

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GEOOP LIMITED**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of GeoOp Limited and its subsidiaries ('the Group') on pages 1 to 34, which comprise the consolidated statement of financial position as at 30 June 2016, and the consolidated statement of comprehensive income, statement of movements in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the company's shareholders, as a body. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Board of Directors' Responsibility for the Consolidated Financial Statements**

The Board of Directors are responsible on behalf of the company for the preparation and fair presentation of these consolidated financial statements, in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards and for such internal control as the Board of Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the consolidated financial statements.

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

Other than in our capacity as auditor, the provision of other assurance services, and the provision of taxation compliance services, we have no relationship with or interests in GeoOp Limited or any of its subsidiaries. These services have not impaired our independence as auditor of the Company and Group.

### **Opinion**

In our opinion, the consolidated financial statements on pages 1 to 34 present fairly, in all material respects, the financial position of GeoOp Limited and its subsidiaries as at 30 June 2016, and their financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

**Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 2(i) in the consolidated financial statements which indicates that the Group recorded a net loss of \$2,721,000, and net cash out flow of \$2,740,000 from operating activities for the year ended 30 June 2016. These conditions, along with other matters as set forth in Note 2(i), indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The image shows the Deloitte signature logo, which is a stylized, cursive script of the word "Deloitte" in black ink.**Chartered Accountants**

29 August 2016  
Auckland, New Zealand