

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**Interim Financial Report**

**APPENDIX 3 - INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2016**

**Result for Announcement to the Market**

Reporting Period: Half year from 1 January 2016 to 30 June 2016

Previous Corresponding Period: Half year from 1 January 2015 to 30 June 2015

**Key Information**

	Half-year Ended 30 June 2016 \$
Revenue from ordinary activities	Down 8% to 864,598
Profit after tax from ordinary activities attributable to members	Up 110% to 21,995
Net profit attributable to members	Up 110% to 21,995

There were no dividends paid or proposed during the period ended in June 2016

**Explanation of Key Information and Dividends**

The consolidation was based on TG Agro Seedlings Sdn Bhd being acquired via reverse acquisition by TG AgroSolutions Sdn Bhd which in turn was acquired by TG AgroSolutions Limited. The above transactions resulted in a reverse acquisition whereby TG Agro Seedlings Sdn Bhd was identified as the accounting acquirer of TG AgroSolutions Limited. The consolidated financial statements therefore disclose the equity values of TG Agro Seedlings Sdn Bhd and shares issued by TG AgroSolutions Limited post acquisition date.

The Group's revenue for the 6 months ended 30 June 2016 was \$864,598 which was \$76,963 or 8% lower than the 30<sup>th</sup> June 2015 half year period. TG Agro Seedlings Sdn Bhd being the operational company reported 6 months profit after tax of \$107,904. However, TG Agrosolutions Sdn Bhd and TG Agrosolutions Limited being the investment holding company in Malaysia and Australia respectively incurred total expenses of \$85,909 mainly due to ongoing company half yearly expenses. This resulted in group net profit of \$21,995 in 2016.

**Net Tangible Assets per Share**

Half-year Ended 30 June 2016 cents/Share	Year ended 31 December 2015 cents/Share
0.22	0.12

**Control Gained or Lost over Entities in the Half-year**

A new subsidiary TG Agropine Sdn Bhd was incorporated on 16 February 2016 with total paid up capital of 100 shares at par value of RM1.00 each, where TG Agrosolutions Sdn Bhd holds 60 shares at RM1.00 each (60%) and the balance of 40 shares at 1.00 each (40%) is hold by Medellin Sdn Bhd. The new company was incorporated to undertake pineapple planting at Tanjung Manis, Sarawak.

**Dividend Reinvestment Plans**

The Group does not have any dividend reinvestment plans.

**Audit / Review of Financials**

The attached financial statements have been reviewed for the period ended 30 June 2016. The review report is attached at page 10.

**Attachment**

The half year financial report of TG Agrosolutions Limited is attached.

# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

## A.C.N 603108925

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### DIRECTOR'S REPORT

Your directors present their report on the consolidated entity (referred to herein as the Group) consisting TG AgroSolutions Limited and its controlled entities for the half year ended 30 June 2016.

#### Directors

The names of directors who held office during or since the end of the half-year:

Foot Loy Yap

Anson Fucong Qiao

Chie Kieng Ngu

Way Lon Yap

Datu Robert Lian Balangalibun (appointed 28 October 2016)

Bin Khean Ha (resigned 31 May 2016)

William Keng Yaw Tan (resigned 18 August 2016)

Tunku Syed Razman bin Tunku Syed Idrus (resigned 3 February 2016)

Gee Pun Tong (appointed on 31 May 2016, resigned 19 September 2016)

#### Principal Activities

The Group principally engages in the business of cultivating and supplying high quality rubber and oil palm seedlings in Malaysia.

#### Review of Operations

The consolidation was based on TG Agro Seedlings Sdn Bhd being acquired via reverse acquisition by TG AgroSolutions Sdn Bhd which in turn was acquired by TG AgroSolutions Limited. The above transactions resulted in a reverse acquisition whereby TG Agro Seedlings Sdn Bhd was identified as the accounting acquirer of TG AgroSolutions Limited. The consolidated financial statements therefore disclose the equity values of TG Agro Seedlings Sdn Bhd and shares issued by TG AgroSolutions Limited post acquisition date.

The Group revenue in 6 months ended 30 June 2016 was \$864,598 which was \$76,963 being 8% lower than the 30th June 2015 half year period. TG Agro Seedlings Sdn Bhd being the operational company reported 6 months profit after tax of \$107,904. However, TG Agrosolutions Sdn Bhd and TG Agrosolutions Limited being the investment holding company in Malaysia and Australia respectively incurred total expenses of \$85,909 mainly due to ongoing company half yearly expenses. This resulted in group net profit of \$21,995 in 2016.

#### Auditor's Independence Declaration

The lead auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 3 for the half-year ended 30 June 2016.

This director's report is signed in accordance with a resolution of the Board of Directors.

Director  .....

Way Lon Yap

Dated this 11<sup>th</sup> day of November 2016

**AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF TG AGROSOLUTIONS LIMITED**

We declare that, to the best of our knowledge and belief, during the half year ended 30 June 2016 there have been:

- (i) no contraventions of the auditors' independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

  
**Walker Wayland NSW**  
**Chartered Accountants**

Dated this 11th day of November 2016

  
**Grant Allsopp**  
**Registered Company Auditor**

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR  
THE HALF YEAR ENDED 30 JUNE 2016**

	Note	Consolidated Group	
		Half-Year ended 30-Jun-16	Half-Year ended 30-Jun-15
		\$	\$
Revenue		864,598	941,561
Interest Income		5,037	19
Cost of Goods Sold		(330,045)	(260,986)
Bad debt written off		-	(188,511)
Employee and contractor expense		(125,728)	(151,516)
Director's other emoluments		(92,359)	(126,896)
Professional fees		(10,921)	(80,839)
NSX Listing fees		(28,721)	(66,548)
Depreciation and amortisation expense		(65,324)	(41,926)
Entertainment		(2,413)	(39,895)
Petrol, parking and tolls		(14,873)	(26,930)
Accommodation		(970)	(15,255)
Upkeep of machinery		(2,304)	(15,147)
Upkeep of motor vehicles		(7,438)	(12,072)
Secretarial fees		(15,350)	(11,402)
Finance costs		(57,546)	(4,298)
Other expenses		(44,940)	(82,117)
<b>Profit/(Loss) before income tax</b>		<b>70,703</b>	<b>(182,758)</b>
Income tax expense		(48,708)	(29,133)
<b>Profit/(Loss) from continuing operations</b>		<b>21,995</b>	<b>(211,891)</b>
<b>Profit/(Loss) for the period</b>		<b>21,995</b>	<b>(211,891)</b>
<b>Other comprehensive income</b>			
<b>Items that will be reclassified subsequently to profit or loss, when specific conditions are met</b>			
Exchange differences on transactions of foreign operations, net of tax		4,890	7,664
<b>Other comprehensive income for the period</b>		<b>4,890</b>	<b>7,664</b>
<b>Total comprehensive income/(Loss) for the period</b>		<b>26,885</b>	<b>(204,227)</b>

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR  
THE HALF YEAR ENDED 30 JUNE 2016**

	Note	Consolidated Group	
		Half-Year ended 30-Jun-16	Half-Year ended 30-Jun-15
		\$	\$
Net profit attributable to :			
- members of the parent entity		21,995	(211,891)
		<u>21,995</u>	<u>(211,891)</u>
Total comprehensive income attributable to :			
- members of the parent entity		26,885	(204,227)
		<u>26,885</u>	<u>(204,227)</u>
Earnings per share			
From continuing and discontinued operations :			
- Basic earnings per share (cents)		0.01	(0.08)
- Diluted earnings per share (cents)		0.01	(0.08)
From continuing operations :			
- Basic earnings/(loss) per share (cents)		0.01	(0.08)
- Diluted earnings per/(loss) share (cents)		0.01	(0.08)

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**

		Consolidated Group	
	Note	As at 30-Jun 2016 \$	As at 31-Dec 2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		4,083	5,914
Trade and other receivables		1,468,104	1,880,743
Financial Assets		342,509	321,839
Inventories		1,729,534	994,563
Other Assets		10,632	12,189
<b>TOTAL CURRENT ASSETS</b>		<b>3,554,862</b>	<b>3,215,248</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		483,350	476,077
<b>TOTAL NON-CURRENT ASSETS</b>		<b>483,350</b>	<b>476,077</b>
<b>TOTAL ASSETS</b>		<b>4,038,212</b>	<b>3,691,325</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		881,395	1,009,617
Borrowings	3	1,605,765	1,570,211
Current tax liabilities		745,028	685,095
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,232,188</b>	<b>3,264,923</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	3	138,041	118,298
Deferred tax liabilities		20,089	15,955
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>158,130</b>	<b>134,253</b>
<b>TOTAL LIABILITIES</b>		<b>3,390,318</b>	<b>3,399,176</b>
<b>NET ASSETS</b>		<b>647,894</b>	<b>292,149</b>
<b>EQUITY</b>			
Issued capital	4	491,764	162,904
Reserves		(7,320)	(12,210)
Retained earnings		163,450	141,455
<b>TOTAL EQUITY</b>		<b>647,894</b>	<b>292,149</b>

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2016**

<b>Consolidated Group</b>	<b>Note</b>	<b>Ordinary Share Capital \$</b>	<b>Retained Earnings \$</b>	<b>Foreign Currency Translation Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 January 2015</b>		<b>162,904</b>	<b>632,799</b>	<b>2,249</b>	<b>797,952</b>
<b>Comprehensive income</b>					
Loss for the period		-	(211,891)	-	(211,891)
Foreign Currency Translation		-	-	7,664	7,664
<b>Total comprehensive Loss for the period</b>			(211,891)	7,664	(204,227)
<b>Balance at 30 June 2015</b>		<b>162,904</b>	<b>420,908</b>	<b>9,913</b>	<b>593,725</b>
<b>Balance at 1 January 2016</b>		<b>162,904</b>	<b>141,455</b>	<b>(12,210)</b>	<b>292,149</b>
<b>Comprehensive income</b>					
Profit for the period		-	21,995	-	21,995
Foreign Currency Translation		-	-	4,890	4,890
<b>Total comprehensive income for the period</b>			21,995	4,890	26,885
Issue of capital	4	328,860	-	-	328,860
<b>Balance at 30 June 2016</b>		<b>491,764</b>	<b>163,450</b>	<b>(7,320)</b>	<b>647,894</b>

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2016**

<b>Consolidated Group</b>	<b>Notes</b>	<b>Half-Year Ended 30 June 2016 \$</b>	<b>Half year Ended 30 June 2015 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from operating activities		1,524,137	1,255,522
Payments to suppliers and employees		(1,517,525)	(1,516,841)
Interest received		5,037	19
Interest paid		(57,546)	(4,298)
Income tax paid		(19,369)	(14,624)
<b>Net cash (used in) operating activities</b>		<b>(65,266)</b>	<b>(280,222)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Term Deposits acquired		(5,036)	-
Payments for property, plant and equipment		(68,995)	(125,260)
<b>Net cash (used in) investing activities</b>		<b>(74,031)</b>	<b>(125,260)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Proceeds from related parties loan		99,792	207,178
Net Proceeds from borrowings		34,144	48,556
<b>Net cash provided by financing activities</b>		<b>133,936</b>	<b>255,715</b>
<b>NET (DECREASE) IN CASH HELD</b>		<b>(5,360)</b>	<b>(149,767)</b>
Cash and cash equivalents at beginning of period		(469,355)	172,642
Effects of changes in exchange rates		(23,141)	1,035
<b>Cash and cash equivalents at end of period</b>	<b>5</b>	<b>(497,856)</b>	<b>23,910</b>



# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

## A.C.N 603108925

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

#### NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 30 June 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the annual financial statements of TG Agrosolutions Limited and its controlled entities (referred to as the "consolidated group" or "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2015, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 11<sup>th</sup> November 2016.

##### b. Going Concern Basis of Accounting

The Group has derived a profit after tax for the period of \$21,955 (Year ended 31 December 2015 \$491,344 loss). The Group has also incurred operating cash outflows of \$65,266 (Year ended 31 December 2015 \$1,116,208). As at 30 June 2016 the Group has a net current assets of \$322,674 (31 December 2015 net current asset deficiency of \$49,675). TG AgroSeedlings Sdn Bhd has experienced a downturn in revenue compared to the 30 June 2015 half year period. The Group also has \$745,028 (31 December 2015 \$685,095) in estimated tax liabilities. Included in receivables is \$1 million (31 December 2015 \$1.6 million) owing to Risda Semain Dan Landskap (Risda) a Malaysian Government controlled entity.

These matters give rise to a material uncertainty that may cast doubt upon the Group's on going viability.

The continuing viability of the Group and its ability to meet its debts and commitments as they fall due is dependent upon the Group being successful in one or more of the following areas:

- Receiving amounts due from Risda (refer to Note 9)
- Receiving financial support from lenders, directors and shareholders (refer to Note 3)
- Receiving funds from new issue of ordinary shares and/or bonds

Should the Group not achieve either or all of the above, this may impact the Group's ability to continue as a going concern. Going Concern may be impacted and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

Notwithstanding the above, the directors believe that the Group will be successful in the above matters and be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the financial report has been prepared on a going concern basis.

In the event that the Group does not achieve the conditions stated by the Directors, the ability of the Company and therefore the Group to continue as a Going Concern may be impacted and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report. No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group and company not continue as going concerns.

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

**c. Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

**NOTE 2: DIVIDENDS**

No dividends have been paid or declared during the period.

**NOTE 3: BORROWINGS**

	<b>30 June 2016</b>	<b>31 December</b>
	<b>\$</b>	<b>2015 \$</b>
<b>CURRENT</b>		
Loans from Directors	517,306	555,233
Banker acceptance	500,630	467,804
Bank overdraft	501,939	475,496
Lease liability	85,890	71,678
	<u>1,605,765</u>	<u>1,570,211</u>
<b>NON CURRENT</b>		
Lease liability	<u>138,041</u>	<u>118,298</u>

Lease liabilities are secured by the underlying leased assets.

The Banker's acceptance and Bank overdraft are secured by:

- (i) Fixed deposit of the Group
- (ii) Jointly and severally guaranteed by the directors of TG Agro Seedlings Sdn Bhd

The interest rate of the Banker's acceptance is 1.25% (31 December 2015: 1.25) per annum of the face value of each banker's acceptance

The interest rate of the bank overdraft is 1.25% (31 December 2015: 1.25) per annum over the bank's Base Lending Rate (BLR)

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016**

**NOTE 4: ISSUED CAPITAL**

	<b>30 June 2016</b>	<b>30 June 2015</b>
	<b>No.</b>	<b>No.</b>
<b>Ordinary shares on issue</b>		
Balance at beginning of the period	252,000,000	252,000,000
Issue of shares 26 June 2016	37,800,000	-
	<u>289,800,000</u>	<u>252,000,000</u>
	<b>\$</b>	<b>\$</b>
Balance at beginning of the period	162,904	162,904
Issue of shares 26 June 2016 at \$0.0087	328,860	-
	<u>491,764</u>	<u>162,904</u>

On 1 December 2014 TG AgroSolutions Sdn Bhd gained control of TG Agro Seedlings Sdn Bhd, a company incorporated in Malaysia by issuing 7 shares for every share held by the owners of TG Agro Seedlings Sdn Bhd.

On 17 December 2014 TG AgroSolutions Limited gained control of TG AgroSolutions Sdn Bhd, a company incorporated in Malaysia by issuing 72 shares for every share held by the owners of TG AgroSolutions Sdn Bhd.

The above transactions resulted in a reverse acquisition whereby TG Agro Seedlings Sdn Bhd was identified as the accounting acquirer of TG AgroSolutions Limited. The financial statements therefore disclose the equity values of TG Agro Seedlings Sdn Bhd.

In accordance with the reverse acquisition requirements of Australian Accounting Standard AASB 3 Business Combination, the amounts of the Share disclosed includes the amounts issued by TG AgroSolutions Sdn Bhd prior to the acquisition date (17 December 2014), and the amounts issued by TG AgroSolutions Limited after that acquisition. From the date of acquisition the number of shares disclosed is the number of shares issued by TG AgroSolutions Limited.

**NOTE 5: CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in the statement of Cash flows is made up as follows

	<b>30 June 2016</b>	<b>30 June 2015</b>
	<b>\$</b>	<b>\$</b>
Cash	4,083	23,910
Bank overdraft	(501,939)	-
Cash and cash equivalents at year ended	<u>(497,856)</u>	<u>23,910</u>

**NOTE 6: CONTINGENT LIABILITIES**

There has been no changes to contingent liabilities since the last annual reporting period.

**NOTE 7: EVENTS OCCURRING AFTER BALANCE SHEET DATE**

On 18 August 2016 Mr William Tan resigned as a Director of the company. On 21 September 2016 Mr Tong Gee Dun resigned as a director of the company. On 21 October 2016 Datu Robert Lian Balang Alibun was appointed as a director of the company.

No other matters have arisen since 30 June 2016 that have significantly affected the Group operations in future financial years, the result of those operations in future financial years or the Group state of affairs in future financial years.

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES**  
**A.C.N 603108925**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016**

**NOTE 8: RELATED PARTY TRANSACTIONS**

A new subsidiary TG Agropine Sdn Bhd was incorporated on 16 February 2016 with total paid up capital of 100 shares at par value of RM1.00 each, where TG Agrosolutions Sdn Bhd holds 60 shares at RM1.00 each (60%) and the balance of 40 shares at 1.00 each (40%) is hold by Medellin Sdn Bhd. The new company was incorporated to undertake the pineapple planting at Tanjung Manis, Sarawak.

No other new transactions have arisen since the last annual reporting period.

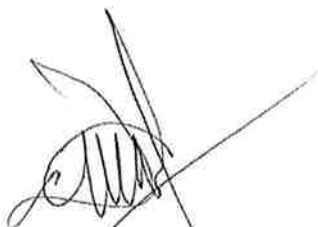
**NOTE 9: ECONOMIC DEPENDENCY**

TG Agro Seedlings Sdn Bhd has a significant supply arrangement with Risda Semain Dan Landskap (Risda) a Malaysian Government controlled entity. At 30 June 2016 Risda owed TG Agro Seedlings approx. 3.1 Million Malaysian Ringit (\$1.0 million). If this debt is not received by the Group then this may place doubt on the Group's ongoing viability.

**DIRECTOR'S DECLARATION**

In accordance with a resolution of the directors of TG Agrosolutions Limited, the directors of the company declare that;

1. The financial statements and notes, as set out on pages 4 to 12, are in accordance with the *Corporations Act 2001*, including;
  - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the half-year ended on that date.
2. In the director's opinion there are reasonable grounds to believe that the company will be able to pay its debt as and when they become due and payable.



Way Lon Yap  
Director

Dated this 11<sup>th</sup> day of November 2016

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
TG AGROSOLUTIONS LIMITED**

**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of TG Agrosolutions Limited, which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and statement of comprehensive income, the consolidated statement of changes in equity and the consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

*Directors' Responsibility for the Half-Year Financial Report*

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

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of TG Agrosolutions Limited financial position as at 30 June 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of TG Agrosolutions Limited ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

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

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TG AGROSOLUTIONS  
LIMITED AND CONTROLLED ENTITIES**

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of TG Agrosolutions Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of TG Agrosolutions Limited financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Emphasis of Matter - Material Uncertainty regarding Going Concern*

Without modifying our conclusion, we draw attention to the following matter. As a result of the matters disclosed in Note 1 b) "Going Concern basis of accounting" of the financial report, there is material uncertainty whether the Group can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The ability of the Group to continue as a going concern is dependent upon the Group being successful in one or more of the following areas: collecting amounts due from Risda Semain Dan Landskap and retaining support from lenders, directors and shareholders.

  
**Walker Wayland NSW**  
**Chartered Accountants**

  
**Grant Allsopp**  
**Registered Company Auditor**

Dated this 11th day of November 2016