



Tian Poh Resources Limited

(ABN 46 168 910 978)

Half-Year Report

30 June 2020

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Corporate Information

ABN 46 168 910 978

Directors

Mr Poh Kay Ping *Managing Director & CEO*
Mr Tan-Kang Kee Sing *Non-Executive Director*
Mr Michael van Uffelen *Non-Executive Director*

Company Secretary

Mr Michael van Uffelen

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Share Registry

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Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Directors' Report

Your Directors present their report on Tian Poh Resources Limited (the "Company") and the entities it controlled (the "Group") for the half-year ended 30 June 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of directors who held office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Poh Kay Ping	Managing Director & CEO
Mr Tan-Kang Kee Sing	Non-Executive Director
Mr Michael van Uffelen	Non-Executive Director

Principal Activities

The principal activity during the period was the exploration for minerals in Mongolia.

Review of Operations

- In view of COVID-19 and following guidance on annual general meetings from the Australian Securities and Investment Commission the Company deferred its AGM, which was held on 22 July 2020. All resolutions were passed.
- Activities have been limited while the Company assesses funding options.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the period.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 15 and forms part of this Directors' report for the half-year ended 30 June 2020.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.



Mr KP Poh
Managing Director and CEO

Singapore, 11 September 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2020

	Note	30 June 2020 \$	30 June 2019 \$
Interest income		3,771	4,090
Finance costs	8	(62,603)	(19,635)
Employee benefits expense		(228,946)	(229,155)
General and administrative expenses		(28,228)	(94,566)
Professional Fees		(26,359)	(29,158)
Loss from operating activities		(342,365)	(368,424)
Income tax expense		-	-
Loss for the period after tax		(342,365)	(368,424)
- Other comprehensive income, net of tax		(783,137)	1,239
o Exchange differences on translation of foreign operations			
Total comprehensive (loss) for the year attributable to the owners		(1,125,502)	(367,185)
Basic and diluted (loss) per share (cents per share)		(0.1)	(0.1)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	As at 30 June 2020 \$	As at 31 December 2019 \$
CURRENT ASSETS			
Cash and cash equivalents		58,808	63,092
Trade and other receivables		28,751	35,772
Loans receivable	4	22,609	21,552
Total Current Assets		110,168	120,416
NON-CURRENT ASSETS			
Exploration and evaluation assets	5	4,350,321	5,134,648
Loans receivable	4	101,203	110,363
Other receivables		-	18,262
Total Non-Current Assets		4,451,524	5,263,273
TOTAL ASSETS		4,561,692	5,383,689
CURRENT LIABILITIES			
Trade and other payables	6	1,214,698	1,111,691
Financial liabilities	4	1,986,432	2,111,545
Total Current Liabilities		3,201,130	3,223,236
NON-CURRENT LIABILITIES			
Financial liabilities	4	431,522	105,911
Total Current Liabilities		431,522	105,911
TOTAL LIABILITIES		3,632,652	3,329,147
NET ASSETS		929,040	2,054,542
EQUITY			
Issued capital	7	13,819,982	13,819,982
Reserves		(801,305)	(18,168)
Accumulated losses		(12,089,637)	(11,747,272)
TOTAL SHAREHOLDERS EQUITY		929,040	2,054,542

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2020

	30 June 2020	30 June 2019
	\$	\$
Cash flows from Operating Activities		
Payments to suppliers and employees	(144,588)	(171,158)
Interest received	3,771	4,090
Net cash (outflow) from operating activities	(140,817)	(167,068)
Cash Flows from Investing Activities		
Payment for acquisition, exploration and evaluation costs	(1,034)	(44,310)
Receipt of loan repayments	6,677	6,677
Net cash inflow / (outflow) from investing activities	5,643	(37,633)
Cash Flows from Financing Activities		
Advances by related parties	130,890	33,167
Advances from other parties	-	175,596
Net cash inflow from financing activities	130,890	208,763
Net (decrease) / increase in cash and cash equivalents	(4,284)	4,062
Cash and cash equivalents at the beginning of the financial period	63,092	64,693
Cash and cash equivalents at the end of the financial period	58,808	68,755

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2020

	Ordinary Shares	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance as at 1 January 2020	13,819,982	(18,168)	(11,747,272)	2,054,542
Loss for the period	-	-	(342,365)	(342,365)
Net exchange differences on the translation of the financial reports of foreign subsidiaries	-	(783,137)	-	(783,137)
Total comprehensive loss for the period	-	(783,137)	(342,365)	(1,125,502)
Balance as at 30 June 2020	13,819,982	(801,305)	(12,089,637)	929,040

	Ordinary Shares	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance as at 1 January 2019	13,819,982	31,305	(10,298,418)	3,552,869
Loss for the period	-	-	(368,424)	(368,424)
Net exchange differences on the translation of the financial reports of foreign subsidiaries	-	1,239	-	1,239
Total comprehensive loss for the period	-	1,239	(368,424)	(367,185)
Balance as at 30 June 2019	13,819,982	32,544	(10,666,842)	3,185,684

The accompanying notes form part of these financial statements

1. CORPORATE INFORMATION

The financial report of Tian Poh Resources Limited (the "Company") for the half-year ended 30 June 2020 was authorised for issue in accordance with a resolution of the directors on 11 September 2020.

Tian Poh Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activity of the Group during the half-year was exploration and evaluation of mineral licences in Mongolia.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

These general purpose condensed consolidated financial statements for the half-year ended 30 June 2020 have been prepared in accordance with AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year financial report should be read in conjunction with the annual financial report of the Group as at 31 December 2019.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 30 June 2020 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Going concern

The Directors are satisfied that the going concern assumption has been appropriately applied in preparing the financial statements and the historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

For the period ended 30 June 2020, the Group made a net loss after income tax of \$342,365 (2019: \$368,424), net working capital deficiency of \$2,451,130 (2019: \$2,451,130); net operating cash outflows of \$140,817 (2019: \$167,068) and net investing cash inflows of \$5,643 (2019: cash outflows of \$37,633) for the period.

The COVID-19 pandemic, announced by the World Health Organisation on 31 January 2020, continues to have a negative impact on general business activity. The timing and extent of the impact and recovery from COVID-19 is unknown but it may have an impact on activities and potentially impact the ability for the Company to raise capital in the current prevailing market conditions.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group's ability to continue as a going concern and pay its debts as and when they fall due is dependent on the following:

- Active management of the current level of discretionary expenditure in line with the funds available to the Group;
- Shareholders Yeo Hui Hong and Yeo Hwee Bin agreeing to not call on the short-term loans payable by the Group until such time that the Group is in a position to repay;
- The holder of the convertible loan maturing 17 January 2021 agreeing to settle the debt by converting the note into shares or having the terms extended until such time that the Group is in a position to repay;

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

- The ability to raise additional funding through either debt facilities or capital raising; and
- Continued financial support from the Directors including cash advances and a willingness to not call upon loan balances.

The Directors believe the Group will continue as a going concern and be able to pay its debts as and when they fall due, for the following reasons:

- The Group has continued financial support from the Directors and their associated entities, in that they have confirmed in writing that they will not call upon their loans to be repaid within the next 12 months, unless sufficient funds are available to do so without affecting the Company's going concern; and
- The Directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are confident in the ability of the Group to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that may be necessary if the Group is unable to continue as a going concern.

Adoption of new or revised accounting standards and interpretations

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half-year.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Functional and presentation currency

These financial statements are presented in Australian dollars, which is the functional currency of Tian Poh Resources Limited. The functional currencies of the subsidiaries are Singapore Dollars and Mongolian Tugrik

3. SEGMENT REPORTING

The Group operates predominately in the mineral exploration industry. For management purposes, the Group is organised into one main operating segment, which involves the exploration for minerals. All of the Group activities are inter-related and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial results of the Group as a whole.

4. FINANCIAL ASSETS AND LIABILITIES

	At 30 June 2020	At 31 December 2019
	\$	\$
<i>Current assets</i>		
Loans receivable	22,609	21,552
	<u>22,609</u>	<u>21,552</u>
<i>Non-current assets</i>		
Loans receivable	101,203	110,363
	<u>101,203</u>	<u>110,363</u>
<i>Current liabilities</i>		
Related party loans (a)	1,035,317	878,326
Convertible notes and accrued interest (b)	254,775	547,570
Short term loans (c)	696,340	685,649
	<u>1,986,432</u>	<u>2,111,545</u>
<i>Non-current liabilities</i>		
Convertible notes and accrued interest (b)	431,522	105,911
	<u>431,522</u>	<u>105,911</u>

(a) Related party loans

\$18,871 advanced by Poh Altan Resources Company Ltd, a company controlled by Mr KP Poh, is repayable 7 days from demand and accrues interest of 6% per annum.

In addition, other related party loans from Mr KP Poh with a total of \$959,372 accrue interest at 6% per annum and have no fixed maturity date. During the period, an additional amount of \$130,890 was advanced under these terms, this amount has been included in the total above.

Other related party loan from Mr KP Poh with a total of \$57,074 is interest free and has no fixed maturity date.

(b) Convertible notes

The maturity date of and conversion prices of convertible notes were modified during the period as follow:

	Face Value		Maturity Date		Conversion Price (AUD)	
					Original	New
Currency	Amount	Original	New	Original	New	
AUD	75,000	17/4/19	31/12/22	0.015	0.01	
AUD	60,000	19/4/19	31/12/22	0.015	0.01	
SGD	16,050	15/3/19	31/12/22	0.015	0.01	
USD	192,000	19/4/19	31/12/22	0.02	0.01	

(c) Short term loans

Short term loans are repayable 7 days from demand and accrue interest of 6% per annum.

5. EXPLORATION AND EVALUATION ASSETS

	Half-year Ended 30 June 2020	Year Ended 31 December 2019
	\$	\$
Opening balance	5,134,648	5,557,841
Exchange rate difference	(785,361)	-
Impairment	-	(483,507)
Expenditure	<u>1,034</u>	<u>60,314</u>
At 30 June	<u>4,350,321</u>	<u>5,134,648</u>

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

6. TRADE AND OTHER PAYABLES

	At 30 June 2020	At 31 December 2019
	\$	\$
Trade payables	94,824	142,656
Accruals	<u>1,119,874</u>	<u>969,035</u>
	<u>1,214,698</u>	<u>1,111,691</u>

7. CONTRIBUTED EQUITY

	Number of shares	\$
<u>Movements in ordinary share capital:</u>		
Balance at 31 December 2019	386,512,810	13,819,982
Movements during the period	<u>-</u>	<u>-</u>
Balance at 30 June 2020	<u>386,512,810</u>	<u>13,819,982</u>
<u>Movements in ordinary share capital:</u>		
Balance at 31 December 2018	386,512,810	13,819,982
Movements during the period	<u>-</u>	<u>-</u>
Balance at 30 June 2019	<u>386,512,810</u>	<u>13,819,982</u>

8. FINANCE COSTS

	Half-year Ended 30 June 2020	Half-year Ended 30 June 2019
	\$	\$
Interest expense	(69,609)	(19,289)
Foreign currency gains	7,006	(346)
	<u>(62,603)</u>	<u>(19,635)</u>

9. COMMITMENTS & CONTINGENT LIABILITIES

There has been no material change in commitments or contingent liabilities since the last annual reporting date.

10. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values, determined in accordance with the Company's accounting policies. All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, is described as follows:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Recognised fair value measurements

The following table presents the Group's liabilities measured at fair value at 30 June 2020 and 31 December 2019:

At 30 June 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Convertible notes	-	686,297	-	686,297
Total	-	686,297	-	686,297
At 31 December 2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Convertible notes	-	653,481	-	653,481
Total	-	653,481	-	653,481

Fair value of other financial instruments not measured at fair value

The carrying amounts of loans and trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

11. INTEREST IN SUBSIDIARIES

The consolidated financial statements include the financial statements of Tian Poh Resources Limited and the subsidiaries listed in the following table:

Name	Country of Incorporation	% Equity interest 2020	% Equity interest 2019
Poh Golden Ger Resources Limited	Seychelles	100%	100%
Poh Golden Ger Resources Pte Ltd	Singapore	100%	100%
Poh Golden Ger Resources LLC	Mongolia	100%	100%
Amulet LLC	Mongolia	100%	100%
Mandal-Urgukh LLC	Mongolia	100%	100%
Khangailand LLC	Mongolia	100%	100%
Derong Mining Limited	Hong Kong	100%	100%
Huabei Kuangye LLC	Mongolia	100%	100%
Modun Resources LLC	Mongolia	100%	100%
Sino Poh (China) Company Limited	China	100%	100%

12. RELATED PARTY TRANSACTIONS

\$130,890 was advanced under the terms of 6% interest per annum with no fixed repayment date from Mr KP Poh.

Other than the items noted above, there were no other transactions with related parties during the half-year other than those that were on the same basis as stated in the 31 December 2019 Annual Report.

13. EVENTS AFTER BALANCE DATE

The impact of COVID-19 on the Group going forward, including its financial condition cannot be reasonably estimated at this stage and will be reflected in the Group's 2021 interim and annual financial statements.

There are no significant events subsequent to reporting date which may affect the financial position of the Group.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes thereto, as set out on pages 7 to 12
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting, Corporation Act 2001, the Corporations Regulations 2001 and mandatory professional reporting requirements; and
 - b. give a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the half-year then ended.
2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to S303 (5) of the Corporations Act 2001.



Mr KP Poh
Managing Director

11 September 2020

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TIAN POH RESOURCES LIMITED

As lead auditor for the review of Tian Poh Resources Limited for the half-year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Tian Poh Resources Limited and the entities it controlled during the period.



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 11 September 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tian Poh Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Tian Poh Resources (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the Corporations Act 2001 including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review 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 (including Independence Standards) (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001 which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



Responsibility of the directors 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 is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 30 June 2020 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.

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

BDO Australia Ltd

BDO


Jarrad Prue

Director

Perth, 11 September 2020