



ADANI MINERALS PTY LTD

A.C.N. 151 649 740

REDUCED DISCLOSURE FINANCIAL REPORT

**FOR THE YEAR ENDED
31 MARCH 2018**

Adani Minerals Pty Ltd

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Adani Minerals Pty Ltd

Directors' report

Year ended 31 March 2018

Your directors submit their report for the year ended 31 March 2018.

DIRECTORS

The names of the directors of Adani Minerals Pty Ltd (the "Company") in office during the financial year and up to the date of this report are:

Samir Vora
Praveen Khandelwal

COMPANY SECRETARY

The Company Secretary of Adani Minerals Pty Ltd during the financial year and up to the date of this report:

Rajesh Gupta

CORPORATE INFORMATION

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

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

Level 25, 10 Eagle Street
Brisbane, Queensland, Australia.

EMPLOYEES

As at 31 March 2018, the Company had no employees (2017: no employees).

PRINCIPAL ACTIVITIES

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

RESULTS and DIVIDENDS

The loss after tax for the Company for the year ended 31 March 2018 was \$8,076 (2017: profit after tax of \$51,237).

No dividend has been paid nor recommended.

REVIEW OF OPERATIONS

During the year the Company has been engaged in resources related trading activities.

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.

Adani Minerals Pty Ltd

Directors' report (continued)

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There have been no other 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 2018.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

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 not subject to any environmental regulations.

INSURANCE OF DIRECTORS AND INDEMNITIES

During the financial year, the Company paid premiums in respect of Directors' and Officers' Liability Insurance contract. The insurance contracts 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.

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

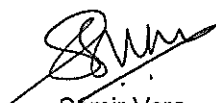
A copy of the auditor's independence declaration as required under *section 307C of the Corporations Act 2001* is set out on page 5.

NON-AUDIT SERVICES

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

This report is made in accordance with a resolution of directors.

On behalf of the Board



Samir Vora
Director

Brisbane, Queensland, 9 May 2018

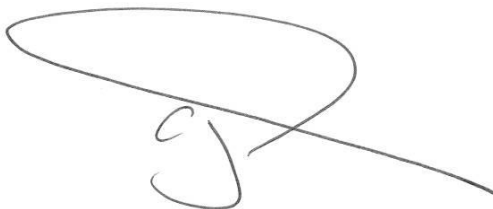
Auditor's Independence Declaration to the Directors of Adani Minerals Pty Ltd

As lead auditor for the audit of Adani Minerals Pty Ltd for the financial year ended 31 March 2018, 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
9 May 2018

Adani Minerals Pty Ltd

Statement of comprehensive income

For the year ended 31 March 2018

		Year ended 31 March 2018	Year ended 31 March 2017
	Notes	\$	\$
Other income	2	-	73,710
General and administration expenses		(12,697)	(21,163)
Foreign exchange gain/(loss), net		1,417	(912)
Finance costs		(257)	-
(Loss)/profit before tax		(11,537)	51,635
Income tax benefit/(expense)	3	3,461	(398)
(Loss)/profit for the year		(8,076)	51,237
Other comprehensive income		-	-
Total comprehensive (loss)/profit for the year		(8,076)	51,237

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Adani Minerals Pty Ltd

Balance sheet

As at 31 March 2018

		31 March 2018	31 March 2017
	Notes	\$	\$
Assets			
Current assets			
Cash on hand and at bank		3,790	11,245
Other receivables	4	300	-
Due from related parties	5	-	1,574,412
Total current assets		4,090	1,585,657
Non-current assets			
Due from related parties	5	1,568,912	-
Loans to related parties	6	28,049,316	-
Total non-current assets		29,618,228	-
Total assets		29,622,318	1,585,657
Liabilities			
Current liabilities			
Trade and other payables		9,100	9,000
Other liabilities	7	15,655,577	-
Non-Interest bearing liabilities	8	12,931,810	539,289
Total current liabilities		28,596,487	548,289
Non-current liabilities			
Deferred tax liabilities		2,413	5,874
Total non-current liabilities		2,413	5,874
Total liabilities		28,598,900	554,163
Net assets		1,023,418	1,031,494
Equity			
Contributed equity	9	1,500,000	1,500,000
Accumulated losses		(476,582)	(468,506)
Total equity		1,023,418	1,031,494

The above balance sheet should be read in conjunction with the accompanying notes.

Adani Minerals Pty Ltd

Statement of changes in equity

For the year ended 31 March 2018

For the year ended 31 March 2018

	Contributed equity	Accumulated losses	Total
	\$	\$	\$
At 1 April 2017	1,500,000	(468,506)	1,031,494
Loss for the year	-	(8,076)	(8,076)
Total comprehensive loss	-	(8,076)	(8,076)
At 31 March 2018	1,500,000	(476,582)	1,023,418

For the year ended 31 March 2017

At 1 April 2016	1,500,000	(519,743)	980,257
Profit for the year	-	51,237	51,237
Total comprehensive income	-	51,237	51,237
At 31 March 2017	1,500,000	(468,506)	1,031,494

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Adani Minerals Pty Ltd

Statement of cash flows

For the year ended 31 March 2018

	Year ended 31 March 2018	Year ended 31 March 2017
Notes	\$	\$
Cash flows from/(used in) operating activities		
Receipts from customers	15,657,788	15,000
Payments to suppliers	(12,897)	(18,434)
Finance costs paid	(257)	-
Net cash from/(used in) operating activities	15,644,634	(3,434)
Cash flows from/(used in) investing activities		
Net cash flows from/(used in) investing activities	-	-
Cash flows from/(used in) financing activities		
Proceeds from borrowing	12,101,902	-
Net movement in related party balances	(27,753,991)	2,629
Net cash flows (used in)/from financing activities	(15,652,089)	2,629
Net decrease in cash at bank and on hand	(7,455)	(805)
Cash at bank and on hand at 1 April	11,245	12,050
Cash at bank and on hand at 31 March	3,790	11,245

The above statement of cash flows should be read in conjunction with the accompanying notes.

Adani Minerals Pty Ltd

Notes to the financial statements

For the year ended 31 March 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The general purpose financial report of Adani Minerals Pty Ltd (the "Company") for the year ended 31 March 2018 was authorised for issue in accordance with a resolution of the directors on 9 May 2018.

(a) Basis of accounting

(i) *Statement of compliance*

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The Company is a for-profit, private sector entity which is not publicly accountable. Therefore, the financial statements for the Company are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB - RDR).

The Company has adopted AASB 1053 *Application of Tiers of Australian Accounting Standards* for the financial year beginning on 1 April 2017. The Company prepared its most recent previous financial statements in the form of special purpose financial statements applying all the recognition and measurement requirements of applicable Australian Accounting Standards. Accordingly, there is no effect on the Company's financial position, financial performance or cash flows from adopting AASB 1053.

The Company is limited by shares for the purpose of preparing the financial statements. The financial report has also been prepared on a historical cost basis and is presented in Australian dollars.

(ii) *Going Concern*

During the year ended 31 March 2018, the Company made a loss of \$8,076, and as at 31 March 2018, the Company's current liabilities exceed its current assets by \$28,592,397. This is chiefly due to the non-interest bearing loan from a related party and the receipt of advances (refer Note 8).

The ability of the Company to continue as a going concern is dependent upon the ongoing support of its shareholders. The ultimate parent company, Adani Enterprises Limited has agreed to not call on Group to repay any loans or other amounts owing to it or entities under its control, if after payment of the loans or the other amounts, the Company would not be able to meet their debts as and when they fall due for a period not less than twelve months from the date of these financial statements. Additionally, Adani Enterprises Limited, in its own capacity or through entities under its control has agreed to provide the financial support to the Company for a period at least not less than twelve months from the date of these financial statements. Based on the letter of support received, the Directors of the Company are satisfied funds will be available to meet the planned activities and contractually committed for at least 12 months from the date of the authorisation of these financial statements.

(iii) *New and amended standards and interpretations*

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 April 2017. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The nature and the impact of each new standard or amendment is described below:

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance (continued)

(iii) *New and amended standards and interpretations (continued)*

► AASB 2016 - 1 Amendments to Australian Accounting Standards - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of deductible temporary difference related to unrealised losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The Company applied amendments retrospectively. However, their application has no effect on the Company's financial position and performance as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

► AASB 2016 - 2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107

(c) Foreign currency translation

The Company's functional currency is the Australian dollar, being the currency of the primary economic environment in which they operate. The general 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.

(d) 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.

(e) Income taxes

Current tax

Current tax is calculated by preference 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 reporting date between the tax bases of assets and liabilities and their carrying amount for financial purposes.

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Income taxes (continued)

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 statement of comprehensive income, 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.

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) 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 at bank and on hand includes deposits at call which are readily convertible to cash on hand, which are as defined above, net of outstanding bank overdrafts.

(h) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

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

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments

A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) *Financial assets - initial recognition and measurement*

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss (FVTPL), loans and receivables, held-to-maturity investments, available-for-sale (AFS) financial assets, or derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) *Financial assets - subsequent measurement*

The Company currently only has cash and short term deposits and loans and receivables as financial assets.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of comprehensive income under finance costs for loans and in other operating expenses for receivables.

(iii) *Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- ▶ The rights to receive cash flows from the asset have expired; or
- ▶ The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iv) *Impairment of financial assets*

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include: indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and observable data indicating that there is measureable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(v) *Financial liabilities - initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as loans and borrowings, or trade and other payables as appropriate.

All financial liabilities are recognised initially at net of directly attributable transactions costs.

The Company's financial liabilities include trade and other payables and non-interest bearing loans.

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

(vi) *Financial liabilities - subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification, as described below.

Loans and borrowings and trade and other payables

This category is the most relevant to the Company. After initial recognition, interest bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of comprehensive income.

(vii) *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(viii) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(j) 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.

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction and production of 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 the asset. All other borrowing costs are expensed in the period they occur.

Deferred borrowing cost are amortised over the life of the loan based on the effective interest method.

(l) Contributed equity

Ordinary shares and additional capital contributions are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

	Year ended 31 March 2018	Year ended 31 March 2017
	\$	\$
2 OTHER INCOME		
Gain from sale of asset	-	73,710
3 INCOME TAX		
(a) Income tax expenses		
<i>Current tax</i>		
current tax on losses for the year	(53,352)	-
Total current tax expense	(53,352)	-
<i>Deferred income tax</i>		
Increase in deferred tax liabilities	49,891	398
Total deferred tax expense/(benefit)	49,891	398
Income tax (benefit)/expense	(3,461)	398
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Accounting (losses)/profit before income	(11,537)	51,635
At Australia's statutory income tax rate of 30% (2017: 30%)	(3,461)	15,490
Tax losses utilised during the year	-	(15,092)
At the effective income tax rate of 30% (2017: 0.8%)	(3,461)	398
Income tax expense		
<i>Current income tax</i>		
Current income tax benefit	(53,352)	-
<i>Deferred income tax</i>		
Relating to the origination and reversal of temporary differences	49,891	398
	(3,461)	398
(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	614,324	436,579
Potential tax benefit @ 30%	184,297	130,974

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

	31 March 2018 \$	31 March 2017 \$
4 OTHER RECEIVABLES		
GST receivables	300	-
Provision for income tax	-	-
	<u>300</u>	<u>-</u>
5 DUE FROM RELATED PARTIES		
Current		
Receivables from Adani Mining Pty Ltd*	-	1,574,412
Non-current		
Receivables from Adani Mining Pty Ltd*	<u>1,568,912</u>	<u>-</u>
* The amount is non-interest bearing repayable on demand.		
6 LOANS TO RELATED PARTIES		
Non-current		
Non-interest bearing loans to Adani Mining Pty Ltd*	<u>28,049,316</u>	<u>-</u>
* This is a USD21,499,801 interest free loan for a period of 7 years.		
7 OTHER PAYABLES		
Advances received	<u>15,655,577</u>	<u>-</u>
8 NON-INTEREST-BEARING LIABILITIES		
Current		
Loan payable to Adani Mining Pty Ltd - repayable on demand	537,811	539,289
Loan payable to Ostoorat Al Qad General Trading LLC - repayable on demand*	12,393,999	-
	<u>12,931,810</u>	<u>539,289</u>
*This is a USD9,500,000 interest free loan		
9 CONTRIBUTED EQUITY		
(a) Issued and paid up capital		
Ordinary shares fully paid	<u>1,500,000</u>	<u>1,500,000</u>
(b) Movement in ordinary shares on issue		
	No.	No.
Opening balance	1,500,000	1,500,000
Issued during the year	-	-
End of financial year	<u>1,500,000</u>	<u>1,500,000</u>

Adani Minerals Pty Ltd

Notes to the financial statements (continued)

For the year ended 31 March 2018

9 CONTRIBUTED EQUITY (continued)

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

10 RELATED PARTY DISCLOSURES

(a) Parent entities

The Company is controlled by the following entities:

Name	Type	Ownership interest	
		31 March 2018	31 March 2017
Adani Global Pte Ltd	Immediate parent entity	100%	100%
Adani Enterprises Ltd	Ultimate parent entity and controlling party	100%	100%

There were no transactions between the Company and Adani Enterprises Ltd, the ultimate parent during the financial year (2017: \$Nil)

(b) Outstanding balances arising from sales of goods and services

Related party receivables is reported in Notes 5.

31 March 2018	31 March 2017
\$	\$

(c) Loans to/from related parties

(i) Loans to other related parties

Beginning of the year

Loans advanced

Movements in foreign exchange rates

Closing balance

-	-
27,753,991	-
295,325	-
28,049,316	-

Refer to Note 6 for terms and conditions.

(ii) Loans from other related parties

Beginning of the year

Movements in foreign exchange rates

Closing balance

539,289	538,373
(1,478)	916
537,811	539,289

Refer to Note 8 for terms and conditions.

(d) Key Management Personnel

The Company received key management personnel services provided by other related entities.

11 SUBSEQUENT EVENTS

There have been no other 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 period ended 31 March 2018.

Adani Minerals Pty Ltd

Directors' declaration

In the directors' opinion:

- (a) The financial statements and notes of the Company are in accordance with the *Corporation Act 2001*, including:
 - (i) complying with Accounting Standards - Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's balance sheet as at 31 March 2018 and of its performance for the year ended on that date; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Samir Vora
Director

Brisbane, 9 May 2018

Independent Auditor's Report to the Members of Adani Minerals Pty Ltd

Opinion

We have audited the financial report of Adani Minerals Pty Ltd (the Company), which comprises the balance sheet as at 31 March 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2018 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the financial statements, 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* and to meet *Section 3CA* of the *Taxation Administration Act 1953*. Our report is intended solely for Adani Minerals Pty Ltd and its members and should not be used by parties other than Adani Minerals Pty Ltd and its members. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

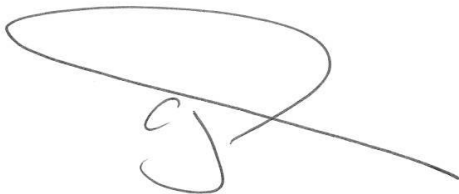
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young



Andrew Carrick
Partner
Brisbane
9 May 2018