are translated into the functional currency of each entity in the Group using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Income statements of foreign entities are translated into the Group's presentation currency at the weighted average exchange rates for the year and the statement of financial position are translated at the exchange rates ruling on 31 December. Exchange differences arising from the retranslation of the net investment in foreign subsidiary and associated undertakings and of financial instruments, which are designated as and are hedges of such investments, are taken to shareholders' equity. On disposal of a foreign entity, accumulated exchange differences are recognised in the income statement as part of the gain or loss on sale.

(g) **Plant and equipment and depreciation**

Plant and equipment is initially stated at cost. Plant, machinery and equipment are subsequently measured using the cost model, cost less accumulated depreciation and impairment losses.

Plant and equipment is depreciated over its estimated useful lives using the straight line method. Estimates of remaining useful lives are made on a regular basis for all assets with annual reassessments for major items and the estimated useful lives are as follows:

Plant, machinery and equipment	5 - 14 years
--------------------------------	--------------

Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) **Leased assets**

Assets acquired under finance leases are included as plant, machinery and equipment in the statement of financial position. Finance leases are those which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets. Where assets are acquired by means of finance leases, they are recognised at the beginning of the lease term at amounts equal to the fair value or, if lower, at the present value of the minimum lease payments. The assets are amortised on a straight line basis over the expected useful life of the leased assets. A corresponding liability is also established and each lease payment is allocated between the liability and finance charge.

Other leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to the profit or loss on a straight line basis over the period of the lease.

(i) **Biological assets**

Agriculture activity is the management by an enterprise of the biological transformation of biological assets for sale into additional biological assets. The Group's agriculture activity is the cultivation and development of tropical hardwood plantations. The Group's biological asset is the tropical hardwood plantation in its controlled entity.

Fair value of the biological asset is measured at cost until the trees attained maturity. The expenditure in the process of biological transformation incurred up to the time of maturity are capitalised as biological assets. Amortisation of biological assets commences when the trees attain maturity. Any costs related to the development of new biological assets are included as part of the capitalisation of immature trees.

Initial costs of planting on the area replanted are charged as an expense. Replanting expenditure incurred in respect of the same crop is also charged as an expense in the year in which it is incurred.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) **Deferred income taxes**

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

Under this method, provision is made for deferred income taxes on the revaluation of certain non-current assets and, in relation to an acquisition, on the difference between the fair values of the net assets acquired and their tax base. Provision for taxes, mainly withholding taxes, which could arise on the remittance of retained earnings, principally relating to controlled entities, is only made where there is a current intention to remit such earnings.

The principal temporary differences arise from depreciation on property, plant and equipment and revaluation of certain non-current assets. Deferred tax assets and liabilities relating to the carry forward of unutilised tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

(k) **Revenue recognition**

Revenue on sale of tree saplings and coal trading activities is recognised upon delivery of products and customer acceptance, if any, performance of services, net of sales taxes and discounts.

Other operating income earned by the Group is recognised on the following bases:

Interest income - on an effective yield basis

Consultancy fees receivable and other income - on an accrual basis

(l) **Finance Costs**

Finance costs are recognised initially at the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings. Interest expense on borrowings is expensed when incurred.

(m) **Trade and other receivables**

Trade receivables are carried at original invoice amount less allowance made for impairment of these receivables. Such allowance for impairment of trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers at the origination of the receivables. Other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision of impairment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) **Provisions**

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

(o) **Convertible bonds**

On issue of convertible bonds the fair value of the liability portion is determined using a market interest rate for an equivalent non-convertible bond; this amount is carried as a long-term liability on the amortised cost basis until extinguished on conversion or maturity of the bonds.

(p) **Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments less bank overdrafts and fixed deposits held as security for borrowings. In the statement of financial position, bank overdrafts are included in borrowings in current liabilities.

(q) **Fair value estimation**

The fair value of available-for-sale securities is based on quoted market prices at the reporting date.

The fair values of the financial assets and liabilities of more than one year are determined by using the estimated discounted value of future cash flows.

Receivables are carried at amortised cost, less any adjustment necessary for impairment.

The face values, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) **Employee services settled in equity instruments ('Options')**

The fair value of the employee services received in exchange for the grant of options or shares is recognised as expense. The total amount to be expensed rateably over the vesting period is determined by reference to the fair value of the options or shares determined at the grant date, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable or the number of shares that the employee will ultimately receive. This estimate is revised at balance sheet date and the difference is charged or credited to the income statement, with a corresponding adjustment to equity. Upon the exercise of options, the cash payment is recognised as share capital. The proceeds received on exercise of the options net of any directly applicable transaction costs are credited to equity.

(s) **Key estimates - Impairment**

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. This involves value-in-use calculations, which incorporate a number of key estimates and assumptions.

(t) **Key judgements – Allowance for doubtful debts**

Allowance of trade and other receivables is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers at the origination of the receivables.

(u) **Key judgements – Biological assets**

Fair value of biological assets is measured at cost until the trees have attained maturity. Expenditures incurred in the process of biological transformation incurred up to the time of maturity are capitalised as biological assets. Amortisation commences when the trees attains maturity. Any costs related to the development of new biological assets are included as part of the capitalisation of immature trees. Initial costs of planting on the area replanted are charged as an expense. Replanting expenditure incurred in respect of the same crop is also charged as an expense in the year in which it is incurred.

The financial report was authorised for issue on 28 March 2014 by the Board of Directors.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

2 OTHER OPERATING INCOME

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Interest income	-	4	-	4
Other	16	-	8	-
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
	<u>16</u>	<u>4</u>	<u>8</u>	<u>4</u>

Other operating income consists of management fees receivable.

3 PROFIT/(LOSS) ON DISPOSAL OF CONTROLLED ENTITIES

In the previous financial year, the Company de-registered its dormant controlled entity, OGL Coal Trading Pte. Ltd., a company incorporated in Singapore.

The results, cash flows and net liabilities of the controlled entity were as follows:

	<u>2012</u>
	\$'000
Revenue	-
Other operating income	2
Operating costs	(1)
	<u>-----</u>
Profit before tax	1
Tax	-
	<u>-----</u>
Profit after tax	<u>1</u>
	<u>=====</u>
Cashflows from operating activities	-
	<u>-----</u>
Net cash outflow	<u>-</u>
	<u>=====</u>
Cash and cash equivalents	-
	<u>-----</u>
Net assets	<u>-</u>
	<u>=====</u>

Net assets of the disposed entity comprise mainly of amounts receivable from the Holding Company, which has been fully provided for in the Holding Company's financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

3 PROFIT/(LOSS) ON DISPOSAL OF CONTROLLED ENTITIES (CONTINUED)

The gain on disposal of the wholly owned controlled entity, was determined as follows :

	\$'000
Cost of investment	-
Realisation of profit of controlled entity upon disposal	(1)
Allowance for non-recoverability in the Company	1

Gain before tax	-
Tax	-

Gain on disposal at the Group's financial statement after tax	- =====

4 OPERATING LOSS

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Operating loss has been determined after charging/(crediting) :				
Auditors' remuneration				
- current year	35	42	28	35
Taxation fees				
- current year	2	2	-	1
Secretarial and filing fees				
- current year	40	166	37	162
Directors' remuneration				
- fees	193	211	193	211
- salary	403	488	274	468
Staff costs (Note 5)	55	76	40	68
Depreciation (Note 11)				
- Plant, machinery and equipment	6	7	2	2
	=====	=====	=====	=====

The estimated monetary value of benefits provided to the Directors during the year and the previous year by way of usage of the Group's assets and the provision of other benefits amounted to \$nil.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

5 STAFF COSTS

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Wages and salaries	55	70	35	64
Social security costs	-	6	5	4
	<u>55</u>	<u>76</u>	<u>40</u>	<u>68</u>
Average weekly number of persons employed full time during the year in Australasia	<u>4</u>	<u>6</u>	<u>2</u>	<u>4</u>

6 TAXATION

The income tax attributable to loss for the year comprises:

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Current year tax	(77)	-	-	-
Deferred tax (Note 13)	(2)	-	-	-
	<u>(79)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Company is resident in the Isle of Man for income tax purposes and subject to the standard rate of income tax, which is currently 0%. As the Company is wholly owned by individuals not resident in the Isle of Man, the Company is not subject to the Attribution Regime for Individuals. The overseas controlled entities do not have income tax payable as they have incurred taxable losses in the current year, or have accumulated taxable losses available for utilisation. Tax losses attributable to overseas controlled entities have not been brought to account, as they are available only to offset taxable income arising in those entities.

The tax on the Group's (loss) before tax differs from the theoretical amount that would arise using the basic tax rate of the operating entity in Fiji is as follows:

	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Tax charge on the loss for the year is reconciled to the income tax expense as follows:		
(Loss) before tax	<u>(1,378)</u>	<u>(3,355)</u>
Tax calculated at a tax rate of 20% (2012 : 20%)	(276)	(671)
Effect of different tax rates in other countries	189	646
Tax loss not recognised	87	25
Reversal of prior year taxation provision in controlled entity	(77)	-
Deferred taxation recognised in controlled entity	(2)	-
	<u>(79)</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

7 CASH AND CASH EQUIVALENTS

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Cash at bank	75	138	70	29
	<u>75</u>	<u>138</u>	<u>70</u>	<u>29</u>

For the purpose of the statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks, net of bank overdrafts for borrowings.

8 RECEIVABLES

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	36	32	-	-
Loans to controlled entities	-	-	10,554	10,363
Other receivables	765	734	450	450
	<u>801</u>	<u>766</u>	<u>11,004</u>	<u>10,813</u>
Allowance for doubtful debts :-				
- trade receivables	(36)	(32)	-	-
- loans to controlled entities	-	-	(10,306)	(10,079)
- non-trade receivables	(300)	(272)	-	-
Amounts written off	(450)	-	(450)	(1)
	<u>15</u>	<u>462</u>	<u>248</u>	<u>733</u>

Provision for impairment of receivables

Current trade receivables are non-interest bearing loans and generally on 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.

The ageing analysis of trade receivables past due but not impaired is as follows:

	<u>Consolidated</u>	
	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Not more than 3 months	-	-
More than 3 months but not more than 6 months	-	-
More than 6 months	-	-
	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

8 RECEIVABLES (CONTINUED)

The movement in the allowance for doubtful debts can be reconciled as follows:

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Opening balance	304	306	10,080	10,073
Amounts written off	450	-	450	1
Exchange rate adjustments	32	(2)	226	6
Closing balance	<u>786</u>	<u>304</u>	<u>10,756</u>	<u>10,080</u>

The ageing analysis of other receivables past due but not impaired is as follows:

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
More than 3 months but not more than 6 months	7	5	-	-
More than 6 months	8	457	-	450
Total	<u>15</u>	<u>462</u>	<u>-</u>	<u>450</u>

9 OTHER ASSETS

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Deposit	-	-	-	-
Prepayments	1	1	-	-
	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

10 INVESTMENTS IN CONTROLLED ENTITIES

	<u>Company</u>	
	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Non-current		
Unlisted securities		
Shares in controlled entities, at cost		
Opening balance	3	3
Addition	-	-
	<u>3</u>	<u>3</u>
Closing balance	3	3
Allowance for impairment is analysed as follows:		
Opening allowance balance	-	-
Impairment charge	-	-
	<u>-</u>	<u>-</u>
	<u>3</u>	<u>3</u>

Details of controlled entities are set out in Note 19.

11 PLANT AND EQUIPMENT

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Plant, machinery and equipment				
Opening net book amount	10	14	5	4
Exchange rate adjustments	1	-	-	-
Additions	-	3	-	3
Assets written off	-	-	-	-
Depreciation charge (Note 4)	(6)	(7)	(2)	(2)
	<u>5</u>	<u>10</u>	<u>3</u>	<u>5</u>
Closing net book amount	5	10	3	5
Cost	45	42	5	4
Additions	-	3	-	3
Assets written off	-	-	-	-
Accumulated depreciation	(40)	(35)	(2)	(2)
	<u>5</u>	<u>10</u>	<u>3</u>	<u>5</u>
Net book amount	5	10	3	5

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

12 BIOLOGICAL ASSET

	<u>Consolidated</u>	
	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Opening balance	1	1
Exchange rate adjustments	-	-
Addition	-	1
Impairment charge	-	(1)
	<u>1</u>	<u>1</u>
Closing balance	<u>1</u>	<u>1</u>

Biological assets in the financial statements of the Group refer to the cost of seedlings acquired by a controlled entity for the commercial cultivation and development of hardwood plantation in Fiji and is tested for impairment.

13 DEFERRED TAX ASSETS

	<u>Consolidated</u>	
	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Non-current		
Opening balance	-	-
Recognised in profit & loss (Note 6)	2	-
	<u>2</u>	<u>-</u>

Deferred tax is calculated on all temporary differences under the liability method. Deferred income tax assets are recognised for tax losses carried forward only to the extent that the realisation of the related tax benefit is probable. The Group has tax losses of \$5,294,000 (2012: \$5,400,000) to carry forward against future taxable income, which have not been recognised in these financial statements due to the uncertainty of their recoverability. The tax losses have the following expiry periods:

<u>Year of Expiry</u>	<u>Tax losses</u>	
	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
2013	-	585
2014	585	1,015
2015	1,015	1,750
2016	1,750	2,007
2017	2,007	272
2018	272	(229)
2019	(335)	-
	<u>5,294</u>	<u>5,400</u>

The deferred tax liabilities arising from timing differences of plant and equipment amounts to approximately \$6,000 (2012: \$11,000). These liabilities have not been recognised as they are not expected to reverse in the foreseeable future due to tax losses available for set off against these amounts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

14 PAYABLES

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Current				
Loan from directors	341	75	341	35
Other payable	62	-	62	-
	<u>403</u>	<u>75</u>	<u>403</u>	<u>35</u>
Fair value	<u>403</u>	<u>75</u>	<u>403</u>	<u>35</u>

The loan advanced from directors and other payable is unsecured, non-interest bearing and has no fixed terms of repayment.

15 OTHER LIABILITIES

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Current				
Sundry creditors	427	412	427	412
Accrued expenses & allowances	956	623	823	543
	<u>1,383</u>	<u>1,035</u>	<u>1,250</u>	<u>955</u>
Fair value	<u>1,383</u>	<u>1,035</u>	<u>1,250</u>	<u>955</u>

16 BORROWINGS

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Current				
Proceeds from issuance of convertible notes	1,615	1,500	1,615	1,500
	<u>1,615</u>	<u>1,500</u>	<u>1,615</u>	<u>1,500</u>
Fair value	<u>1,615</u>	<u>1,500</u>	<u>1,615</u>	<u>1,500</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

16 BORROWINGS (CONTINUED)

Convertible Notes

The significant terms and conditions of the convertible notes are as follows:

Interest

- The Borrower (or the “Company”) must capitalise the interest accrued throughout the duration of the Loan quarterly in arrears on the principal amount of the Loan.
- Accrued interest must be paid by the Borrower on the Repayment Date.
- Interest accrues from day to day and must be calculated on daily balances on the basis of a 365 day year and for the actual number of days elapsed between advance of the Loan and the date of repayment of the Loan.
- The rate of interest payable is 10.0% per annum.

Term

- The Loan shall be repayable to the Lender (unless converted in accordance with Clause 4 below) 12 months from the date of this agreement (“the Repayment Date”).

Repayment if not converted

- If not converted (“Converted”) into ordinary fully paid shares in the Company (“Shares”) under Clause 4 below, the Loan must be fully and finally repaid, together with all other interest and outstanding monies, by the Borrower on the Repayment Date.

Conversion

(Conversion on Notice)

- a) Subject to receipt of any necessary shareholder approvals by the Borrower and provided the Conversion under (b) below has not already occurred, the Lender may provide notice to the Borrower prior to the Repayment Date that it wishes to convert the Notes (and interest) into Shares, in which case the Conversion Date will be the date of notice.

(Conversion on Completion of Capital Raising)

- b) Subject to receipt of any necessary shareholder approvals by the Borrower, upon the Company closing the Capital Raising and having achieved the minimum subscription thereunder (also, a Conversion Date), the Note will Convert to Shares on the date of closing the Capital Raising.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

16 BORROWINGS (CONTINUED)

The significant terms and conditions of the convertible notes are as follows: (continued)

(Conversion Price)

- The Note will be Converted into Shares at the Conversion Price on the Conversion Date.
- The Conversion price per Share will be:
 - (a) if automatically Converting under b) above on completion of the Capital Raising, \$0.05 per Share plus a 1:1 OGLO.ASX option exercisable at \$0.10 per Option on or before 31/12/2014); or
 - (b) if Converted under a) above at the election of the Lender, the lower of:
 - (i) \$0.05 per Shares plus a 1:1 OGLO.ASX option exercisable at \$0.10 per Option on or before 31/12/2014) ; and
 - (ii) 80% of the 10-day VWAP of the Shares on ASX prior to the Conversion providing a conversion notice to the Borrower plus a 1:1 Option exercisable at \$0.10 per Option with the options bearing the same terms as the current options on issue (OGLO.ASX) with an expiry of 31/12/2014.

Conversion

- If the Company consolidates its Shares before a Conversion Date, the price per Share and the exercise price per Option will be adjusted according to the consolidation. For example, if the Consolidation is 1:2, the Conversion price will be adjusted from \$0.05 per Share to \$0.10 cents per Share and the exercise price per Option will be adjusted from \$0.10 to \$0.20 per Option.

Shareholder Approval

- Shareholder approval will be sought by the Borrower for the Conversion of the Notes as per the terms outlined within the Loan Agreement at the time as the Extraordinary General Meeting to be convened for the Consolidation of Shares and the Capital Raising. If for any reason, shareholder approval is not sought for the Consolidation and Capital Raising, the Borrower will seek shareholder approval (if required) for the conversion of the Notes into Shares in accordance with the terms of this Loan Agreement as soon as possible after execution of this Loan Agreement.
- The Company must do all things which are necessary to ensure that all Shares issued upon conversion of the Notes will on the day of issue of the Shares, be quoted on ASX and be freely tradeable without restriction.

ASX Escrow

- The Lender acknowledges that ASX may treat the Shares as Restricted Securities pursuant to ASX Listing Rule 9.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

17 SHARE CAPITAL AND RESERVES

	Consolidated		Company	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Share capital				
Ordinary shares				
Authorised share capital				
1,000,000,000 shares of no par value each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Issued and paid up share capital				
163,844,727 (2012 : 153,844,727) ordinary shares at 1 January 2013	86,935	86,135	86,935	86,135
Issue of 10,000,000 new shares	-	800	-	800
163,844,727 (2012 : 163,844,727) ordinary shares at 31 December 2013	<u>86,935</u>	<u>86,935</u>	<u>86,935</u>	<u>86,935</u>
Options				
Issued and paid up share capital				
20,000,000 (2012 : 10,000,000) Options at 1 January 2013	-	-	-	-
Issue of 10,000,000 Options	-	-	-	-
20,000,000 (2012 : 20,000,000) Options at 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

17 **SHARE CAPITAL AND RESERVES (CONTINUED)**

Options

At balance date, none of the Options were exercised or converted into ordinary shares.

Nature and purpose of reserves

Foreign exchange reserve

The foreign exchange reserve is used to record exchange differences arising from the translation of the financial statements of foreign controlled entities.

18 **CAPITAL MANAGEMENT**

Management controls the capital of the Group in order to maintain a good debt (if any) to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt (if any) and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels (if any), distributions to shareholders and share issues.

19 **INVESTMENTS IN CONTROLLED ENTITIES**

<u>Name of entity</u>	<u>Country of incorporation</u>	<u>Class of shares</u>	Percentage held by Group/ <u>voting percentage</u>		<u>Principal activities</u>
			<u>2013</u>	<u>2012</u>	
			%	%	
Parent entity					
OGL Resources Limited	Isle of Man				Investment holding
Controlled entities					
Fenning Pacific (Fiji) Ltd	Fiji	Ordinary	100	100	Investment holding
<i>Controls the following entities:</i>					
The Pacific Lumber Company Ltd	Fiji	Ordinary	97	97	Tropical hardwood plantation
Timbers (Fiji) Ltd	Fiji	Ordinary	83	83	Tropical hardwood plantation
OGL Asia Pacific Sdn. Bhd.	Malaysia	Ordinary	100	100	Dormant
Vision Renewable Fuels plc	Isle of Man	Ordinary	100	100	Investment holding

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

19 INVESTMENTS IN CONTROLLED ENTITIES (CONTINUED)

<u>Name of entity</u>	<u>Country of incorporation</u>	<u>Class of shares</u>	<u>Percentage held by Group/ voting percentage</u>		<u>Principal activities</u>
			<u>2013</u> %	<u>2012</u> %	
Ebenezer Coal Pty Ltd	Australia	Ordinary	100	100	Investment holding
PT OGL Indotrade Resources	Indonesia	Ordinary	51	51	Coal mining services

Non-controlling interests' share of profit amounted to nil.

The Group financial statements were prepared based upon the management accounts of dormant controlled entities.

20 RELATED PARTIES

Directors

The names and shareholdings of persons who are currently Directors of the Company are included in the Directors' Report. At the last Annual General Meeting held on 28 May 2013, Henry Khoo and Neil Stuart retired from the Board and were re-elected.

<u>Shareholdings</u>				
<u>Direct interest</u>				
<u>Ordinary shares</u>				
	<u>At 1 Jan 13</u>	<u>Acquired</u>	<u>Disposed</u>	<u>At 31 Dec 13</u>
Neil Stuart	4,788,333	383,000	-	5,171,333
<u>Indirect interest</u>				
<u>Ordinary shares</u>				
	<u>At 1 Jan 13</u>	<u>Acquired</u>	<u>Disposed</u>	<u>At 31 Dec 13</u>
Henry Khoo	7,670,189	-	-	7,670,189
Neil Stuart	4,333,333	-	-	4,333,333

Remuneration received or receivable by the Directors in the Company and its controlled entities is disclosed in Note 4 to the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

20 RELATED PARTIES (CONTINUED)

Entities in the Group

The Group consists of the Company and its controlled entities, the details of which are set out in Note 19.

Related entities outside the Group

Transactions with related parties

There were no transactions between the Company and its related parties during the year.

21 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share

The basic earnings/(loss) per share has been calculated by dividing the Group net loss after tax attributable to ordinary shareholders of (\$1,299,000) (2012: loss of \$3,354,000) by the weighted average number of ordinary shares of no par value in issue of 163,844,727 (2012: 163,011,394).

The basic earnings per share for continuing operations has been calculated by dividing the Group net loss after tax attributable to ordinary shareholders after deducting the after tax loss from discontinued operations by the weighted average number of ordinary shares of no par value in issue. The recalculated Group net loss after tax attributable to ordinary shareholders of (\$1,299,000) (2012: net loss of \$3,355,000) is divided by the weighted average number of ordinary shares of no par value in issue of 163,844,727 (2012: 163,011,394).

Diluted earnings/(loss) per share

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company currently has two category of dilutive potential shares: Convertible Notes (with a free attaching OGL Option upon conversion into fully paid ordinary shares) and Options expiring 31 December 2014 exercisable at \$0.10 each.

In the diluted earnings per share calculation, the Options and Convertible Notes are excluded from the weighted average number of ordinary shares as the effect of the assumed conversion of the Options and Convertible Notes during the year is anti-dilutive. The adjusted Group net loss after tax attributable to ordinary shareholders of (\$1,299,000) (2012: loss of \$3,354,000) is divided by the weighted average number of ordinary shares of no par value in issue of 163,844,727 (2012: 163,011,394) shares.

The diluted earnings per share for continuing operations has been calculated by dividing the Group adjusted net loss for the year after the elimination of the applicable interest expense and after deducting the after tax loss from discontinued operations by the weighted average number of ordinary shares of no par value in issue. The adjusted Group net loss after tax attributable to ordinary shareholders of (\$1,299,000) (2012: \$3,355,000) is divided by the weighted average number of ordinary shares of no par value in issue of 163,844,727 (2012: 163,011,349) shares.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

22 SEGMENT INFORMATION

In identifying its operating segments, management generally follows the Group's industry lines, which represent the main products and services provided by the Group. Each of these operating segments is managed separately as each of these industry lines require different technologies and other resources as well as marketing approaches. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results. There are no sales or other transactions between the industry segments.

The Group is organised on a worldwide basis into three main industry segments:

- Plantation Development – Commercial cultivation and development of tropical hardwood plantations and sales and marketing of plant seedlings to Fiji and Papua New Guinea.
- Mining & Exploration – Coal exploration, development and mining in Australia.
- Others - Investment holding.

Segment results that are reported include results directly attributable to a segment as well as those allocated on a reasonable basis. Capital expenditure comprises total cost incurred to acquire plant and equipment other than intangible assets and goodwill.

The 'Others' segment consist of the renewable fuels segment as the quantitative thresholds have not been met. Segment information can be analysed for the reporting periods as follows:

	<u>Plantation Development</u>	<u>Mining & Exploration</u>	<u>Other</u>	<u>Total Group continuing operations</u>
<u>Year ended 31 December 2013</u>	\$'000	\$'000	\$'000	\$'000
Revenue	-	-	-	-
Segment revenue	-	-	-	-
Cost of sales	-	-	-	-
Other income	8	-	-	8
Depreciation and amortisation	(4)	-	-	(4)
Other expenses	(61)	(163)	(4)	(228)
Segment operating (loss) before tax	(57)	(163)	(4)	(224)
Segment assets	26	-	-	26
Segment liabilities	8	125	-	133

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

22 SEGMENT INFORMATION (CONTINUED)

	<u>Plantation Development</u>	<u>Mining & Exploration</u>	<u>Other</u>	<u>Total Group continuing operations</u>
<u>Year ended 31 December 2012</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue	-	-	-	-
Segment revenue	-	-	-	-
Cost of sales	-	-	-	-
Other income	-	1	-	1
Depreciation and amortisation	(5)	-	-	(5)
Impairment of biological asset	(1)	-	-	(1)
Other expenses	(59)	(29)	(3)	(91)
Segment operating loss before tax	(65)	(28)	(3)	(96)
Segment assets	23	105	-	128
Segment liabilities	71	49	-	120

The Group's two business segments operate in two main geographical areas:

Australasia - the Group operates development of plantation and coal exploration, development and mining.

Other - the principal country is the Isle of Man which is the domicile country of the Company, which is principally an investment holding company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

22 SEGMENT INFORMATION (CONTINUED)

Revenue is based in the geographical area in which the customers are located. Non-current assets are shown by the geographical area in which the assets are located. The Group's revenue and non-current assets other than financial instruments and deferred tax assets can be analysed into the following geographical areas:

<u>Geographical location</u>	<u>Revenue</u>		<u>Non – current assets</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Australasia	-	-	3	6
Others	-	-	3	5
Total	-	-	6	11

The totals presented for the Group's operating segments are reconciled to the entity's key financial figures as presented in its financial statements as follows:

<u>Loss or profit</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Segment operating loss before tax	(224)	(96)
Operating profit of discontinued operations	-	1
Other income not allocated	8	3
Other expenses not allocated	(1,162)	(3,262)
Group operating loss before tax	(1,378)	(3,354)
Finance costs	-	-
Group loss before tax	(1,378)	(3,354)

<u>Assets</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000
Total segment operating assets	26	128
Unallocated corporate assets	73	484
Other assets of discontinued operations	-	-
Group assets	99	612

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

22 SEGMENT INFORMATION (CONTINUED)

	<u>2013</u>	<u>2012</u>
<u>Liabilities</u>	\$'000	\$'000
Total segment operating liabilities	133	120
Unallocated corporate liabilities	3,268	2,490
Other liabilities of discontinued operations	-	-
Group liabilities	<u>3,401</u>	<u>2,610</u>

Segment assets include primarily plant and equipment, receivables, inventory, intangibles and operating cash. Segment liabilities include operating liabilities and exclude items such as deferred tax liabilities and certain corporate borrowings. Corporate assets and liabilities which are not directly attributable to the business activities of any operating segment, mainly related to the Group's headquarters are not allocated to a segment.

23 CAPITAL COMMITMENT

There are no capital expenditures authorised and contracted for in the Group during the years ended 31 December 2013 and 2012.

24 FINANCIAL RISK AND MANAGEMENT

(a) Financial risk management policies

From time to time, the Group enters into foreign exchange forward contracts in order to manage its exposure to fluctuations in foreign currency exchange rates on specific transactions. There are no open foreign exchange forward contracts in the Group at year end. The Group did not apply hedge accounting during the years ended 31 December 2013 and 2012.

The Group does not use derivative financial instruments for speculative purposes.

The Group's financial instruments consist mainly of cash and deposits with banks, accounts receivable and payable and loans to subsidiaries.

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, credit risk and liquidity risk. Senior management, in conjunction with the Board, reviews and agrees policies for managing each of these risks.

(i) Foreign currency risk

The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the Australian dollar. The currency giving rise to this is primarily Malaysian Ringgit. The Group does not enter into derivative financial instruments to hedge such transactions denominated in a foreign currency.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

24 FINANCIAL RISK AND MANAGEMENT

(a) Financial risk management policies (continued)

(i) Foreign currency risk (continued)

At 31 December 2013, the Group had the following exposure to various foreign currencies:

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Trade and other receivables	-	-	985	956
	-	-	985	956
Financial liabilities				
Trade and other payables	-	-	-	-
Net exposure	-	-	-	-

The Group has performed sensitivity analysis relating to its exposure to foreign currency risk at balance date. This sensitivity analysis demonstrates the effect on the net exposure which could result from a change in this risk.

Foreign currency sensitivity analysis

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Increase/(decrease) in net exposure				
-Australian dollar depreciates by 5% against MYR	-	-	(51)	(50)
-Australian dollar appreciates by 5% against MYR	-	-	47	46

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings and bank deposits and is managed through the use of fixed and floating rate debt instruments. Deposits are placed with licensed banks for fixed periods and at fixed rates.

At reporting date the Group had the following mix of financial assets exposed to variable interest rate risk:

	<u>Consolidated</u>		<u>Parent Entity</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	75	138	70	29
Other current assets	1	1	-	-
	76	139	70	29

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

24 FINANCIAL RISK AND MANAGEMENT (CONTINUED)

(a) Financial risk management policies (continued)

(iii) Credit risk

Financial assets which potentially subject the Group to concentrations of credit risk consist principally of cash, short-term deposits and trade receivables. The Group's cash equivalents and short-term deposits are placed with high credit quality financial institutions. Trade receivables are presented at original invoice amount less any adjustment necessary for impairment. Credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base and their dispersion across different industries and geographical areas. Significant other receivables are secured by bank guarantee. Accordingly, the Group has no significant concentration of credit risk.

With respect to the foreign exchange forward contracts, the Group's exposure is on the full amount of the foreign currency receivable on settlement. The Group minimises such risk by limiting the counterparties to a group of major international banks, and does not expect to incur any losses as a result of non-performance by these counterparties.

(iv) Liquidity risk

The Group will continue to practice prudent liquidity risk management, maintaining sufficient cash and marketable securities to finance continued growth in the future.

As a result of the asset disposal in the previous financial year, the liquidity risk is reduced as the Company has sufficient liquidity to meet their working capital requirements and liabilities as and when they fall due.

The periods in which the cash flows associated with the following classes of financial liabilities are expected to mature and impact the profit or loss, is as follows:

CONSOLIDATED

	Carrying amount	Expected cash outflows	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities						
Trade and other payables	403	(403)	(62)	(341)	-	-
Other	1,383	(1,383)	(34)	(1,349)	-	-
Borrowings	1,615	(1,765)	-	(1,765)	-	-
	3,401	(3,551)	(96)	(3,455)	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

24 FINANCIAL RISK AND MANAGEMENT (CONTINUED)

(a) Financial risk management policies (continued)

(iv) Liquidity risk (continued)

CONSOLIDATED

	Carrying amount	Expected cash outflows	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
2012	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities						
Trade and other payables	75	(75)	(35)	(40)	-	-
Other	1,035	(1,035)	(239)	(725)	(71)	-
Borrowings	1,500	(1,650)	-	(1,650)	-	-
	2,610	(2,760)	(274)	(2,415)	(71)	-

(b) Net fair values

At 31 December 2013 and 31 December 2012, the carrying amounts of cash and short-term deposits, accounts receivable, accounts payable and accrued expenses, and short-term borrowings approximated their fair values due to the short-term maturities of these assets and liabilities.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

The fair values of the financial assets and liabilities of more than one year are determined by using the estimated discounted value of future cash flows.

Receivables are carried at amortised cost, less any adjustment necessary for impairment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

24 FINANCIAL RISK AND MANAGEMENT (CONTINUED)

(c) Interest rate risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and liabilities, is as follows:

CONSOLIDATED

	Average interest rate %	Variable interest rate \$'000	Fixed interest rate maturing		Non- interest bearing \$'000	Total \$'000
			Within 1 year \$'000	1 to 5 years \$'000		
2013						
Financial assets						
Cash and cash equivalents	1	75	-	-	-	75
Trade and other receivables	-	-	-	-	15	15
Other	-	-	-	-	1	1
	1	75	-	-	16	91

CONSOLIDATED

	Average interest rate %	Variable interest rate \$'000	Fixed interest rate maturing		Non- interest bearing \$'000	Total \$'000
			Within 1 year \$'000	1 to 5 years \$'000		
2013						
Financial liabilities						
Trade and other payables	-	-	-	-	403	403
Other	-	-	1,383	-	-	1,383
Borrowings	10	-	-	1,615	-	1,615
	10	-	1,383	1,615	403	3,401

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2013 (CONTINUED)

24 FINANCIAL RISK AND MANAGEMENT (CONTINUED)

(c) Interest rate risk (continued)

CONSOLIDATED

			Fixed interest rate maturing			
	Average interest rate %	Variable interest rate \$'000	Within 1 year \$'000	1 to 5 years \$'000	Non- interest bearing \$'000	Total \$'000
2012						
Financial assets						
Cash and cash equivalents	2	138	-	-	-	138
Trade and other receivables	-	-	-	-	462	462
Other	-	-	-	-	1	1
	2	138	-	-	463	601
Financial liabilities						
Trade and other payables	-	-	-	-	75	75
Other	-	-	1,035	-	-	1,035
Borrowings	10	-	-	1,500	-	1,500
	-	-	1,035	1,500	75	2,610

Trade and sundry payables are expected to be paid as follows:

	Consolidated		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Less than 1 year	403	75	403	35
More than 1 year	-	-	-	-

(d) Sensitivity analysis

The Group has performed sensitivity analysis relating to its exposure to interest rate risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results which could result from a change in this risk.

	Consolidated		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Interest rate sensitivity analysis				
Decrease/ (increase) in profit				
- increase in interest rate by 2%	-	-	-	-
- decrease in interest rate by 2%	-	-	-	-

OGL RESOURCES LIMITED

(Incorporated in the Isle of Man)

ARBN 007 509 319

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

31 DECEMBER 2013 (CONTINUED)

25 AMOUNTS RECEIVABLE AND PAYABLE DENOMINATED IN FOREIGN CURRENCIES

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Included in receivables and payables are exposures in foreign currencies which are not effectively hedged:				
Amounts receivable				
Current				
Ringgit Malaysia	-	-	985	956
	<u>-</u>	<u>-</u>	<u>985</u>	<u>956</u>
	<u>-</u>	<u>-</u>	<u>985</u>	<u>956</u>

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year, which meet the requirements of Isle of Man company law. In addition, the directors have elected to prepare the Group and Parent Company financial statements in accordance with International Financial Reporting Standards. The financial statements are required by law to give a true and fair view of the state of affairs of the Group and the Parent Company and of the Group's profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that the financial statements comply with the Isle of Man Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors' are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Isle of Man governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board of Directors in accordance with their resolution dated



JIAN CHEN
DIRECTOR



HENRY KHOO
DIRECTOR

Date: 28 March 2014

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF OGL RESOURCES LIMITED

We have audited the Group and Parent Company financial statements of OGL Resources Limited for the year ended 31 December 2013, which comprise the Group and Parent Company income statements, the Group and Parent Company statements of comprehensive income, the Group and Parent Company statements of financial position, the Group and Parent Company statements of changes in shareholders' equity, the Group and Parent Company statements of cash flows and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS).

This report is made solely to the Company's members, as a body, in accordance with Section 80C(2) of the Isle of Man Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements give a true and fair view, in accordance with IFRS, of the state of the Group's and Company's affairs as at 31 December 2013 and of their loss for the year then ended.

EMPHASIS OF MATTER – GOING CONCERN

In forming our opinion on the financial statements, which is not modified, we draw attention to the fact that the Group is trying to undergo an as yet unsuccessful major reorientation of its activities to focus on the mining industry with particular emphasis on coal exploration, development and mining in Australia. The Group had entered into an asset sale agreement with Zedemar Holdings Pty Ltd to purchase two coal mining operations in Australia for a total maximum purchase consideration of A\$30m being A\$15m in cash and A\$10m worth of the Company's shares at the public offering price, and paid deposits totalling A\$450k in respect of this agreement, however this agreement lapsed on 30 July 2013, at which point these deposits were written off (see note 8). An appeal was made to the High Court of Australia by the appellants whose challenge in the Queensland Supreme Court of Appeal was dismissed on 28 May 2013. This appeal was against a ruling that the mining lease on the two tenements that the company wishes to acquire can be renewed for a period of 15 years. This appeal was rejected by the High Court of Australia on 14 February 2014. The Group planned to complete the necessary capital raising to finance the project on the successful dismissal of the appeal, but the company is currently reviewing its position regarding this project. In summary, at this stage, the capital raising has not yet commenced and the coal tenements have not been purchased so whether the Group will be able to enter this new area of operations is currently uncertain.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF OGL RESOURCES LIMITED – cont.

We also note that the activities of the Group in the commercial cultivation and upstream development of tropical hardwood plantations in Fiji remain in the early stages of their development and are not yet generating income. The company has impaired the value of the biological assets to A\$1k as a result of an impairment review.

As the new Australian coal venture and related capital raising are currently uncertain, the hardwood plantations are not yet generating any income, liabilities exceed assets by A\$3.302m and the group made a loss for the year of A\$1.299m, the appropriateness of preparing the Group and Parent Company financial statements on a going concern basis is dependent on the success of these activities. If the capital raising does not take place or the coal or hardwood ventures are not profitable, which cannot be determined with any certainty at this stage, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and in amounts different from those stated in the financial report. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Grant Thornton Limited

Chartered Accountants
Exchange House
54/62 Athol Street
Douglas
ISLE OF MAN
IM1 1JD

28 March 2014

Date

Additional Stock Exchange Information as at 18 March 2014

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies.

Ordinary share capital

187,844,727 fully paid ordinary shares are held by 3,186 individual shareholders.

On a show of hands, every ordinary shareholder present, in person or by proxy, attorney or representative, has one vote.

On a poll, every ordinary shareholder present has one vote for each fully paid share held.

Options

20,000,000 options are held by 85 individual shareholders.

Each Option gives the Option holder the right to subscribe for one share at 10 cents. The Options expire on 31 December 2014.

Option holders are not entitled to vote or participate in new issues of shares offered to shareholders. On conversion to a share they rank equally with all other shares

Substantial shareholders as at 18 March 2014

Shareholder	Shareholding	% Issued Capital
Swift China Limited	24,000,000	12.78%
Unilease Capital Sdn Bhd	10,833,333	5.77%
AMC Capital Sdn Bhd	10,000,000	5.32%

Distribution of Option holders as at 18 March 2014 - Australian Register

Options holder range	Number of Option holders	% of Option holders	Total Options in Range	% of Issued Options
1 - 1,000	15	17.6%	4,946	0.0%
1,001 - 5,000	11	12.9%	32,604	0.2%
5,001 - 10,000	9	10.6%	73,539	0.4%
10,001 - 100,000	14	16.5%	429,809	2.1%
100,001 and over	36	42.4%	19,459,102	97.3%
Total	85	100.0%	20,000,000	100.0%

The total number of Option holders holding less than a marketable parcel is 49 holding a total of 540,898 Options (based on a \$500 parcel at \$0.005 per Option).

Distribution of Shareholders as at 18 March 2014

Shareholder range	Register	Number of Shareholders	% of Shareholders	Total Shares in Range	% of Issued Shares
1 – 1,000	Australian	1,116	35.03%	168,939	0.09%
	Singapore	1,241	38.95%	481,892	0.26%
		2,357	73.98%	650,831	0.35%
1,001 – 5,000	Australian	101	3.17%	263,261	0.14%
	Singapore	328	10.30%	756,357	0.40%
		429	13.47%	1,019,618	0.54%
5,001 – 10,000	Australian	36	1.13%	293,452	0.16%
	Singapore	42	1.32%	310,888	0.16%
		78	2.45%	604,340	0.32%
10,001 – 100,000	Australian	127	3.99%	5,732,742	3.06%
	Singapore	39	1.22%	928,400	0.49%
		166	5.21%	6,661,142	3.55%
100,001 and over	Australian	146	4.58%	173,707,235	92.47%
	Singapore	10	0.31%	5,201,561	2.77%
		156	4.89%	178,908,796	95.24%
Total		3,186	100.00%	187,844,727	100.00%
Listed on ASX	Australian	1,526	47.90%	180,165,629	95.91%
Listed on SGX	Singapore	1,660	52.10%	7,679,098	4.09%
Total		3,186	100.00%	187,844,727	100.00%

The total number of Australian Register (ASX Listed) shareholders holding less than a marketable parcel is 1,767 holding a total of 40,113,715 shares (based on a \$A500 parcel at \$0.005 per share).

The total number of Singapore shareholders holding less than a marketable parcel of 1,000 shares is 1,116 holding a total of 356,892 shares.

Twenty Largest Security Holders

The names of the 20 largest holders of quoted ordinary shares as at 18 March 2014 were:

Shareholder	Shareholding	% Issued Capital
Swift China Limited	24,000,000	12.78%
Unilease Capital Sdn Bhd	10,833,333	5.77%
AMC Capital Sdn Bhd	10,000,000	5.32%
Ausinca International Enterprise Pty Ltd	9,339,225	4.97%
Mr Cheng San Khoo & Mrs Jenny Ah Moi Khoo<Khoo-San Super Fund A/C>	7,670,189	4.08%
Rothstein Pty Ltd<The Roth A/C>	6,000,000	3.19%
KSL Super Pty Ltd<KSL Family Super Fund A/C>	5,920,000	3.15%
Neil Francis Stuart	5,171,333	2.75%
Jian Chen	5,000,000	2.66%
Soon Gaik Khoo	4,529,962	2.41%
Fairground Pty Ltd	4,333,333	2.31%
Melvin Fa Heng Chang	4,000,000	2.13%
Ching Choo Tan	3,366,290	1.79%
Li Bing Li	3,050,000	1.62%
Golden Focus Group Limited	3,000,000	1.60%
Cheng Lye Khoo	2,752,800	1.47%
Suzanne Rachelle Young	2,273,379	1.21%
Kian Ming Leong	2,243,000	1.19%
Wei Seong Chin	2,224,255	1.18%
Faircrown Company Ltd	2,000,000	1.06%
Total of Top 20	117,707,099	62.66%
Remainder	70,137,628	37.34%
Total	187,844,727	100.00%

The names of the 20 largest holders of quoted options as at 18 March 2014 were:

Optionholder	Optionholding	% Issued Options
Colbern Fiduciary Nominees Pty Ltd	1,711,479	8.56%
Mattinc Ventures Pty Ltd	1,250,000	6.25%
Wise Plan Pty Ltd <Burke Super Fund 2 A/C>	1,128,391	5.64%
G&N Lord Superannuation Pty Ltd <GNR Superannuation Fund >	1,006,781	5.03%
Kirzy Pty Ltd <Springdale No 2 A/C>	1,006,781	5.03%
Corostar Pty Ltd <The Campbell Smith A/C>	1,000,000	5.00%
Mr John Michael Moore<The Mike Moore S/F A/C>	905,425	4.53%
Unilease Capital Sdn Bhd	833,333	4.17%
143 Pty Ltd <J F Pearce Family A/C>	625,000	3.13%
J P Morgan Nominees Australia Limited	625,000	3.13%
Andrew Sven Vallner	604,069	3.02%
Dominic Pisano	599,836	3.00%
Mr Cheng San Khoo & Mrs Jenny Ah Moi Khoo<Khoo-San Super Fund A/C>	590,014	2.95%
Leonardo Nucifora & Rsaria Nucifora <Nucifora Super Fund A/C>	500,000	2.50%
Prepet Pty Ltd	500,000	2.50%
David John Williams	479,070	2.40%
Gregory Michael & Mary Margaret Josephson <Josephson Super Fund A/C>	400,000	2.00%
Alderhaus Pty Ltd	381,781	1.91%
Cornela Pty Ltd <F T Account>	381,781	1.91%
Jasper Hill Resources Pty Ltd <Superannuation Account>	381,781	1.91%
Total of Top 20	14,910,522	74.55%
Remainder	5,089,478	25.45%
Class Total	20,000,000	100.00%

A large, abstract graphic composed of multiple overlapping, wavy blue lines that flow from the bottom left towards the top right, creating a sense of movement and depth. The lines vary in opacity, with some appearing more solid and others more translucent, giving it a layered, ethereal quality.

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