

I M QUARRIES LIMITED

(Incorporated in the Republic of Singapore)
UEN No. 2011-20428-N ABRN 154 095 897

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 September 2017 and any public announcements made by I M Quarries Limited during the interim reporting period in accordance with the continuous disclosure requirements of the National Stock Exchange of Australia ("NSX") Listing Rules.

**I M QUARRIES LIMITED
DIRECTORS' REPORT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

The Directors are pleased to present their report and the interim financial statements of I M Quarries Limited ("the Company") for the six months ended 30 September 2017.

1. DIRECTORS

The directors of the Company in office at the date of this interim report are:-

CHUA SOON BENG ELLEN
CHONG HOCK TAT ROBIN
LAM PECK HENG
MAH SEONG KUNG
BRYAN PHILLIP LOH CHUUN-MING (Appointed on 25.1.2017)

REVIEW OF OPERATIONS

The initial principal activity of the Company and its controlled entities (the "Group") is to carry on the business in education industry. The Company has not actively carried on business since its incorporation.

The Company and its controlled entities for the six months ended 30 September 2017 produced a loss, which comprise mainly administrative expense incurred from the Company and includes associated acquisition costs of a subsidiary during the period.

On behalf of the Board of Directors



.....
CHONG HOCK TAT ROBIN



.....
CHUA SOON BENG ELLEN

Singapore, 12 December 2017

I M QUARRIES LIMITED
STATEMENT BY DIRECTORS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

In the opinion of the Directors, the accompanying interim statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, together with notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 September 2017 and of the interim results of the business, changes in equity and cash flows of the Group for the six month period ended on that date and as at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors



.....
CHONG HOCK TAT ROBIN



.....
CHUA SOON BENG ELLEN

Singapore, 12 December 2017

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE
(Company Regn. No. 200606965Z)

REVIEW REPORT
TO THE MEMBERS OF I M QUARRIES LIMITED

Introduction

We have reviewed the accompanying statement of financial position of I M Quarries Limited ("the Company") as at 30 September 2017, and the related statements of comprehensive income, changes in equity and cash flows for the six months period then ended, and selected explanatory notes. Management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with the provisions of the International Financial Reporting Standards. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information does not present fairly, in all material respects, the financial position of the Group as at 30 September 2017, and of the Group's financial performance for the six months then ended and its cash flows for the six months then ended in accordance with the International Financial Reporting Standards



MGI SINGAPORE PAC
Chartered Accountants and
Public Accountant of Singapore

12 December 2017

I M QUARRIES LIMITED
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2017

		Group	
	NOTE	30.9.2017	30.9.2016
		S\$	S\$
Non-current assets			
Investment in subsidiaries	5	-	-
Goodwill	6	1,400,000	1,400,000
		<u>1,400,000</u>	<u>1,400,000</u>
Current assets			
Cash and bank balances		890,770	1,385
Other receivables		388,113	38,113
		<u>1,278,883</u>	<u>39,498</u>
Less:			
Current liabilities			
Other payables	7	12,000	12,000
Due to a Director	8	491,804	465,725
		<u>503,804</u>	<u>477,725</u>
Net current liabilities		<u>775,079</u>	<u>(438,227)</u>
Net assets		<u>2,175,079</u>	<u>961,773</u>
Capital and reserves			
Share capital	9	4,149,947	2,649,947
Accumulated losses		<u>(1,974,868)</u>	<u>(1,688,174)</u>
		<u>2,175,079</u>	<u>961,773</u>

The accounting policies and explanatory notes form an integral part of the financial statements.

I M QUARRIES LIMITED
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial period ended 30 September 2017

	Group	
	Period from 1.10.2016 to 30.9.2017 S\$	Period from 1.10.2015 to 30.9.2016 S\$
Revenue	-	-
Costs and expenses		
Other operating expenses	(286,694)	(185,393)
Loss before income tax	(286,694)	(185,393)
Income tax	-	-
Total comprehensive loss	(286,694)	(185,393)

The accounting policies and explanatory notes form an integral part of the financial statements.

I M QUARRIES LIMITED
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period for six months ended 30 September 2017

30.9.2016

		Share Capital	Foreign currency translation reserve	Minority Interest	Accumulated losses	Total
Group	Note	S\$	S\$	S\$	S\$	S\$
Balance at 1.10.2016		2,465,991		-	(1,688,174)	961,773
Total comprehensive loss		-	-	-	(286,694)	(263,158)
Issue of shares	9	1,500,000	-	-	-	1,500,000
Balance at 30.9.2017		4,149,947	-	-	(1,974,868)	2,198,615

30.9.2016

		Share Capital	Foreign currency translation reserve	Minority Interest	Accumulated losses	Total
Group		S\$	S\$	S\$	S\$	S\$
Balance at 1.10.2015		2,465,991	(26)	(149,527)	(1,502,781)	813,657
Exchange differences on translating foreign operations of subsidiary		-	26	-		26
Total comprehensive loss		-	-	-	(185,393)	(185,393)
Issue of shares		183,956	-	-	-	183,956
Minority interest	9	-	-	149,527		149,527
Balance at 30.9.2016		2,649,947	-	-	(1,688,174)	961,773

The accounting policies and explanatory notes form an integral part of the financial statements.

I M QUARRIES LIMITED
INTERIM CONSOLIDATED STATEMENT OF CASH FLOW
For the financial period ended 30 September 2017

	Period from 1.10.2016 to 30.9.2017	Period from 1.10.2015 to 30.9.2016
	\$	\$
Operating activities		
Loss before taxation	(286,694)	(185,393)
Operating profit before working capital changes	(286,694)	(185,393)
<u>Changes in working capital</u>		
Other receivables	(350,000)	38,113
Other payables	-	(330,013)
Increase in amount due to a Director	26,079	146,696
Cash flow generated from/(used in) operations	(610,615)	(330,597)
Net cash flow generated from/(used in) operating activities	(610,615)	(330,597)
 Cash flows from financing activity		
Net proceeds from issue of shares	1,500,000	221,340
Net cash flows from financing activities	1,500,000	221,340
 Net increase in cash at bank balance	889,385	(109,257)
Cash at bank at beginning of financial period	1,385	74,699
Cash at bank at end of financial period	890,770	1,385

The accounting policies and explanatory notes form an integral part of the financial statements.

I M QUARRIES LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENT – 30 SEPTEMBER 2017

1 CORPORATE INFORMATION

The interim financial statements of I M Quarries Limited for the financial period ended 30 September 2017 were authorised for issue in accordance with the resolution of the directors on the date of this statement.

I M Quarries Limited is a public company limited by shares incorporated in Singapore and listed on the National Stock Exchange of Australia.

The registered office of the company in Singapore is located at 1 Commonwealth Lane, #09-28 One-Commonwealth, Singapore 149544.

The principal activity of the Company and its controlled entities (the “Group”) is to carry on the in exploration and mining for natural resources (particularly industrial grade garnet) and its ancillary activities.

The Company has not actively carried on business since it was registered on 30 August 2011 to the date of this report.

2. NATURE OF OPERATIONS

The interim financial report of I M Quarries Limited (“the Company”) for the period ended 30 September 2017 was authorised for issue in accordance with a resolution of the Directors on the date of the Statement by Directors.

The Company has not actively carried on business since it was registered on 30 August 2011 to the date of this report.

3. GENERAL INFORMATION AND BASIS OF PREPARATION

The interim consolidated financial statements for the six months ended 30 September 2017 are presented in Singapore Dollars which is the Company’s functional currency. They have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements of the Company for the year ended 31 March 2017.

I M Quarries Limited is the Group’s ultimate parent company. The Company was incorporated under the laws of Singapore as a public company limited by shares.

I M QUARRIES LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENT – 30 SEPTEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements have been prepared in accordance with the accounting policies adopted on the last annual financial statements for the period ended 31 March 2017.

5. SUBSIDIARIES

	30.9.2017	31.9.2016
		\$
Unquoted equity investments, at cost	<u>2</u>	<u>2</u>

Name	Country of incorpora- tion	Cost of investment 30.9.2017 \$	Cost of investment 30.9.2016 \$	Percen- tage of equity held	Principal activities
<u>Held by the Company</u>					
Three Crystals (Hong Kong) Limited	Hong Kong	1,400,000	1,400,000	100%	Investment holding
<u>Held by Three Crystals (Hong Kong) Limited</u>					
Jinsan Yuan Trading Co., Limited	China	-	-	100%	Investment Holding
Jinsan Yuan Mining Co., Limited	China	-	-	55%	Mining Exploration
		<u>1,400,000</u>	<u>1,400,000</u>		

I M QUARRIES LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENT – 30 SEPTEMBER 2017

6. GOODWILL

The goodwill arises from acquisition of the subsidiaries.

Goodwill is allocated to cash-generating units which are based on the Group's reporting segments:

	30.9.2017	30.9.2016
	\$	\$
Mining	<u>1,400,000</u>	<u>1,400,000</u>

7. OTHER PAYABLES

	30.9.2017	30.9.2016
	\$	\$
Accrued operating expenses	12,000	12,000
Deposits	<u>-</u>	<u>-</u>
	<u>12,000</u>	<u>12,000</u>

The amounts are denominated in the following currencies:

	30.9.2017	30.9.2016
	\$	\$
Australian Dollar	-	-
Singapore Dollar	<u>12,000</u>	<u>12,000</u>
	<u>12,000</u>	<u>12,000</u>

8. AMOUNT DUE TO A DIRECTOR

The amount owing to director is non-trade in nature, unsecured, interest-free and repayable as and when the Company has resources to do so. Amount is denominated in Singapore dollars.

I M QUARRIES LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENT – 30 SEPTEMBER 2017

9. SHARE CAPITAL

30.9.2017

	No. of shares	Amount \$
Issued and fully paid up:		
As at 1.10..2016	56,514,701	2,649,947
Issued during the period - Shares	4,000,000	1,200,000
Issued during the period – options exercised	1,000,000	300,000
As at 30.09.2017	<u>61,514,701</u>	<u>4,149,947</u>

30.9.2016

	No. of shares	Amount \$
Issued and fully paid up:		
As at 1.10..2015	55,460,001	2,465,991
Issued during the period	1,054,700	183,956
As at 30.09.2016	<u>56,514,701</u>	<u>2,649,947</u>

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares (excluding treasury shares) rank equally with regard to the Company's residual assets.

10. NET TANGIBLE ASSET BACKING PER SECURITY

	30.9.2017	30.9.2016
	\$	\$
Net assets	2,175,079	961,773
<i>Less intangible assets:</i>		
Goodwill	(1,400,000)	(1,400,000)
Net tangible assets/(Liabilities)	<u>775,079</u>	<u>(438,227)</u>
Number of issued ordinary shares	61,514,701	56,514,701
Net tangible asset backing per ordinary security	0.013 cent	(0.008) cent

I M QUARRIES LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENT – 30 SEPTEMBER 2017

11. OPERATING LEASE COMMITMENTS

The Company has operating lease commitment in respect of rental of office premise. The lease are non-cancellable within 1 year.

	30.9.2017	30.9.2016
	S\$	S\$
Not later than one year	51,360	-
Later than one year but not later than five years	25,600	-
	<u>77,040</u>	<u>-</u>

Operating lease payments represents rents payable by the Company for office premises and other operating facilities. Lease is negotiated for a term of 2 years and rentals are fixed for an average of 1 to 3 years. Certain office premise has the option to renew for another one year at market rate subject to agreement by both parties.

12. DETAILS OF CONTROLLED ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOSS

There were no gains or losses over controlled entities during the period.

13. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period.

14. SHARE OPTIONS

The share options granted by the Company during the prior financial period were as follows:.

Call option agreement No. 1 and 2 of up to 4,000,000 CDI's each, at an exercise price of AUD 0.30 per CDI, exercisable partially and multiply at any date till 9 Nov 2017 and option 10,000,000 shares to a Director at SGD 0.088.

During the financial period, call option agreement No.1 was exercised and 4,000,000 CDI's were issued at AUD 0.30 per CDI.

There were no other unissued shares of the Company under option as at the end of the financial year.

15. EVENT AFTER THE REPORTING DATE

No matter or circumstance has arisen since 30 September 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial periods.

16. CONTINGENT LIABILITIES

There are not contingent liabilities as at the date of these financial statements.