



15 February 2016

Tamawood Dividend Guidance

The financial half year ended 31st December 2015 resulted in an after tax profit of \$3.25 million with an EPS of 13.10 cents (12.56 cents at 31st December 2014).

The Board has witnessed a 30% plus increase in sales with no material increase expected to fixed overheads. On this basis the Board reaffirms its guidance of a 10 cent fully franked interim dividend and confirms the 2016 dividend will be a total of 25 cents fully franked (2015:25 cents). This guidance is subject to no adverse changes in the current external factors that may impact building activity.

Robert Lynch
Non-Executive Chairman

ENDS

Appendix 4D – Interim Financial

Report for Half Year Ended

31 December 2015



Name of Entity: **TAMAWOOD LIMITED**
 ABN: **56 010 954 499**
 Current period: **1 July 2015 to 31 December 2015**
 Previous corresponding period: **1 July 2014 to 31 December 2014**

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key Information

				\$'000
Revenue from ordinary activities	down	5.92%	to	46,911
Profit after tax from continuing activities attributable to members	up	4.30%	to	3,348
Net Profit attributable to members	up	4.30%	to	3,348

Dividends Paid and Proposed

	Amount per security	Franking at 30% tax rate	Franked Amount per security
Final dividend (paid 3 December 2015)	15 cents	100%	15 cents
Interim dividend (payable 2 June 2016)	10 cents	100%	10 cents

Record date for determining entitlements to the interim dividend

13 May 2016

Explanation of Key Information and Dividends

An explanation of these figures is contained in the 'Review of Operations' included within the attached directors' report.

NET TANGIBLE ASSETS PER SHARE

	Half-year Ended 31 December 2015	Half-year Ended 31 December 2014
Net tangible assets per share	30.10 cents	30.20 cents

EARNINGS PER SHARE

Basic earnings per share	13.10 cents	12.56 cents
--------------------------	-------------	-------------

DIVIDEND DETAILS

	Half-year Ended 31 December 2015	Half-year Ended 31 December 2014
	\$'000	\$'000
Final dividend (paid 3 December 2015)	3,834	3,323

Dividend reinvestment plan

The dividend reinvestment plan has been suspended until further notice.

CONTROL GAINED OR LOST OVER ENTITIES IN THE HALF YEAR

Subsidiaries

No changes to control over subsidiaries during the half year.

Associates and joint venture entities

The Group has no associates or joint ventures.

Tamawood Limited

ABN 56 010 954 499

Interim Financial Statements

For the Half Year Ended 31 December 2015

ABN 56 010 954 499

ASX Code: TWD

Contents

For the Half Year Ended 31 December 2015

	Page
Interim Financial Statements	
Directors' Report	1
Auditor's Independence Declaration	3
Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	17
Independent Audit Report	18

Directors' Report

For the Half Year Ended 31 December 2015

Your Directors present their report on Tamawood Limited ("Tamawood") and its controlled entities ("the Group") for the half year ended 31 December 2015.

Directors

The names of the directors in office at any time during, or since the end of, the half year are:

Names	Position
R Lynch	Non-executive Chairman
L Mizikovsky	Non-executive Director
R Dudurovic	Non-executive Director
A Thomas	Non-executive Director
T Bartholomaeus	Managing Director

Directors have been in office since the start of the half year to the date of this report unless otherwise stated.

Principal activities and significant changes in nature of activities

During the half year the principal continuing activities of the Group consisted of:

- home design, project management services and associated activities including home contract construction activities in selected markets;
- franchising and licensing operations in regional Queensland, New South Wales, Victoria and New Zealand;
- generating and trading of renewable energy certificates associated with solar products.

There were no significant changes in the nature of the Group's principal activities during the half year.

Operating results and review of operations for the year

The Result

The Group recorded an after tax profit from continuing operations attributable to members of \$3.348 million for the six months to 31 December 2015, representing a 4.3% increase on the previous corresponding period. The Group's earnings per share was 13.10 cents and a fully franked interim dividend of 10 cents per share will be paid to shareholders on 2 June 2016.

The result of our NSW operations was impacted by continual delays in land registration. Sales in NSW continue to improve in the first half of 2016. The NSW operations expects a strong second half with a large number of housing construction starts anticipated to commence as the land registration delay eases.

With a number of coastal franchises coming to the end of their term, the Board took a decision to run these operations directly through Brisbane and Sydney offices. As a result the Board will look to franchise instead Melbourne and Adelaide in the next 12-18 months.

The Group is well placed to take advantage of the continued prevailing market conditions and reaffirms its dividend guidance that subject to no adverse building conditions the Board believes that the payment of a 25 cent fully franked dividend (total interim and final) will be achievable for the 2016 financial year.

Directors' Report

For the Half Year Ended 31 December 2015

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the half year.

Events after the reporting date

No matters or circumstances have arisen since the end of the half year which 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 future financial years.

ASIC class order 98/100 rounding of amounts

The Group has applied the relief available to it in ASIC Class Order 98/100 and accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2015 has been received and can be found on page 3 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Non-executive Chairman

Dated 15 February 2016

Tamawood Limited

ABN 56 010 954 499

Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001*

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there have been:

- i. no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

HANRICK CURRAN AUDIT

HANRICK CURRAN AUDIT PTY LTD



M. J. Green

Director

Brisbane, 15 February 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2015

		31 December 2015	31 December 2014
	Note	\$'000s	\$'000s
Revenue	2	46,911	49,862
Labour, raw materials and consumables used		(35,862)	(38,875)
Employee benefits expense		(3,093)	(2,839)
Depreciation expense		(117)	(110)
Advertising		(769)	(717)
Consultancy		(490)	(463)
Other expenses		(1,924)	(1,994)
Profit before income tax		4,656	4,864
Income tax expense		(1,405)	(1,640)
Profit for the half year		3,251	3,224
Other comprehensive income for the half year		-	-
Total comprehensive income for the half year		3,251	3,224
Profit/(loss) attributable to:			
Members of the parent entity		3,348	3,210
Non-controlling interest		(97)	14
		3,251	3,224
Total comprehensive income attributable to:			
Members of the parent entity		3,348	3,210
Non-controlling interest		(97)	14
		3,251	3,224
Earnings per share			
Basic earnings per share (cents)		13.10	12.56
Diluted earnings per share (cents)		13.10	12.56

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As At 31 December 2015

	31 December 2015 \$'000s	30 June 2015 \$'000s
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,813	3,366
Trade and other receivables	3,227	3,937
Inventories	11,684	10,566
Other assets	83	136
TOTAL CURRENT ASSETS	16,807	18,005
NON-CURRENT ASSETS		
Property, plant and equipment	668	713
Deferred tax assets	617	557
TOTAL NON-CURRENT ASSETS	1,285	1,270
TOTAL ASSETS	18,092	19,275
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	5,176	6,247
Provisions	487	513
Current tax liabilities	701	512
TOTAL CURRENT LIABILITIES	6,364	7,272
NON-CURRENT LIABILITIES		
Provisions	300	300
Deferred tax liabilities	3,117	2,809
TOTAL NON-CURRENT LIABILITIES	3,417	3,109
TOTAL LIABILITIES	9,781	10,381
NET ASSETS	8,311	8,894
EQUITY		
Issued capital	407	407
Reserves	(5)	(5)
Retained earnings	7,619	8,105
Total equity attributable to equity holders of Tamawood Limited	8,021	8,507
Non-controlling interest	290	387
TOTAL EQUITY	8,311	8,894

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2015

31 December 2015

Note	Ordinary Shares \$'000s	Retained Earnings \$'000s	General Reserves \$'000s \$	Total \$'000s	Non- controlling Interests \$'000s	Total \$'000s
Balance at 1 July 2015	407	8,105	(5)	8,507	387	8,894
Comprehensive income for the half year						
Profit/(loss) for the half year	-	3,348	-	3,348	(97)	3,251
Other comprehensive income for the half year	-	-	-	-	-	-
Total comprehensive income for the half year	-	3,348	-	3,348	(97)	3,251
Transactions with owners in their capacity as owners						
Dividends paid or provided for	4	(3,834)	-	(3,834)	-	(3,834)
Balance at 31 December 2015	407	7,619	(5)	8,021	290	8,311

31 December 2014

Note	Ordinary Shares \$'000s	Retained Earnings \$'000s	General Reserves \$'000s \$	Total \$'000s	Non- controlling Interests \$'000s	Total \$'000s
Balance at 1 July 2014	407	7,568	(5)	7,970	261	8,231
Comprehensive income for the half year						
Profit/(loss) for the half year	-	3,210	-	3,210	14	3,224
Other comprehensive income for the half year	-	-	-	-	-	-
Total comprehensive income for the half year	-	3,210	-	3,210	14	3,224
Transactions with owners in their capacity as owners						
Dividends paid or provided for	4	(3,323)	-	(3,323)	-	(3,323)
Balance at 31 December 2014	407	7,455	(5)	7,857	275	8,132

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the Half Year Ended 31 December 2015

	31 December 2015 \$'000s	31 December 2014 \$'000s
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers (including GST)	52,880	53,251
Payments to suppliers and employees (including GST)	(49,639)	(51,596)
Interest received	91	112
Income tax paid	(968)	(1,202)
Net cash provided by operating activities	<u>2,364</u>	<u>565</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	3	-
Purchase of property, plant and equipment	(86)	(166)
Net cash (used by) / provided by investing activities	<u>(83)</u>	<u>(166)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid by the parent entity	(3,834)	(3,323)
Net cash used by financing activities	<u>(3,834)</u>	<u>(3,323)</u>
Net increase / (decrease) in cash and cash equivalents held	(1,553)	(2,924)
Cash and cash equivalents at beginning of the period	3,366	5,634
Cash and cash equivalents at end of the half year	<u>1,813</u>	<u>2,710</u>

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

This condensed interim financial report for the half year reporting period ended 31 December 2015 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Tamawood Limited and controlled entities ("the Group"). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the half year.

Rounding of amounts

The Company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise stated.

Accounting Policies

Except as described below in Note 1(b), the same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

(b) Adoption of new and revised accounting standards

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standard Board (AASB) that are relevant to their operations and effective for the current year.

During the current half year, the following standard became mandatory and has been adopted retrospectively by the Group:

- AASB 2015-3 *Amendments to Australian Accounting Standards - Withdrawal of AASB 1031 Materiality*.

The accounting policies have been updated to reflect changes in the recognition and measurement of assets, liabilities, income and expenses. However, the adoption of the standard had no material impact on the reported financial position or performance as discussed below.

AASB 1031 *Materiality* is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The withdrawal of this standard had no material impact on the reported financial position or performance.

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

1 Summary of Significant Accounting Policies (continued)

(c) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Group where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 /AASB 2012-6 /AASB 2014-7 /AASB 2014-8	30 June 2019	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 15 Revenue from Contracts with Customers	30 June 2018	This standard provides guidance on the recognition of revenue from customers.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interest in Joint Operations	30 June 2017	The Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the operation constitutes a business.	This will only have impact to the entity if it has acquired a joint operation.
AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation	30 June 2017	Amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to provide guidance on calculation of depreciation or amortisation of property, plant and equipment and intangible assets.	It is not expected to have any material impact on the entity.
AASB 2014-10 Amendments to Accounting Standards - Sale or Contribution of Assets between an investor and its Associate or Joint Venture	30 June 2017	The amendment addresses an inconsistency between the requirements in AASB 128 Investment in Associates and Joint Ventures and AASB 10 Consolidated Financial Statements and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the asset sold or contributed constitutes a business.	This will only have impact to the entity if there has been a sale or contribution of assets between the entity and its associate or joint venture.
AASB 2015-1 Annual improvements (2012-2014 cycle)	30 June 2017	Clarifications are made to AASB 5, AASB 7, AASB 119 and AASB 134	It is not expected to have any material impact on the entity.

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

1 Summary of Significant Accounting Policies (continued)

(c) New Accounting Standards and Interpretations (continued)

Standard Name	Effective date for entity	Requirements	Impact
AASB 2015-2 Disclosure Initiative - Amendment to AASB 101	30 June 2017	This amendment provides clarification regarding the disclosure requirements in AASB 101.	Minimal impact on reported financial position or performance is expected, if the entity chose to streamline or simplify some notes in the financial statements.

2 Revenue and Other Income

	31 December 2015 \$'000s	31 December 2014 \$'000s
Revenue		
- Construction contract revenue	44,244	44,950
Sale of goods		
- Renewable energy certificates	1,189	3,771
Rendering of services		
- Franchise revenue	508	978
Interest	61	112
Other items	59	51
Resolution to legal dispute	850	-
Other Income		
- Rental income	8	-
- Gain/(loss) on disposal of property, plant & equipment	(8)	-
Total Revenue	46,911	49,862

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

3 Operating Segments

Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing the performance and determining the allocation of resources.

Inter-segment transactions

Segment revenues, expenses and results include transfers between segments but exclude intra group management fees. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the Group at an arm's length. These transactions are eliminated on consolidation.

Description of segments

The Group's segments include the following:

(i) Construction QLD

Home design, project management services and associated activities including home contract construction activities in selected Queensland markets.

(ii) Construction NSW

Home design, project management services and associated activities including home contract construction activities in New South Wales.

(iii) Franchising

Franchising and licensing operations in regional Queensland, New South Wales and New Zealand.

(iv) Renewable Energy

Generating and trading of renewable energy certificates associated with solar products.

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

3 Operating Segments (continued)

(a) Segment performance

	Construction QLD		Construction NSW		Franchises		Renewable Energy		Total	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
REVENUE										
Revenue from external customers	40,695	42,115	3,593	2,844	517	978	1,189	3,771	45,994	49,708
Inter-segment revenue	79	76	-	-	1,007	1,044	-	-	1,086	1,120
Interest revenue	27	43	4	6	2	4	1	3	34	56
Total segment revenue*	40,801	42,234	3,597	2,850	1,526	2,026	1,190	3,774	47,114	50,884
 Net profit/(loss) before tax	 4,170	 4,198	 (365)	 (15)	 446	 1,162	 (18)	 103	 4,233	 5,448

*Refer to note 3 for inter-segment transactions

	2015 \$'000s	2014 \$'000s
Construction NSW - profit/(loss) before tax attributable to:		
Members of the parent entity	(273)	(11)
Non controlling interest	(92)	(4)
Renewable Energy - profit/(loss) before tax attributable to:		
Members of the parent entity	(13)	85
Non controlling interest	(5)	18

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

3 Operating Segments (continued)

(b) Reconciliation

Reconciliation of segment net profit before tax to the consolidated statement of profit or loss and other comprehensive income

	31 December 2015 \$'000s \$	31 December 2014 \$'000s \$
Segment net operating profit before income tax	4,233	5,448
Unallocated amounts not included in segment results	423	(584)
Total net profit before tax	4,656	4,864

4 Dividends

The following dividends were declared and paid:

Final dividend of 15 cents (fully franked at 30%) per fully paid share paid on 4 December 2015

Final dividend of 13 cents (fully franked at 30%) per fully paid share paid on 4 December 2014

Total

	31 December 2015 \$'000s	31 December 2014 \$'000s
	3,834	-
	-	3,323
Total	3,834	3,323

5 Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 31 December 2015 (31 December 2014: None).

6 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

7 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Amounts receivable from related parties for the sale and purchase of goods and services are unsecured and interest free and are included in the balances of trade and other receivables. Balances are settled within normal trading terms or as per agreement with the Board. No provisions for doubtful debts have been recognised on these outstanding balances, nor have any bad debt expenses been incurred.

(a) The Group's main related parties are as follows:

(i) Key management personnel ("KMP"):

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

AstiVita Limited (formerly AstiVita Renewables Limited) ("AstiVita") is deemed to be related party of Tamawood Limited by virtue of Mr L Mizikovsky, Non-executive Director of Tamawood Limited, having a controlling interest in AstiVita. Transactions between the Group and the above related parties are disclosed below.

Transactions with Associates, KMP and their related parties, excluding remuneration, are shown below. Amounts disclosed below are rounded to the nearest dollar.

(b) Transactions with related parties

(i) Sale of goods and services

	31 December 2015 \$	31 December 2014 \$
<i>Key management personnel:</i>		
Mr L Mizikovsky - Non-executive Director		
- Sales to an entity controlled by Mr L Mizikovsky - Insurance fees	5,576	11,937
- Sales to an entity controlled by Mr L Mizikovsky - refurbishment of property	84,949	153,039
Mr R Lynch - Non-executive Director		
- Construction contract completed and contract paid in full.	-	261,077
Mr A Thomas - Non-executive Director		
- Franchise fees to Dixon Systems Pty Ltd	165,420	314,070
- Insurance fees charged by Dixonbuild Pty Ltd	6,000	-
<i>Related Parties:</i>		
AstiVita Limited		
- Sales to AstiVita for IT and administration services	16,861	3,040

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

(ii) Purchase of goods and services

	31 December 2015 \$	31 December 2014 \$
<i>Key management personnel:</i>		
Mr L Mizikovsky - Non-executive Director		
- Rental payments for premises to an entity controlled by Mr L Mizikovsky	211,941	157,317
Mr R Lynch - Non-executive Chairman		
- Lease of property at Schofield NSW	18,839	11,007
Mr G Acton - Joint Company Secretary		
- Provision of Consulting, Secretarial & Payroll Services to subsidiaries within the Group	118,397	81,161
Mr P Hogan - Managing Director, Dixon NSW Limited		
- Provision of Management Services to Dixon NSW Limited	115,000	87,500
Mr A Thomas - Non-executive Director		
- Purchase of renewable energy certificates from an entity controlled by Mr A Thomas	24,489	24,150
Mrs P Bartholomaeus - Senior Designer, Dixon Systems		
- Remuneration	33,591	26,651
<i>Related parties:</i>		
AstiVita Limited		
- Purchase of materials including bathroom, kitchen and solar products	591,150	1,686,915
<i>Associates:</i>		
Resiweb Limited		
- Complete Support Services provided to the Group	288,000	259,000

Notes to the Financial Statements

For the Half Year Ended 31 December 2015

(iii) Outstanding balances

	31 December 2015 \$	30 June 2015 \$
<i>Key management personnel:</i>		
Mr L Mizikovsky - Non-executive Director		
- Amounts receivable for construction material supplied by Dixonbuild Pty Ltd	-	3,332
Mr A Thomas - Non-executive Director		
- Amounts receivable by Dixon Systems Pty Ltd for franchise fees	80,064	120,950
- Amounts payable to SolarPowerRex Pty Ltd	-	7,471
<i>Related parties:</i>		
AstiVita Limited		
- Amounts receivable for sales	-	5,748
- Amounts receivable for IT Services	-	1,125
- Amounts payable for purchases	19,462	10,801
<i>Associates:</i>		
Resiweb Limited		
- Short term loan receivable	200,000	-
- Amounts payable for purchases	-	1,765
- Amounts receivable	2,044	25,564

Directors' Declaration

The directors of the Group declare that:

1. The financial statements and notes, as set out on pages are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
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.

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

A handwritten signature in black ink, appearing to read 'R. Lynch'.

Non-executive Chairman

Dated 15 February 2016

Tamawood Limited

ABN 56 010 954 499

Independent Auditor's Review Report to the members of Tamawood Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Tamawood Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and 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 information, and the directors' declaration.

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 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 31 December 2015 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 Tamawood Limited, 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.

Tamawood Limited

ABN 56 010 954 499

Independent Auditor's Review Report to the members of Tamawood Limited

Independence

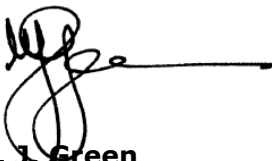
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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

- (i) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

HANRICK CURRAN AUDIT
HANRICK CURRAN AUDIT PTY LTD



M. J. Green
Director

Brisbane, 15 February 2016