

ADANI MINERALS PTY LTD
ACN: 151 649 740

SPECIAL PURPOSE FINANCIAL REPORT

YEAR ENDED 31 MARCH 2016

**ADANI MINERALS PTY LTD
DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2016**

Your directors submit their report for the year ended 31 March 2016.

Directors

The names of the directors of the Company in office during the financial year and up to the date of this report are:

Samir Vora (appointed 22 June 2011)

Praveen Khandelwal (appointed 15 December 2011)

Corporate Information

Adani Minerals Pty Ltd is a Company limited by shares that is incorporated and domiciled in Australia.

The Company's principal activity is mining related services in resource development for projects in Australia.

The registered office of Adani Minerals Pty Ltd is located at:

Level 25, AMP Place, 10 Eagle Street
Brisbane, Queensland, Australia

Company Secretary

The Company Secretary of Adani Minerals Pty Ltd at the appointed time and since the end of financial year is:

S M Groth (appointed 31 July 2014, resigned 25 September 2015)

Rajesh Gupta (appointed 25 September 2015)

Employees

As at 31 March 2016, the Company had no employees.

Results and Dividends

The loss after tax for the Company for the year ended 31 March 2016 was \$607,456.

No dividend has been paid nor recommended.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the current financial year.

Likely Developments and Expected Results

Likely developments in the Company's operations and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental Regulation and Performance

The Company's operations are subject to State and Federal Environmental Legislative requirements. There were no significant breaches or non-compliance with these requirements during the financial year ended 31 March 2016 and up to the date of this report.

Significant Events after the Balance Date

There have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in financial years after the financial year ended 31 March 2016.

Indemnification and Insurance of Directors

During the financial year, a related party paid premiums in respect of Directors' and Officers' Liability Insurance contract. The insurance contract insure against certain liabilities (subject to exclusions) for persons who are or have been directors or officers of the Company. A condition of the contract is that the nature of the liabilities indemnified and the premium payable shall not be disclosed.

**ADANI MINERALS PTY LTD
DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2016**

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Auditor's Independence Declaration

We have obtained an independence declaration from our auditor, Ernst & Young, as attached at page 16.

Non-audit Services

No non-audit services were provided by the Company's auditor, Ernst & Young.

Signed in accordance with a resolution of directors.

On behalf of the Board



Praveen Khandelwal
Director

Brisbane, Queensland
11 May 2016

**ADANI MINERALS PTY LTD
DIRECTORS' DECLARATION
YEAR ENDED 31 MARCH 2016**

In accordance with a resolution of the directors of Adani Minerals Pty Ltd, we state that:

In the opinion of the directors:

- a) The Company is not a reporting entity as defined in the Australian Accounting Standards;
- b) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 31 March 2016 and of its performance for year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and complying with the *Corporations Regulations 2001*; and
- c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Praveen Khandelwal
Director

Brisbane, Queensland
11 May 2016

ADANI MINERALS PTY LTD
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2016

		Year Ended	Year Ended
	Notes	31-Mar-16	31-Mar-15
		\$	\$
Revenue	2	8,433,110	28,624,829
Other income	3	160,076	266,000
General and administration expenses		(19,362)	(15,271)
Loss on disposal of plant and equipment		(631,687)	-
Depreciation		(78,367)	(116,595)
Foreign currency gain/(loss)		(56,527)	9,883
Finance costs		(8,436,798)	(28,624,082)
(LOSS)/PROFIT BEFORE INCOME TAX		(629,555)	144,764
Income tax expense	4	22,099	(138,709)
(LOSS)/PROFIT FOR THE YEAR		(607,456)	6,055
Other comprehensive income			
<i>Other comprehensive income to be classified to profit or loss in subsequent period</i>			
Net gain on cash flow hedges		116,702	605,255
Reclassified to profit or loss		146,208	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR (NET OF TAX)		(344,546)	611,310

ADANI MINERALS PTY LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Notes	31-Mar-16 \$	31-Mar-15 \$
CURRENT ASSETS			
Cash at bank and on hand	14(b)	12,050	69,661
Other receivables	5	1,726	947,137
Due from a related party- Adani Mining Pty Ltd		1,518,331	1,094,043
Loan to related parties	6	-	356,300,760
TOTAL CURRENT ASSETS		1,532,107	358,411,601
NON-CURRENT ASSETS			
Plant and equipment	7	-	890,780
TOTAL NON-CURRENT ASSETS		-	890,780
TOTAL ASSETS		1,532,107	359,302,381
CURRENT LIABILITIES			
Trade and other payables	8	8,001	958,631
Non-interest bearing loans	9	538,373	385,220
Interest bearing loans	10	-	356,300,760
Derivative liability	12	-	262,910
Income tax provision		-	44,097
TOTAL CURRENT LIABILITIES		546,374	357,951,618
NON-CURRENT LIABILITIES			
Deferred tax liability		5,476	25,960
TOTAL NON-CURRENT LIABILITIES		5,476	25,960
TOTAL LIABILITIES		551,850	357,977,578
NET ASSETS/ (LIABILITIES)		980,257	1,324,803
EQUITY			
Contributed equity	11	1,500,000	1,500,000
Hedge reserve		-	(262,910)
(Accumulated loss)/Retained earnings	13	(519,743)	87,713
TOTAL EQUITY		980,257	1,324,803

ADANI MINERALS PTY LTD
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2016

	Notes	Year Ended 31-Mar-16 \$	Year Ended 31-Mar-15 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		160,076	266,000
Payments to suppliers and employees		(27,457)	(4,888)
Interest received		9,371,372	33,263,819
Finance costs paid		(9,380,779)	(33,263,071)
Income tax received/(paid)		(35,333)	9,655
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	14(a)	87,879	271,515
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of advances to related parties		356,300,760	264,948,069
Receipt from disposal of plant and equipment		180,726	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		356,481,486	264,948,069
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(356,300,760)	(266,726,285)
Net movement in related party balances		(326,216)	-
Proceeds from equity raised		-	1,499,999
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		(356,626,976)	(265,226,286)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(57,611)	(6,702)
Add opening cash and cash equivalents brought forward		69,661	76,363
CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD	14(b)	12,050	69,661

ADANI MINERALS PTY LTD
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2016

	<i>Ordinary shares</i>	<i>(Accumulated loss) / Retained earnings</i>	<i>Hedge reserve</i>	<i>Total</i>
	\$	\$	\$	\$
At 1 April 2015	1,500,000	87,713	(262,910)	1,324,803
Profit/(Loss) for the period	-	(607,456)	-	(607,456)
Fair value movement on cash flow hedges	-	-	262,910	262,910
Total comprehensive income	-	(607,456)	262,910	(344,546)
Shares issued during the year	-	-	-	-
At 31 March 2016	1,500,000	(519,743)	-	980,257

	<i>Ordinary shares</i>	<i>(Accumulated loss) / Retained earnings</i>	<i>Hedge reserve</i>	<i>Total</i>
	\$	\$	\$	\$
At 1 April 2014	1	81,658	(868,165)	(786,506)
Profit /(Loss) for the period	-	6,055	-	6,055
Fair value movement on cash flow hedges	-	-	605,255	605,255
Total comprehensive income	-	6,055	605,255	611,310
Shares issued during the year	1,499,999	-	-	1,499,999
At 31 March 2015	1,500,000	87,713	(262,910)	1,324,803

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The special purpose financial report of Adani Minerals Pty Ltd for the year ended 31 March 2016 was authorised for issue in accordance with a resolution of the Directors on 11 May 2016.

a) Basis of accounting

This special purpose financial report has been prepared for distribution to the members to fulfil the directors' financial reporting requirements under the *Corporations Act 2001*. The accounting policies used in the preparation of this report are, in the opinion of the directors, appropriate to meet the needs of members.

The financial report is prepared in accordance with the historical cost convention and is presented in Australian dollars.

b) Statement of compliance

The requirements of Accounting Standards and other professional reporting requirements do not have mandatory applicability to the Company because it is not a reporting entity. However, the directors have determined that in order for the financial report to give a true and fair view of the Company's performance, cash flows and financial position, the requirements of the Accounting Standards and other professional reporting requirements in Australia relating to the measurement of assets, liabilities, revenues, expenses and equity should be complied with.

The directors have prepared the financial report in accordance with Accounting Standards and other professional reporting requirements in Australia with the exception of the disclosure requirements of the following:

- AASB 7 *Financial Instruments: Disclosures*;
- AASB 13 *Fair Value Measurement*;
- AASB 112 *Income Taxes*;
- AASB 116 *Property, Plant and Equipment*;
- AASB 117 *Leases*;
- AASB 119 *Employee Benefits*;
- AASB 123 *Borrowing Costs*;
- AASB 124 *Related Party Disclosures*;
- AASB 132 *Financial Instruments: Presentation*;
- AASB 136 *Impairment of Assets*;
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*; and
- AASB 139 *Financial Instruments: Recognition and Measurement*.

The financial report complies with Australian Accounting Standards, except of the disclosure requirements of the pronouncements listed above.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the year ended 31 March 2016.

The Company has not elected to early adopt these Standards and Interpretations. Based on this assessment management does not expect them to have a material effect on the financial position or performance of the Company.

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific revenue recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

d) Income taxes

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is provided for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amount of for financial statement purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents cash includes deposits at call which are readily convertible to cash on hand, which are as defined above, net of outstanding bank overdrafts.

f) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. Due to their short term nature they are not discounted.

Collectability of receivables is reviewed on an on-going basis.

g) Plant and Equipment

Plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the income statement as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Plant and equipment 5 to 40 years

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Trade and other payables

Trade and other payables are carried at amortised cost due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Company prior to the reporting date that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

j) Interest bearing loans

All loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Borrowings are classified as current unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction and production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur.

k) Foreign currency transactions

The Company's currency is the Australian dollar, being the currency of the primary economic environment in which they operate. The special purpose financial report is presented in Australian dollars.

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the appropriate exchange rates ruling at that date. Exchange differences are dealt with in the profit or loss.

l) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Company designates certain derivatives as hedges of the cash flows of recognised assets and liabilities ("cash flow hedges").

At inception, the Company documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been, and will continue to be, highly effective in offsetting future cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

	Year ended 31-Mar-16 \$	Year ended 31-Mar-15 \$
2. REVENUE		
Interest income from Adani Mining Pty Ltd	8,433,110	28,624,829
	<u>8,433,110</u>	<u>28,624,829</u>
3. OTHER INCOME		
Equipment hire charges	110,076	166,000
Service charges	50,000	100,000
	<u>160,076</u>	<u>266,000</u>
4. INCOME TAX		
Accounting profit before income tax	(629,555)	144,764
At the statutory income tax rate of 30%	(188,867)	43,429
Previous year's adjustment	(1,615)	95,280
Tax losses not recognised	168,383	-
At the effective income tax rate of 3.5% (2014: 95.8%)	<u>(22,099)</u>	<u>138,709</u>
Major components of income tax expense for the year 31 March 2016 are:		
Income tax expense		
<i>Current income tax</i>		
Current income tax expense/ (benefit)	-	-
Previous year's adjustment	(1,615)	95,280
<i>Deferred income tax</i>		
Relating to the origination and reversal of temporary differences	(20,484)	43,429
	<u>(22,099)</u>	<u>138,709</u>

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

	31-Mar-16 \$	31-Mar-15 \$
5. OTHER RECEIVABLES		
Interest accrued but not due – Adani Mining Pty Ltd	-	943,981
Prepayments	1,726	3,156
	<u>1,726</u>	<u>947,137</u>

6. LOAN TO RELATED PARTIES

Loan – Adani Mining Pty Ltd	-	356,300,760
(The loan is denominated in United States Dollar USD)		

7. PLANT AND EQUIPMENT

	<i>Plant & Machinery</i> \$	<i>Total</i> \$
Balance as at 1 April 2014	1,007,375	1,007,375
Depreciation charge for the period	(116,595)	(116,595)
Disposals	-	-
Net carrying value as at 31 March 2015	<u>890,780</u>	<u>890,780</u>
 Balance as at 1 April 2015	 890,780	 890,780
Depreciation charge for the period	(78,367)	(78,367)
Disposals	(812,413)	(812,413)
Net carrying value as at 31 March 2016	<u>-</u>	<u>-</u>

8. TRADE AND OTHER PAYABLES

	31-Mar-16 \$	31-Mar-15 \$
Other payables	8,001	8,000
GST payable	-	6,650
Interest accrued but not due	-	943,981
	<u>8,001</u>	<u>958,631</u>

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

9. NON-INTEREST BEARING LOANS	31-Mar-16	31-Mar-15
	\$	\$
Current		
Loan payable to Adani Mining Pty Ltd- repayable on demand (USD 10 million facility)	<u>538,373</u>	<u>385,220</u>
10. INTEREST BEARING LIABILITIES		
Current		
Loan payable to Standard Chartered Bank	-	356,300,760
Total interest bearing liabilities	<u>-</u>	<u>356,300,760</u>
All the loans are denominated in United States dollars (USD).		
The loan was fully repaid during the year.		
11. CONTRIBUTED EQUITY		
<i>(a) Issued and paid up capital</i>	<u>1,500,000</u>	<u>1,500,000</u>
<i>(b) Movement in ordinary shares on issue</i>	No.	No.
- Opening balance	1,500,000	1
- Issued during the year	-	1,499,999
- End of financial year	<u>1,500,000</u>	<u>1,500,000</u>
12. DERIVATIVE LIABILITIES		
	31-Mar-16	31-Mar-15
	\$	\$
Derivative liabilities		
The derivative liability was fully settled in current year upon completion of designated loan [refer to Note 10].		
13. (ACCUMULATED LOSS)/RETAINED EARNINGS		
<i>Movement in retained earnings were as follows:</i>		
- Balance at the beginning of the year	87,713	81,658
- (Loss)/Profit for the year	<u>(607,456)</u>	<u>6,055</u>
- Balance at the end of year	<u>(519,743)</u>	<u>87,713</u>

ADANI MINERALS PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

14. STATEMENT OF CASH FLOWS	31-Mar-16	31-Mar-15
<i>(a) Reconciliation of operating profit after tax to net cash flows from operating activities;</i>		
(Loss)/Profit after income tax	(607,456)	6,055
<i>Adjustments for:</i>		
Depreciation	78,367	116,595
Loss on disposal of plant and equipment	631,687	-
<i>Changes in assets and liabilities:</i>		
Decrease/(increase) in receivables	1,002,107	4,635,833
Increase/(decrease) in trade and other payables	(950,630)	(4,638,488)
Increase/(decrease) in deferred taxes	(22,099)	(668)
Increase/(decrease) in income tax payable/(refund)	(44,097)	152,188
Net cash (used in) operations	87,879	271,515

(b) Reconciliation of cash and cash equivalents:

- Cash at bank and in hand	12,050	69,661
- Short-term deposits	-	-
	12,050	69,661

15. COMMITMENTS

As at 31 March 2016 there are no known commitments.

16. AUDITORS' REMUNERATION

Amounts received or due and receivable by the auditors of Adani Minerals Pty Ltd for auditing the accounts	8,000	8,000
	8,000	8,000

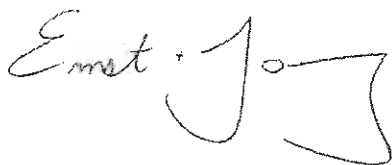
17. SUBSEQUENT EVENTS

There have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in financial years after the financial year ended 31 March 2016.

Auditor's Independence Declaration to the Directors of Adani Minerals Pty Ltd

As lead auditor for the audit of Adani Minerals Pty Ltd for the financial year ended 31 March 2016, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Ernst & Young



Andrew Carrick
Partner
Brisbane
11 May 2016

Independent auditor's report to the members of Adani Minerals Pty Ltd

We have audited the accompanying financial report, being a special purpose financial report of Adani Minerals Pty Ltd, which comprises the statement of financial position as at 31 March 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal controls as the directors determine are necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

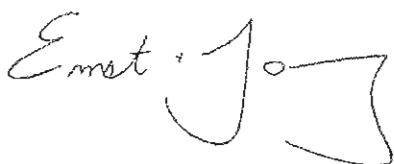
Opinion

In our opinion the financial report of Adani Minerals Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 31 March 2016, and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.



Ernst & Young



Andrew Carrick
Partner
Brisbane
11 May 2016