

28 February 2017

Company Announcements Office
ASX Limited

**31 DECEMBER 2016
HALF-YEAR RESULTS ANNOUNCEMENT**

Attached are the following documents pertaining to the half-year ended 31 December 2016 for **EZA Corporation Limited**:

	<u>Pages</u>
Appendix 4D for the half-year ended 31 December 2016	2 - 3
Interim Financial Report for the half-year ended	Attachment of 15 pages

EZA Corporation Limited
Appendix 4D
Half-year report
For the half-year ended 31 December 2016

1. Details of the reporting period and the previous corresponding period

Name of entity: EZA Corporation Limited
ABN: 59 151 155 734
Financial half-year ended ("current period"): 31 December 2016
Previous financial half-year ended ("previous corresponding period"): 31 December 2015

2. Results for announcement to the market

	Change over previous corresponding period	\$
Revenues from ordinary activities	No change	Nil
Loss from ordinary activities after tax attributable to members	Down from a loss of \$211,838 to	130,363
Net loss for the period attributable to members	Down from a loss of \$211,838 to	130,363
Brief explanation of any of the figures necessary to enable the figures to be understood: Refer to the "Review of operations" section of the Directors' Report for the half-year ended 31 December 2016.		

3. Net Tangible Assets

The net tangible assets per ordinary share at 31 December 2016 is 15.26 cents per share (31 December 2015: 15.62 cents per share).

4. Details of entities over which control over entities gained or lost during the period

N/A

5. Dividends

No dividends were paid during the half-year and the Directors recommend that no dividends be paid or declared for the half-year ended 31 December 2016.

There were no dividends declared or paid for the previous corresponding half-year period.

6. Details of dividend reinvestment plans in operation

N/A

EZA Corporation Limited
Appendix 4D
Half-year report
For the half-year ended 31 December 2016

7. Details of associates and joint venture entities
N/A

8. Foreign entities
N/A

9. If the accounts contain an independent audit review that is subject to a modified opinion, emphasis of matter or other matter paragraph
N/A



ABN 59 151 155 734

Interim Financial Report

For the half-year ended 31 December 2016

EZA Corporation Limited
Interim Financial Report - 31 December 2016
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EZA Corporation Limited
Interim Financial Report - 31 December 2016
Corporate Information

Directors	Mark Jones (Non-Executive Chairman) Andrew Quin (Non-Executive Director) Doug Rose (Managing Director)
Company Secretary	Krystel Kirou
ABN	59 151 155 734
Registered Office	39 Clifton Street Nedlands WA 6009
Principal place of business	39 Clifton Street Nedlands WA 6009
Postal Address	39 Clifton Street Nedlands WA 6009
Website	www.ezacorp.com.au
Auditors	HLB Mann Judd Chartered Accountants Level 4, 130 Stirling Street PERTH WA 6000
Share Register	Advanced Share Registry Services 110 Stirling Highway Nedlands WA 6009
Securities Exchange Listing	Australian Securities Exchange (ASX: EZA) Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000

EZA Corporation Limited
Interim Financial Report - 31 December 2016
Directors' Report

Your Directors present their report together with the condensed consolidated financial statements of the Group comprising of EZA Corporation Limited ("EZA" or the "Company") and its subsidiaries for the half-year ended 31 December 2016.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of the Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated:

Mark Jones (Non-Executive Chairman)
Doug Rose (Managing Director)
Andrew Quin (Non-Executive Director)

Principal activities

Following the successful completion of the sale of the ATM business on 31 October 2014 and the subsequent finalisation of the sale adjustments in April 2015, the Company continues to assess multiple investment opportunities particularly in the resources sector.

On 7 December 2015, trading in EZA's securities was suspended by the ASX due to non-compliance with ASX Listing Rule 12.1 which states that, "the level of an entity's operations must, in the ASX's opinion, be sufficient to warrant the continued quotation of the securities and its continued listing." The Company will remain suspended until it can demonstrate compliance with Chapter 12 of the ASX Listing Rules.

The Board has taken a disciplined, diligent and patient approach to the evaluation of investment opportunities. The Company is confident that it will be able to acquire a suitable project and submit to the ASX for re-quotation of its securities. Updates will be provided to the market as and when required.

Review of operations

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2016 was \$92,496 (31 December 2015: \$211,838). At the end of the half-year period ended 31 December 2016 the Company had net assets of \$9,320,080 (31 December 2015: \$9,450,443).

The financial standing of the Company, and in particular its holding of cash and cash equivalents, places it in a strong position to pursue value-enhancing opportunities.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 4 and forms part of the Directors' Report for the half-year ended 31 December 2016.

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.



Mark Jones
Non-Executive Chairman

28 February 2017
Perth, Western Australia

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of EZA Corporation Limited for the half-year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
28 February 2017



D I Buckley
Partner

EZA Corporation Limited
Interim Financial Report - 31 December 2016

Condensed Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2016

		31 December 2016	31 December 2015
	Notes	\$	\$
Interest income		127,708	142,963
Profit on disposal of listed investments		27,459	-
Employee benefits expense		(127,398)	(207,642)
Other expenses		(118,989)	(145,993)
Depreciation		(1,276)	(1,166)
Loss before tax		(92,496)	(211,838)
Income tax expense		-	-
Net loss		(92,496)	(211,838)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Net change in the fair value of available-for-sale financial assets		(37,867)	-
Income tax relating to components of other comprehensive income		-	-
Other comprehensive loss for the period, net of tax		(37,867)	-
Total comprehensive loss for the period		(130,363)	(211,838)
Basic loss per share	3	(0.15)	(0.35)
Diluted loss per share	3	(0.15)	(0.35)

The accompanying notes form part of these financial statements.

EZA Corporation Limited
Interim Financial Report - 31 December 2016

Condensed Consolidated Statement of Financial Position
As at 31 December 2016

		31 December 2016	30 June 2016
	Notes	\$	\$
Assets			
Current Assets			
Cash and cash equivalents		9,046,834	9,382,429
Trade and other receivables	5	76,074	89,075
Other financial assets		244,858	26,608
Total Current Assets		9,367,766	9,498,112
Non-Current Assets			
Plant and equipment		3,722	4,998
Total Non-Current Assets		3,722	4,998
Total Assets		9,371,488	9,503,110
Liabilities			
Current Liabilities			
Trade and other payables	5	26,002	31,471
Employee benefits liability		25,406	21,196
Total Current Liabilities		51,408	52,667
Total Liabilities		51,408	52,667
Net Assets		9,320,080	9,450,443
Equity			
Share capital	4	16,405,862	16,405,862
Asset revaluation reserve		(37,867)	-
Accumulated losses		(7,047,915)	(6,955,419)
Total Equity		9,320,080	9,450,443

The accompanying notes form part of these financial statements.

EZA Corporation Limited
Interim Financial Report - 31 December 2016

Condensed Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2016

	Issued capital	Asset revaluation reserve	Accumulated losses	Total
	\$	\$	\$	\$
Balance at 1 July 2016	16,405,862	-	(6,955,419)	9,450,443
Loss for the period	-	-	(92,496)	(92,496)
Other comprehensive income for the period, net of income tax	-	(37,867)	-	(37,867)
Total comprehensive loss	-	(37,867)	(92,496)	(130,363)
Balance at 31 December 2016	16,405,862	(37,867)	(7,047,915)	9,320,080
Balance at 1 July 2015	16,405,862	-	(6,651,098)	9,754,764
Loss for the period	-	-	(211,838)	(211,838)
Other comprehensive income for the period, net of income tax	-	-	-	-
Total comprehensive loss	-	-	(211,838)	(211,838)
Balance at 31 December 2015	16,405,862	-	(6,862,936)	9,542,926

The accompanying notes form part of these financial statements.

EZA Corporation Limited
Interim Financial Report – 31 December 2016

Condensed Consolidated Statement of Cash Flows
For the half-year ended 31 December 2016

	31 December 2016 \$	31 December 2015 \$
Cash flows from operating activities		
Receipts from customers	-	-
Interest income	139,220	135,298
Payments to suppliers and employees	(254,407)	(360,573)
Finance costs	-	-
Taxation received	-	20,296
Net cash outflow from operating activities	(115,187)	(204,979)
Cash flows from investing activities		
Payments for property, plant and equipment	-	(598)
Proceeds from disposal of property, plant and equipment	-	660
Payments for purchases of available-for-sale investments	(641,238)	-
Proceeds from disposal of available-for-sale investments	420,830	-
Net cash inflow from investing activities	(220,408)	62
Cash flows from financing activities		
Repayment of borrowings	-	-
Proceeds from borrowings	-	-
Net cash outflow from financing activities	-	-
Net decrease in cash held	(335,595)	(204,917)
Cash and cash equivalents at 1 July	9,382,429	9,661,464
Cash and cash equivalents at period end	9,046,834	9,456,547

The accompanying notes form part of these financial statements.

EZA Corporation Limited
Interim Financial Report – 31 December 2016
Notes to the Condensed Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 *Interim Financial Reporting*.

This condensed consolidated half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by EZA Corporation Limited ("EZA" or the "Company") during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

(b) Basis of Preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

(c) Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(d) Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2016

In the half-year ended 31 December 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2016.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted applicable to 31 December 2016

The Directors have also reviewed all of the new and revised Standards and interpretations in issue not yet adopted that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2017.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to Group accounting policies.

(e) Significant accounting judgements and key estimates

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

In preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2016.

EZA Corporation Limited
Interim Financial Report – 31 December 2016
Notes to the Condensed Consolidated Financial Statements

NOTE 2: SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Company's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the chief operating decision maker.

NOTE 3: LOSS PER SHARE

	31 December 2016	31 December 2015
	\$	\$
Basic and diluted loss per share (cents per share)	(0.15)	(0.35)
Weighted average number of ordinary shares on issue used in the calculation of basic loss per share	61,068,789	61,068,789
Loss used in the calculation of basic loss per share (\$)	(92,496)	(211,838)

NOTE 4: SHARE CAPITAL

	31 December 2016	30 June 2016
	\$	\$
61,068,789 fully paid ordinary shares (30 June 2016: 61,068,789)	16,405,862	16,405,862

	Six months to 31 December 2016		Year to 30 June 2016	
	Number	\$	Number	\$
Movements in ordinary shares				
Balance at beginning of period	61,068,789	16,405,862	61,068,789	16,405,862
Closing balance	61,068,789	16,405,862	61,068,789	16,405,862
Less: Share issue costs	-	-	-	-
Balance at end of period	61,068,789	16,405,862	61,068,789	16,405,862

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

EZA Corporation Limited
Interim Financial Report – 31 December 2016
Notes to the Condensed Consolidated Financial Statements

NOTE 5: FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but for which fair value disclosures are required) are as follows:

	31 December 2016		30 June 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
<i>Financial Assets</i>				
Trade and other receivables	76,074	76,074	89,075	89,075
Other financial assets	244,858	244,858	26,605	26,605
<i>Financial Liabilities</i>				
Trade and other payables	26,002	26,002	31,471	31,471

The Directors consider that the carrying value of the financial assets and financial liabilities as recognised in the consolidated financial statements approximate their fair values.

NOTE 6: CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent liabilities since the last reporting date.

NOTE 7: EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to the unsolicited off-market takeover announced by Mercantile Investment Company Ltd ('Mercantile') on 15 December 2016, Mercantile released its Bidder's Statement on 10 February 2017. The Company is currently preparing a formal response and expects to release its Target Statement within the prescribed period.

No other matters or events have arisen since the end of the half-year which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

EZA Corporation Limited
Interim Financial Report – 31 December 2016
Directors' Declaration

In the opinion of the Directors of EZA Corporation Limited ('the Company'):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - (a) complying with Accounting Standards, the Corporations Regulations 2011 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year then ended; and
2. 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 signed in accordance with a resolution of the Board of Directors made pursuant to section 303 (5) of the Corporations Act 2001.



Mark Jones
Non-Executive Chairman

28 February 2017
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of EZA Corporation Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of EZA Corporation Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year 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 Report Performed by the 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 *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 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 the company, ASRE 2410 requires 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, 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.

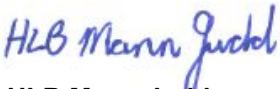
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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 EZA Corporation Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



HLB Mann Judd
Chartered Accountants



D I Buckley
Partner

Perth, Western Australia
28 February 2017