



HUDSON RESOURCES LIMITED
ACN 008 720 965

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

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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 31 December 2015 and any public announcements made by Hudson Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

CORPORATE DIRECTORY

Hudson Resources Limited

ACN 008 720 965
ABN 71 008 720 965

Registered and Corporate Office

Level 2
Hudson House
131 Macquarie Street
Sydney NSW 2000
Telephone: +61 2 9251 7177
Fax: +61 2 9251 7500
Website: www.hudsonresources.com

Auditors

K.S. Black & Co
Level 5
350 Kent Street
Sydney NSW 2000
Telephone: +61 2 8839 3000

Lawyers

Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000
Telephone: +61 2 9253 9999

Bankers

St George Bank Limited
Level 14, 182 George St
Sydney NSW 2200
Telephone: +61 2 9236 2230

Australia & New Zealand Banking Group Limited
20 Martin Place
Sydney NSW 2000
Telephone: +61 2 9227 1818

Directors

Vincent Tan
Richard Yap
Benjamin Amzalak

Company Secretary

Julian Rockett

REVIEW OF OPERATIONS

Attapulгите

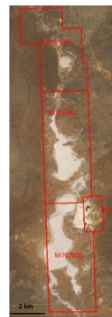
- Hudson operates the Lake Nerramyne Attapulгите Mine near Geraldton Western Australia which commenced operations in 1978.
- Lake Nerramyne is Australia’s largest known deposit of Attapulгите with premium quality with superior absorption and adsorption capabilities.
- 4 mining leases hosting attapulгите clay resource encompassing an area of 2,700 hectares. The current Inferred Resource 23.4 million tonnes JORC was defined from an area of approximately 40% of the total area.
- A total of 6,975 tonnes at \$20 per tonne of Attapulгите ore was sold during the half year.



Project Location



2014 mining campaign



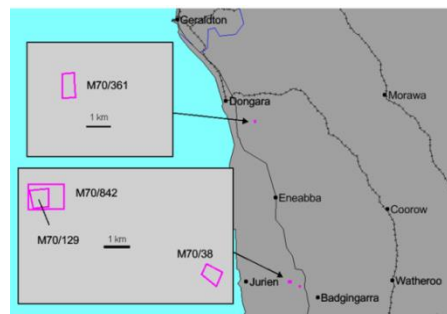
4 Mining Leases



Lump raw ore windrow

WA Diatomite

- Hudson holds 4 mining leases over diatomite deposits located between Perth & Geraldton WA.
- Current inferred resource 1.03Mt, including principal deposits at Badgingarra (Inferred resource 330,000t) and Dongara (inferred resource 500,000t).
- 20,000 tonnes stockpile at Badgingarra.
- Badgingarra Diatomite has been used in chemical free insecticide.
- Testing has demonstrated effective use as a slow release agent in fertilizer application.
- A research program is underway to test diatomite suitability in horticulture, agriculture, insecticide, stockfeed supplement and mine rehabilitation application.



4 Diatomite Mining Leases



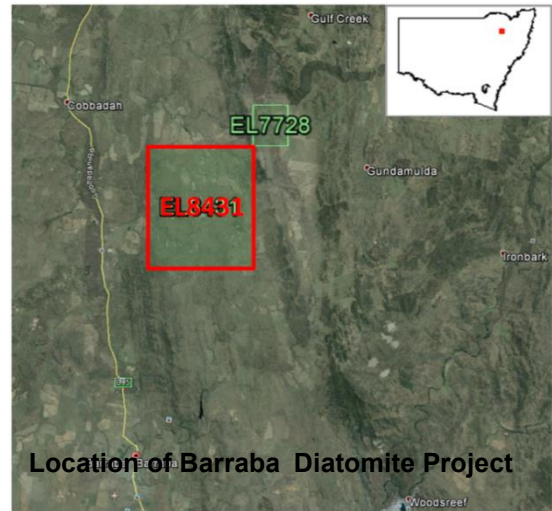
Badgingarra Stockpile



Raw Ore

Barraba Diatomite

- Exploration Licence granted for a term of 3 years.
- Mining Lease Application will be submitted in due course.
- In-ground Diatomite ~660,000m³.
- Geological setting confirms high potential exists to discover new commercial deposits of both diatomite and ball clay.



Location of Barraba Diatomite Project

Vasse Coal Project

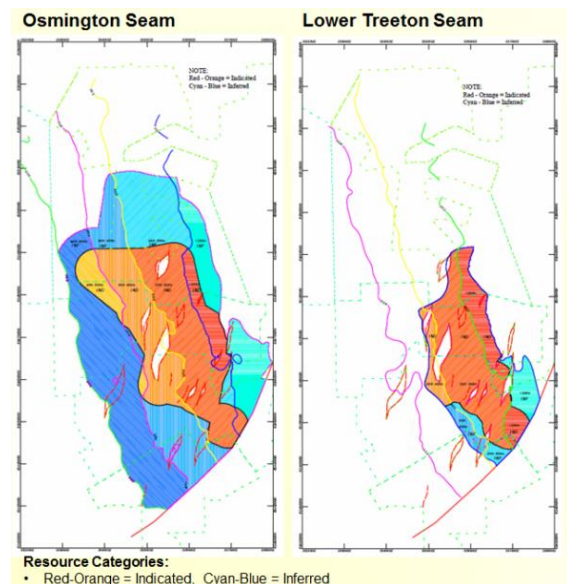


Vasse Coal Project Location



Core Shed

- The Vasse Coal Project constitutes 6 coal mining leases, covering the majority of the Vasse Shelf coalfield in the southwest of WA.
- Superior quality premium coal, suitable for higher value Corex product. The only high energy black coal resource in this region.
- Feasibility Assessment with Mine Plan for up to 1.6 Mtpa ROM over 19 year mine life.
- 117 Mt JORC resource, indicated resource of 52.7Mt.



Vasse Coal seams

Other Investments

- **Land & Building Complexes** - 14.5 hectares property located at Geraldton Western Australia with a lease income of approximately A\$427,000 p.a. The property includes industrial complexes consisting of industrial and packaging sheds, warehouses and office facilities. The property has a value of A\$3.9 million at the end of June this year.
- **Investment in ASX-listed Company** - Hudson holds 33.7 million shares in Sovereign Gold Company Ltd (ASX:SOC).

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Hudson Resources Limited (**Company**) and the entities it controlled at the end of or during the period ended 30 June 2016 and the Auditors' Review Report thereon.

Principal activities	<p>The principal activities of the Group during the reporting period were as follows:</p> <ul style="list-style-type: none">• The mining and sale of attapulgitite• Exploration and development of attapulgitite mining leases• Investment and development of commercial property in Geraldton <p>There was no change to the nature of these activities during the reporting period.</p>
Review of operations	<p>Information on the operations and financial position of the consolidated entity and its business strategies and prospects are set out in the Review of Operations on pages 2 to 3 of this report.</p>
Financial performances	<p>The net consolidated profit of the Group for the six months ended 30 June 2016 was \$0.39million (2015: Loss \$9.33 million).</p>
Dividends	<p>The Directors of the Company do not recommend that any amount be paid by way of dividend. The Company has not paid or declared any amount by way of dividend since the commencement of the financial year.</p>

Directors

The following persons held office as Directors of Hudson Resources Limited since the start of the financial year, to the date of this report, unless otherwise stated.

Vincent Tan	Executive Director	Appointed 03 Feb 2015
Richard Yap	Executive Director	
Benjamin Amzalak	Non-Executive Director	

Rounding

The amounts contained in the half-year financial report have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/100. The Company is an entity to which the Class Order applies.

Events Subsequent To Balance Date

There are no other matters or circumstances which have arisen since 30 June 2016 that have significantly affected or may significantly affect:

- the operations, in the financial half year subsequent to 30 June 2016, of the consolidated entity;
- the results of those operations; or
- the state of affairs, in the financial half year subsequent to 30 June 2016, of the consolidated entity.

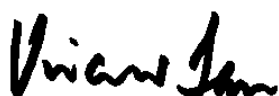
Tenement List

Licence No	Project	Status	Date Applied	Date Granted	Expiry Date	Area Sq kms
HRS - Attapulgitte						
M70/128	Lake Nerramyne	Granted	5-Dec-83	21-Jun-85	20-Jun-27	1.20
M70/389	Lake Nerramyne	Granted	5-Feb-88	28-Jul-89	27-Jul-31	7.20
M70/483	Lake Nerramyne	Granted	6-Jan-89	31-Jul-90	30-Jul-32	9.51
M70/606	Lake Nerramyne	Granted	2-Feb-90	30-Jul-90	29-Jul-32	8.91
					total	26.83
HRS - Diatomite						
M70/129	Badgingarra	Granted	9-Dec-83	18-Jul-85	17-Jul-27	0.46
M70/842	Badgingarra	Granted	23-Feb-94	17-Nov-94	16-Nov-36	0.84
M70/38	Drak	Granted	2-May-83	24-Feb-84	23-Feb-26	0.36
M70/361	Dongara	Granted	3-Nov-87	19-Nov-90	18-Nov-32	0.50
					total	2.17
VasseCo Pty Ltd						
M70/275	Treeton	Granted	30-Jun-86	18-Apr-89	17-Apr-31	1.09
M70/276	Treeton	Granted	30-Jun-86	18-Apr-89	17-Apr-31	7.26
M70/393	RTE	Granted	15-Mar-88	12-Oct-89	11-Oct-31	7.44
M70/394	RTE	Granted	15-Mar-88	12-Oct-89	11-Oct-31	7.69
M70/395	RTE	Granted	15-Mar-88	12-Oct-89	11-Oct-31	3.47
M70/504	RTE	Granted	14-Mar-89	4-Jul-91	3-Jul-33	2.62
					total	29.58
Ashford Coking Coal Pty Ltd						
EL 8431	Barraba	Granted	17-Sep-14	26-Feb-16	26-Feb-19	27
					total	27
					Total	85.58

Auditor's Independence Declaration

We have obtained an independence declaration from our auditors, K. S. Black & Co which appears on page 6 of this report.

Signed in accordance with a resolution of the Directors:



Vincent Tan
Chief Executive Officer/Director



Benjamin Amzalak
Director

Sydney
29 August 2016

Level 6, 350 Kent Street
Sydney NSW 2000

75 Lyons Road
Drummoyne NSW 2047

K.S. Black & Co.

Chartered Accountants

ABN 48 117 620 566

20 Grose Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF HUDSON RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 30 June 2016 there has been:

- a. no contraventions of the auditor independence requirements as set out in 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.

The entities is in respect of Hudson Resources Limited and the entities it controlled during the period.

KS Black & Co
Chartered Accountants

Scott Bennison
Partner

Dated in Sydney on this 29th day of August 2016



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Scott Bennison
Partner



Liability limited by a
scheme approved
under Professional
Standards Legislation

Phone 02 8839 3000 Fax 02 8839 3055

www.ksblack.com.au



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Hudson Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Hudson Resources Limited, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the consolidated statement in changed in equity and the statement of cash flows for the half-year ended on that date, noted comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the entity comprising the company at the half-year's end or from time to time during the half-year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 Performed by 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 *Corporation Act 2001* including: giving a true and fair view of the consolidated entity's 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 Hudson Resources Limited, ASRE 2410 required 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, primary of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is subsequently less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurances 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 Hudson Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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 Hudson Resources Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2016 and of its performance for the financial half-year ended on that date; and
- b) complying with Australian Accounting Standards *AASB 134 Interim Financial Reporting and Corporations Regulations 2001*

KS Black & Co
Chartered Accountants



Scott Bennison
Partner

Dated: 29/8/16

DECLARATION BY DIRECTORS

The Directors of the Company declare that:

1. The financial statements and notes, set out on pages 10 to 18 , are in accordance with the *Corporations Act 2001*, and:
 - i give a true and fair view of the financial position of the consolidated entity as at 30 June 2016 and of its performance for the half-year ended on that date; and
 - ii comply with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Vincent Tan
Chief Executive Officer/Director



Benjamin Amzalak
Director

Sydney
29 August 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2016

	Notes	Consolidated	
		Half-year ended 30-Jun-16 \$'000	Half-year ended 30-Jun-15 \$'000
Revenue	2	352	340
Other income and expenses	2	1,050	(8,681)
Cost of sales and administration		(876)	(744)
Finance expenses	2	(131)	(246)
		395	(9,331)
PROFIT/(LOSS) BEFORE INCOME TAX		395	(9,331)
Income tax (expense)/credit		-	-
PROFIT/(LOSS) AFTER TAX		395	(9,331)
Other comprehensive Income			
Other comprehensive income before income tax		-	-
Income tax expenses		-	-
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		395	(9,331)
Comprehensive income attributable to non-controlling interest		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		395	(9,331)
		395	(9,331)
EARNINGS/(LOSS) PER SHARE		Cents	Cents
Basic earnings/(loss) per share		0.33	(7.88)
Diluted earnings/(loss) per share		0.33	(7.88)

This Statement is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Notes	Consolidated	
		Jun 2016	Dec 2015
		\$'000	\$'000
ASSETS			
Current assets			
Cash and cash equivalents	3	166	310
Trade and other receivables		1,128	129
Financial assets		82	65
Inventories		147	221
Other current assets		18	10
Total current assets		1,541	735
Non-current assets			
Trade and other receivables		204	122
Financial Assets	4	4,500	5,500
Plant and equipment		7	13
Investment property	5	3,900	3,900
		8,611	9,535
Total Assets		10,152	10,270
LIABILITIES			
Current Liabilities			
Trade and other payables	6	911	800
Financial liabilities	7	14	14
Employee benefits provision		8	10
Total current liabilities		933	824
Non-current liabilities			
Trade and other payables	6	-	615
Financial liabilities	7	2,709	2,716
Provisions		263	263
Total non-current liabilities		2,972	3,594
Total Liabilities		3,905	4,418
Net Assets		6,247	5,852
EQUITY			
Issued capital	8	26,925	26,925
Reserves		12,649	12,649
Accumulated losses		(33,327)	(33,722)
Total Equity		6,247	5,852

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2016

Consolidated	Notes	Issued Capital \$'000	Reserve \$'000	Accumulated Losses \$'000	Total Equity \$'000
Balance at 31 December 2014		26,925	12,608	(24,147)	15,386
Profit/(Loss) for the period		-	-	(9,331)	(9,331)
Movement during the period		-	41	-	41
Balance at 30 June 2015		26,925	12,649	(33,478)	6,096
Balance at 30 June 2015		26,925	12,649	(33,478)	6,096
Profit/(Loss) for the period		-	-	(244)	(244)
Movement during the period		-	-	-	-
Balance at 31 December 2015	8	26,925	12,649	(33,722)	5,852
Balance at 31 December 2015		26,925	12,649	(33,722)	5,852
Profit/(Loss) for the period		-	-	395	395
Movement during the period		-	-	-	-
Balance at 30 June 2016	8	26,925	12,649	(33,327)	6,247

This Statement is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE HALF-YEAR ENDED 30 JUNE 2016

	Notes	Consolidated	
		Half-year ended	Half-year ended
		30-Jun-16	30-Jun-15
		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		374	445
Interest received		2	2
Payments to suppliers, employees and exploration expenses		(720)	(988)
Interest paid		(77)	(51)
Net cash (used in)/provided by from operating activities		(421)	(592)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		65	40
Acquisition of investment		(44)	-
Repayment from other parties		1,000	1,822
Advance to other parties		(737)	(2,379)
Net cash provided by/(used in) from investing activities		284	(517)
CASH FLOWS FROM FINANCING ACTIVITIES			
Bank borrowing		-	2,700
Repayment of borrowings		(7)	(1,715)
Net cash (used in)/provided by from financing activities		(7)	985
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(144)	(124)
Cash and cash equivalents at the beginning of the reporting		310	287
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	3	166	163

This Statement is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2016

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

Reporting Entity

Hudson Resources Limited (the "**Company**") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 30 June 2016 comprises the Company and its controlled entities (together referred to as the "**consolidated entity**").

The consolidated annual financial report of the consolidated entity as at and for the year ended 31 December 2015 is available upon request from the Company's registered office.

Statement of Compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the consolidated entity as at and for the year ended 31 December, 2015.

This consolidated interim financial report was approved by the Board of Directors.

The consolidated entity is of a kind referred to in ASIC Class order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgement made by management in applying the consolidated entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2015.

Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Going Concern

This financial report has been prepared on a going concern basis

The investment property is fully leased and generates positive cash flow to the group.

The directors believe the company will be able to pay its debts as and when they fall due and to fund near term anticipated activities.

2. REVENUE AND EXPENSES**Specific items**

Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:

	Consolidated	
	Half-year ended 30-Jun-16 \$'000	Half-year ended 30-Jun-15 \$'000
(i) Revenue		
Sale of mineral product and rental income	<u>352</u>	<u>340</u>
(ii) Other Income and expenses		
Gain / (loss) on disposal of Investment	40	(1,342)
Interest Income	10	19
Change in fair value of investment property	-	822
Change in fair value of investment	-	(5,360)
Provision for doubtful debt recovery	1,000	(2,820)
	<u>1,050</u>	<u>(8,681)</u>
(iii) Financial and Other Expenses		
Depreciation and amortisation	(6)	(6)
Interest paid	(124)	(215)
Other	(1)	(25)
	<u>(131)</u>	<u>(246)</u>

3. CASH AND CASH EQUIVALENTS

	Consolidated	
	As at 30-Jun-16 \$'000	As at 31-Dec-15 \$'000
Cash at bank	(23)	121
Cash held in trust security deposits/bank guarantees	189	189
	<u>166</u>	<u>310</u>

4. FINANCIAL ASSETS

	Consolidated	
	As at 30-Jun-16 \$'000	As at 31-Dec-15 \$'000
Non-Current		
Investment in preference shares (note)	9,000	10,000
Provision for diminution in value	(4,500)	(4,500)
	<u>4,500</u>	<u>5,500</u>

In December 2014, Company invested \$13.0 million in unsecured, perpetual, non-cumulative preference share of Hudson Pacific Group Limited, a public unlisted entity. Hudson Pacific Group Limited redeemed \$1.0 million (2015: \$3.0 million) during the reporting period. The carrying amount is considered approximate to its fair value.

5. INVESTMENT PROPERTY

	Consolidated	
	As at 30 Jun 2016	As at 31 Dec 2015
	\$'000	\$'000
At fair value	3,900	3,900

Valuation Basis

The basis of the valuation of Geraldton investment properties is fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The valuations were based on independent assessments made by member of the Australian Property Institute during the reporting period.

6. TRADE AND OTHER PAYABLES

	Consolidated	
	As at 30 Jun 2016	As at 31 Dec 2015
	\$'000	\$'000
Current		
Unsecured		
Trade Payables	56	32
Other and accrued payables	855	768
	911	800
Non-Current		
Unsecured		
Payable – related entities	-	615
	-	615

7. FINANCIAL LIABILITIES

	Consolidated	
	As at 30 Jun 2016	As at 31 Dec 2015
	\$'000	\$'000
Current		
Secured		
Leased liabilities	14	14
	14	14
Non-Current		
Secured		
Leased liabilities	9	16
Bank borrowings	2,700	2,700
	2,709	2,716

Security for borrowings

Bank loan is secured by first mortgages over the Group's investment property at Geraldton and fixed and floating charges over assets of the Group as specified below. The loans are repayable in year 2020.

8. ISSUED CAPITAL

	Consolidated Entity		Consolidated Entity	
	30-Jun-16	31-Dec-15	30-Jun-16	31-Dec-15
	Number of Shares	Number of Shares	\$'000	\$'000
Share capital				
Ordinary shares	118,385,822	118,385,822	26,925	26,925

(a) Movements in ordinary share capital:

Details	Number of Shares	Number of Shares	\$'000	\$'000
Balance	118,385,822	118,385,822	26,925	26,925
Movement during the period	-	-	-	-
Balance	118,385,822	118,385,822	26,925	26,925

(b) Terms and Conditions

Each ordinary share participates equally in the voting rights of the Parent Entity. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Parent Entity in proportion to the number of and amounts paid on the shares held.

(c) Options

There are no unissued ordinary shares of the Company under option at the date of this report.

9. SEGMENT REPORTING

The consolidated entity operates one business being the mining, sale of mineral products and related development projects in Australia.

10. CONTINGENT LIABILITIES AND ASSETS

There are no other material contingent liabilities as at the date of this report.

Guarantees

Hudson Resources Limited and its wholly owned controlled entities entered into a Deed of Cross Guarantee under which each company guarantees the debts of the others. No deficiency of assets exists in the consolidated entity as a whole. No material losses are anticipated in respect of any of the above contingent liabilities.

11. COMMITMENTS

	Consolidated	
	As at 30-Jun-16 \$'000	As at 31-Dec-15 \$'000
Exploration expenditure commitments		
Tenement exploration expenditure	10,833	11,118
Tenement lease payment	1,586	2,572
	12,419	13,690

The minimum exploration expenditure commitments and lease payments on the Group's exploration tenements totalling approximately \$12.4 million over the remaining term of the tenements.

COMMITMENTS continued**Remuneration expenditure commitments**

Salary and other remuneration commitments under long-term service contracts existing at reporting date are not recognised as liabilities

	Consolidated	
	As at 30-Jun-16	As at 31-Dec-15
	\$'000	\$'000
Within one year	200	200
Later than one year but not later than 5 years	800	800
Later than 5 years	-	-
	1,000	1,000

During the period there was a service agreement in place formalising the terms of remuneration of Vincent Tan.

Service Agreement

The Company has entered into a Corporate Service Agreement with Hudson Corporate Limited pursuant to which Hudson Corporate Limited has agreed to provide its office management, registered office, administrative, accounting, compliance and secretarial services.

The term of the Corporate Services Agreement is two years and the fee payable is that amount agreed between the parties from time to time. The terms of the Services Agreement provide that Hudson Corporate Limited shall act in accordance with the Directions of the Board.

12. EVENTS SUBSEQUENT TO BALANCE DATE

At the date of this report there are no other matters or circumstances, other than noted above, which have arisen since 30 June 2016 that have significantly affected or may significantly affect:

- the operations, the financial half year subsequent to 30 June 2016, of the Group;
- the results of those operations; or
- the state of affairs, the financial half year subsequent to 30 June 2016, of the Group.