

ACN 614 854 045

Results for Announcement to the Market

Appendix 4E

Preliminary Final Report

The following information is given to the ASX under Listing Rule 4.3A

1. Reporting Period

Current reporting period: Year ended 30 June 2019

Previous reporting period: Year ended 30 June 2018

2. Results for announcement to the market

Consolidated Group	Item	2019 \$	2018 \$	% Change from the previous period
Revenue from ordinary activities from continuing operations	2.1	(1,752,664)	638,518	Revenue decreased 374%
Revenue from ordinary activities from continuing and discontinued operations	2.1	(1,752,664)	638,518	Revenue decreased 374%
Profit/(loss) from ordinary activities after tax	2.2	(9,821,543)	(2,993,948)	Losses increased 228%
Profit/(loss) attributable to members for the period	2.3	(9,821,543)	(2,993,948)	Losses increased 228%
Discontinued operations	2.3	-	-	
Total comprehensive profit/(loss) after tax	2.3	(9,821,543)	(2,993,948)	Losses increased 228%
Dividends	2.4	No dividends have been paid or proposed during the period. In the prior year a special dividend of 12 cents per shares, franked to 1.2 cents per share and paid on 12 March 2018 \$2,779,137.		
The record date for determining entitlement to dividend	2.5	N/A		
Explanatory information	2.6	For further information refer to the Annual Report which accompanies this announcement		

Commentary on results

Refer to the attached information.

3. Statement of Profit or Loss and Other Comprehensive Income

Refer to the attached information.

4. Statement of Financial Position

Refer to the attached information.



5. Statement of Cash Flows

Refer to the attached information.

6. Statement of Changes in Equity

Refer to the attached information.

7. Dividends Paid or Recommended

The Board has neither recommended nor paid any dividends during the year ended 30 June 2019.

8. Details of any Dividend or distribution reinvestment plans

N/A

9. Net tangible assets per security

	30 June 2019	30 June 2018
Number of securities	24,155,241	24,155,241
Net tangible assets per security	\$0.33	\$0.67

10. Details of entities over which control has been gained or lost during the period

There have been no other changes in controlled entities during the year ended 30 June 2019 nor in prior year.

11. Details of associates and joint venture entities

N/A

12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position

Refer to the attached information.

13. Foreign entities disclosures

N/A

14. Commentary on the results for the period

Refer to the attached information.

Earnings per Share	30 June 2019 cents	30 June 2018 cents
<i>Continued operations</i>		
Basic earnings per share:	(40.66)	(13.85)

After Balance Date Events

Refer to the attached information.

15. Audit status

The Preliminary Final Report is unaudited.

16. Audit dispute or qualification

The Company is not aware of any audit disputes or qualification for the accounts for the year ended 30 June 2019.

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Year ended 30 June 2019

Principal activities

The Company is a Listed Investment Company (LIC) incorporated on 28 September 2016. The Company provides investors with the opportunity to gain exposure to an investment portfolio that is actively managed. The investment portfolio is invested in a small number of high conviction investments in undervalued assets, that provide growth opportunities with the aim of achieving above average returns, (whilst limiting volatility) over the medium to long term. Further details on these investments are included in the Review of Operations.

Business model and objectives

The Company has historically aimed to deliver shareholder returns by providing an actively managed portfolio with diversification across products and global markets, thereby allowing the Board, key management and shareholders' interests to be aligned.

The Company's investments are managed by the Investment Manager, John Bridgeman Limited ("JBL") under a Management Services Agreement.

The current board have stated in recent ASX releases their intention is to return the maximum amount of remaining capital to shareholders. The majority of investments are invested in Foreign Currency banknotes and all derivatives trading has ceased in order to protect the remaining assets of the company


Review of operations

The loss incurred by the Company after providing for income tax amounted to \$9,821,543 (2018: \$2,993,948) and return on average capital employed is (63.59%) (2018: (22.74%)).



The \$6,827,595 increase in losses is primarily due to \$4,574,923 of losses in respect of financial assets that are currently in default. The major changes are set out below:

	2019 \$	2018 \$	Increase in losses	
			\$ variance	% of variance
Net trading (loss)/gains on financial instruments ⁽¹⁾	(3,031,231)	358,456	3,389,687	49.65%
Other revenue	639,119	70,919	(568,200)	(8.32%)
Interest received	639,448	209,141	(430,307)	(6.30%)
Impairment of receivables ⁽²⁾	(2,057,343)	-	2,057,343	30.13%
Commissions paid to investment brokers	(2,196,522)	(3,064,138)	(867,616)	(12.71%)
Management and performance fee expenses	(405,634)	(1,168,830)	(763,196)	(11.18%)
Other fees incurred in respect of investment transactions	(217,529)	(112,710)	104,819	1.54%
Legal fees	(1,069,024)	(45,604)	1,023,420	14.99%
Directors fees	(170,949)	(203,144)	(32,195)	(0.47%)
Income tax (expense)/ benefit ⁽³⁾	(1,624,382)	1,283,121	2,907,503	42.58%
Other (expenses)/benefits	(327,496)	(321,159)	6,337	0.09%
Total losses	(9,821,543)	(2,993,948)	6,827,595	100.00%

(1) Net (losses)/gains on financial instruments measured at fair value through profit or loss includes:

-  Fair value impairment of JB Financial Group Pty Ltd ("JBFG") related party Convertible Loan and interest of \$2,517,578.

(2) Impairment of receivables:

-  Loss on JBL related party loan and interest of \$1,061,911.
-  Loss on JBFG related party loan and interest of \$870,027.

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) Loss on other receivables \$125,405.

(3) Income tax

During the year the Company impaired a number of assets resulting in the deferred tax asset being written off in full.

Corporate events

- a) On 30 July 2018, the Company was suspended from quotation by the ASX under Listing Rule 17.3.
- b) On 6 August 2018, the Company announced a buyback, no shares were bought back at the date of this report.
- c) On 10 September 2018, JBL announced an off-market takeover offer ('2018 Bid') for the Company's shares and Henry Morgan Limited's ("HML") Shares. The Company's Shareholders were offered 0.65 JBL Shares for every 1 Company Share held and 0.5 JBL Options for every 1 Company Option held.
- d) On 23 November 2018, the Company announced an extension of the 2018 Bid offer period from 7 December 2018 to 14 January 2019.
- e) On 23 November 2018 the Takeover Panel received an application to review the ASIC refusal to issue relief under s655A(1) of the Corporation Act 2001 (Cth) in respect of the 2018 Bid extension and ability to lodge incomplete Target Statements. The Panel Decision was issued on 26 November 2018 that affirmed the ASIC decision to refuse relief.
- f) On 6 December 2018, JBL issued the Target Statement for 2018 Bid.
- g) On 24 December 2018, the Company announced that JBL's offer was freed from defeating conditions under section 650F(1) of the Corporation Act 2001 (Cth).
- h) On 28 December 2018, the Takeover Panel announced an application (TP18/80) in respect of 2018 Bid, Interim Orders 02 (TP18/81) were issued on 31 December 2018 that required JBL to take no further steps under 2018 Bid.
- i) On 25 January 2019, the Panel made a declaration of unacceptable circumstances in relation to the affairs of the Company, and made final orders.
- j) On 20 February 2019, JBL announced that the 2018 Bid acceptances had been cancelled and that a supplement Bidder Statement was released.
- k) On 5 March 2019, JBL announced that the 2018 Bid for the Company announced on 10 September 2018 would not proceed.
- l) On 7 March 2019, the Company announced that JBL had repaid the \$4,500,000 JBL loan in accordance with the Takeover Panel Orders 02.
- m) On 26 April 2019, JBL made one further off-market takeover bid for the Company '2019 Bid'. The Bidder's Statement was released on 3 May 2019.
- n) On 26 April 2019, the Company announced a receipt of notice under section 249D of the Corporations Act 2001 (Cth) to call a Shareholder Meeting.
- o) On 11 June 2019, the registered address changed to Suite 1, Level 38, 345 Queen Street Brisbane QLD 4000.
- p) On 12 June 2019, prior to changes to Company Directors, the Directors agreed to extend the repayment of King's Currency Exchange Pty Ltd ("Kings") foreign currency banknotes from 30 days to 153 days.
- q) On 12 June 2019 the company announced that all existing directors resigned on 12 June 2019 and the following directors were appointed on 12 June 2019:
 -) Gary Miller
 -) Sulieman Ravell
 -) Michael Glennon.
- r) On 17 June 2019 the registered address changed to Suite 1, Level 17/25 Bligh Street, Sydney NSW 2000.
- s) On 26 September 2019 Takeover Panel Orders 05, 06 & 07 (TP15/50) issued final orders; these orders required that the \$7,120,000 Kings foreign currency banknotes be returned to the Company within 10 days and that JBL pay costs to the Company and ASIC, in addition, the 2019 Bid could only proceed after these orders had been fulfilled.

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Year ended 30 June 2019

Significant changes in the state of affairs

Apart from the matters discussed in this Report, there were no other significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year

-) In July 2019, the \$500,000 JBFG advance was repaid in full.
-) The Takeover Panel Orders 05, 06 & 07 (TP15/50) found the circumstances to be 'unacceptable'; final orders issued on 26 September 2019 required that the \$7,120,000 Kings foreign currency banknotes be returned to the Company within 10 days and costs to be paid to the Company and ASIC, in addition JBL and Kings must not make a change of control transaction in relation to BHD securities until Kings has returned the foreign currency banknotes.
-) The Company announced on 23 October 2019 that the following loans advanced were in default, in addition Kings and JBFX interest had not been paid.
 - o JBFG \$2,200,000 Convertible loan
 - o JBL \$1,134,154 loan
-) The company announced on 20 November 2019 that the following loan was in default
 - o Unpaid JBFG \$870,027 receivable
-) The Company announced on 29 October 2019 that receivers have been appointed by Partners For Growth ("PFG") over JBFG, a subsidiary of JBL. JBFG is the sole Kings shareholder and the Company understand that the Kings shares are also subject to a security interest held by PFG.
-) The Company announced on 29 October 2019 that Kings have not complied with the Takeover Panel Orders to repay the \$7,120,000 foreign currency banknotes to the Company. In addition, JBL have failed to comply with the Takeover Panel Order 14 to pay the Company \$120,000 plus GST for costs incurred.

No other matter or circumstance, other than the following, has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

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3. Statement of profit and loss and other comprehensive income

For the year 30 June 2019

	2019 \$	2018 \$
Revenue from investment portfolio		
Net gains/(losses) on financial instruments measured at fair value through profit or loss	(3,031,231)	358,456
Other revenue	639,119	70,919
Interest revenue calculated using the effective interest method	639,448	209,141
Total revenue	<u>(1,752,664)</u>	<u>638,516</u>
Expenses		
Management and performance fees	(405,634)	(1,168,830)
Broker commissions costs	(2,196,522)	(3,064,138)
Impairment of receivables	(2,057,343)	-
Directors' fees	(170,949)	(203,144)
Professional fees	(1,432,423)	(323,416)
Other expenses	(177,440)	(138,009)
Finance costs	(4,186)	(18,047)
Total expenses	<u>(6,444,497)</u>	<u>(4,915,584)</u>
Loss before income tax	(8,197,161)	(4,277,068)
Income tax (expense)/benefit	<u>(1,624,382)</u>	<u>1,283,120</u>
Loss after income tax for the year attributable to the owners of Benjamin Hornigold Ltd	(9,821,543)	(2,993,948)
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the owners of Benjamin Hornigold Ltd	<u><u>(9,821,543)</u></u>	<u><u>(2,993,948)</u></u>
	Cents	Cents
Basic earnings per share	(40.66)	(13.85)
Diluted earnings per share	(40.66)	(13.85)

Benjamin Hornigold Ltd
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4. Statement of financial position
As at 30 June 2019

	2019 \$	2018 \$
Assets		
Cash and cash equivalents	369,846	1,121,247
Balances held with brokers - Current	-	86,886
Derivative financial assets	-	23,073
Investments at fair value through profit or loss	7,116,745	10,668,254
Other receivables - Current	674,824	4,735,456
Prepayments	10,000	9,243
Deferred tax assets	-	1,624,381
Total assets	<u>8,171,415</u>	<u>18,268,540</u>
Liabilities		
Derivative financial liabilities	-	49,986
Trade and other payables - Current	127,409	190,197
Current tax payable	-	162,808
Total liabilities	<u>127,409</u>	<u>402,991</u>
Net assets	<u><u>8,044,006</u></u>	<u><u>17,865,549</u></u>
Equity		
Issued capital	23,528,129	23,528,129
Accumulated losses	<u>(15,484,123)</u>	<u>(5,662,580)</u>
Total equity	<u><u>8,044,006</u></u>	<u><u>17,865,549</u></u>

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5. Statement of statement of cashflow
As at 30 June 2019

	2019 \$	2018 \$
Cash flows from operating activities		
Payment of trading activities	(708,327)	-
Management and performance fees paid	(405,634)	(5,777,647)
Receipts from / (payments to) brokers for initial trading margin	-	3,420,212
Commissions and brokerage fees paid	(2,196,522)	(3,309,315)
Payments for operating and administrative expenses	(1,785,787)	(511,867)
Interest received	364,391	209,141
Interest and other finance costs paid	-	(18,047)
Income tax paid	(162,808)	-
Net proceeds from sale of/(payment for) investments	1,099,999	(3,969,987)
Proceeded from sale of foreign currency bank notes	9,498,015	-
Payments for foreign currency bank notes	(8,909,988)	(7,399,084)
Other revenue	389,414	-
Net cash used in operating activities	<u>(2,817,247)</u>	<u>(17,356,594)</u>
Cash flows from investing activities		
Loans to related parties	(2,434,154)	-
Repayment received from related party loans	4,500,000	-
Net cash from investing activities	<u>2,065,846</u>	<u>-</u>
Cash flows from financing activities		
Proceeds from issue of shares		3,306,766
Proceeds / (payment) from short term advance	-	1,027,021
Dividends paid	-	(2,038,253)
Net cash from financing activities	<u>-</u>	<u>2,295,534</u>
Net increase/(decrease) in cash and cash equivalents	(751,401)	(15,061,060)
Cash and cash equivalents at the beginning of the financial year	<u>1,121,247</u>	<u>16,182,307</u>
Cash and cash equivalents at the end of the financial year	<u><u>369,846</u></u>	<u><u>1,121,247</u></u>

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6. Statement of changes in equity

For the year ended 30 June 2019

	Issued capital	Retained profits / (losses)	Total equity
	\$	\$	\$
Balance at 1 July 2017	19,460,479	130,505	19,590,984
Loss after income tax benefit for the year	-	(2,993,948)	(2,993,948)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(2,993,948)	(2,993,948)
<i>Transactions with owners in their capacity as owners:</i>			
Issue of share capital	4,067,650	-	4,067,650
Dividends paid	-	(2,799,137)	(2,799,137)
Balance at 30 June 2018	<u>23,528,129</u>	<u>(5,662,580)</u>	<u>17,865,549</u>

	Issued capital	Retained profits / (losses)	Total equity
	\$	\$	\$
Balance at 1 July 2018	23,528,129	(5,662,580)	17,865,549
Loss after income tax for the year	-	(9,821,543)	(9,821,543)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(9,821,543)	(9,821,543)
<i>Transactions with owners in their capacity as owners:</i>			
Issue of share capital	-	-	-
Dividends paid	-	-	-
Balance at 30 June 2019	<u>23,528,129</u>	<u>(15,484,123)</u>	<u>8,044,006</u>

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Appendix 4E 12. Additional information
30 June 2019

Financial Assets at fair value through profit or loss

Reconciliation of the fair value at the beginning and end of the year and prior financial year are set out below:

	Convertible loan \$	Listed shares in inactive market \$	Foreign currency banknotes \$	Total \$
Fair value at 30 June 2018	2,305,278	795,364	7,567,612	10,668,254
Foreign currency bank notes acquired	-	-	8,909,990	8,909,990
Foreign currency bank notes sold	-	-	(9,491,227)	(9,491,227)
Foreign exchange gain/(loss)	-	-	130,371	130,371
Buy-back	-	(1,099,999)	-	(1,099,999)
Net gain/(loss) on investment activities	-	304,635	-	304,635
Net gains/ (losses) on financial instruments at fair value through profit or loss	(2,517,578)	-	-	(2,517,578)
Accrued interest on convertible loan	212,300	-	-	212,300
Fair value at 30 June 2019	-	-	7,116,745	7,116,745

Prior year:

Fair value at 30 June 2017	-	-	-	-
Additions	2,200,000	1,189,199	-	3,389,199
Foreign currency bank notes acquired	--	-	18,049,085	18,049,085
Foreign currency bank notes sold	-	-	(10,650,007)	(10,650,007)
Foreign exchange gain/(loss)	-	-	168,534	168,534
Net gain/(loss) on investment activities	-	(393,835)	-	(393,835)
Accrued interest on convertible loan	105,278	-	-	105,278
Fair value at 30 June 2018	2,305,278	795,364	7,567,612	10,668,254

(a) Listed ordinary shares consisted of 43,000 (2018: 579,585) shares in the JBL, a company listed on the NSX. During the year 536,585 of those shares were bought back for \$1,099,999 (\$2.05 per share) cash which was the price paid for the shares on 17 November 2017. The last traded NSX price was \$0.60 on 24 December 2018. At 30 June 2019, due to the illiquidity of the JBL shares the asset has been valued at nil.

(b) Foreign currency banknotes total \$7,116,745 (2018: \$7,567,612) of which:

-) \$7,116,745 (2018: \$3,207,985) are held in the custody of King's Currency Exchange Pty Ltd ('Kings') which operates 28 retail foreign currency exchanges, and
-) \$nil (2018: \$4,359,627) are held by JBFX Wholesale Pty Ltd ('JBFX'), which operates a wholesale foreign currency business.

On 26 September 2019 Takeover Panel Orders 05, 06, and 07 (TP19/57) require that Kings return the \$7,116,745 of foreign currency banknotes to the Company, within 10 days.

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The foreign currency banknotes are currently traded and managed by Kings on behalf of the Company under services agreements which provide for a minimum return to the Company of 9% per annum on the Australian dollar value of the foreign currency banknotes. The actual return ('Returns') amounted to:

-) 1 July 2017 to 30 June 2019 9%
-) 1 July 2018 to 31 May 2019 5%
-) 1 June 2019 to date 9.65%.

Returns over 9% per annum on the foreign currency banknotes were retained by Kings as a fee for trading the foreign currency banknotes on behalf of the Company. As owner of the foreign currency banknotes, any foreign exchange movement in the value of the foreign currency banknotes accrues to the Company. The Company has designated the instrument at fair value through profit or loss. The Returns totalled \$274,803 (2018: \$610,103) for the year and foreign exchange gain was \$130,371 (2018: \$168,534).

- (c) On the 11 September 2017, the Company entered into a convertible loan agreement with JBFG for \$2,200,000. In the event of default, the loan is secured over 100% of the shares in Genesis Proprietary Trading Pty Ltd ('Genesis'), a wholly-owned subsidiary of JBFG. The initial agreement had a maturity of one year and a 9.65% annual interest rate applies in the calculation on the face value of the debt. At the Company's election and at any time until maturity, the outstanding amount may be settled in: cash, or, shares in JBFG at a fixed rate of \$6.14 per share, or, shares in Genesis at \$9.98 per share. On 17 September 2018, a variation was signed resulting in the maturity date being extended to 30 months, being, 10 March 2020. No interest has been paid on this loan and as a result the loan is in default.

Other receivables – Current

	2019	2018
	\$	\$
Trading fee receivable on Kings foreign currency banknotes	56,471	68,271
Trading fee receivable on JBFX foreign currency banknotes	71,632	-
Refundable performance fees (b)	53,773	4,553,773
Proprietary trading receivable (a)	70,919	70,919
Less allowance for expected credit losses	(125,405)	-
	<u>127,390</u>	<u>4,692,963</u>
<i>Loans and advances to related parties measured at amortised cost</i>		
JBL loan (c)	1,061,911	-
JBFG loan (c)	870,027	-
Less allowance for expected credit losses on JBFG loan (c)	(1,931,938)	-
JBFG advance (c)	500,000	-
	<u>47,434</u>	<u>42,493</u>
GST receivable	547,434	42,493
	<u>674,824</u>	<u>4,735,456</u>
<u>Loss allowance:</u>		
Opening balance	-	-
Trading fee receivable on foreign currency banknotes JBFX	71,632	-
Refundable management and performance fees (c)	53,773	-
Advances and loans to related parties measured at amortised cost (d)	1,931,938	-
Closing balance	<u>2,057,343</u>	<u>-</u>

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30 June 2019

For the year ended 30 June 2019 \$212,300 (2018: \$169,840) of interest and \$2,057,343 (2018: \$nil) of unrealised fair value movements have been recognised.

- (a) On 16 October 2017, the Company entered into a trading facilitation arrangement with Genesis Proprietary Trading Pty Ltd ('Genesis'), a wholly owned subsidiary of JBFG, a controlled entity of the Investment Manager JBL. JBL is a related party of the Company. Under the agreement, trading profits earned are shared between Genesis and the Company, 5% and 95% respectively. The agreement continues on a monthly basis unless terminated with 30 days' notice by either party or terminated for cause by Genesis. The \$70,919 was repaid in full in July 2019.
- (b) In the prior year, a performance fee of \$4,553,773 was paid in advance to JBL in respect of a JBTH transaction. In August 2018, \$4,500,000 of the prepaid fees were repaid by the establishment of a \$4,500,000 loan agreement with JBL. At 30 June 2019 \$53,773 (2018: \$4,553,773) was receivable of which \$53,773 (2018 \$nil) was impaired at 30 June 2019.

The Takeovers Panel found this to act as a lock-up device and issued Orders 02 (TP19/08) requiring repayment in full.

At 30 June 2019, the loan had been repaid in full, in accordance with Takeover Panel Refer Orders 02 (TP19/08).

- (c) Related party loans and advances measured at amortised cost

	JBL Loan	JBL Loan	Genesis Loan	JBFG Loan	Genesis Advance	JBFG Advance	Total
	\$	\$	\$	\$	\$	\$	\$
Opening loan	-	-	-	-	-	-	-
New loan/advance	1,134,154	4,500,000	800,000	-	500,000	-	6,934,154
Interest charged	111,249	242,918	57,995	12,032	-	-	424,194
Loan & interest repaid	(183,492)	(4,742,918)	-	-	-	-	(4,926,410)
Loan reassigned	-	-	(857,995)	857,995	(500,000)	500,000	-
ECL provision	(1,061,911)	-	-	(870,027)	-	-	(1,931,938)
Closing loan	-	-	-	-	-	500,000	500,000

JBL Loans

- (i) \$1,134,154 JBL loan

On 2 August 2018 the Company made a loan of \$1,134,154 to the JBL for an initial term of one year at 11.5% pa interest. On 16 October 2018 the term of the loan was extended to 8 February 2020.

For the year ended 30 June 2019 \$111,249 (2018: \$nil) of interest has been recognised, of which \$57,291 (2018 \$nil) was receivable at 30 June 2019. No interest repayments have been received since December 2018 and as a result the loan is in default. An impairment provision of \$1,061,911 (2018: \$nil) has been recognised in the current year.

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(ii) \$4,500,000 JBL loan

In August 2018, the Company entered into a \$4,500,000 loan agreement with JBL for a term of 18 months at 11.5% p.a. interest. The loan was applied to the repayment of the prepaid performance fees \$4,500,000 receivable from the Investment Manager.

For the year ended 30 June 2019 \$242,918 (2018: \$nil) of interest has been recognised.

The Takeover Panel Refer Orders 02 (TP19/08) dated 8 February 2019 require the repayment of this loan as it “diminished the value of important assets of BHD” (TP19/04). The loan and interest were repaid in full during the year as required by the Takeover Panel Orders.

JBFG Loan (previously Genesis loan)

In July 2018, the Company entered into a short term loan agreement with Genesis for \$800,000 at 9%pa repayable in October 2018.

On 24 December 2018, the Company extended the loan agreement with Genesis to a maturity date of 31 October 2019.

On 7 May 2019, the loan plus interest totalling \$857,995 was assigned from Genesis to JBFG.

For the year ended 30 June 2019 \$70,027 (2018: \$nil) of interest has been recognised. \$57,995 of this interest was charged before the assignment of the loan from Genesis to JBFG. An impairment provision of \$870,027 (2018: \$nil) has been recognised in the current year as repayment of the loan plus interest has not been made on 31 October 2019 thus being in default.

JBFG Advances (previously Genesis Advance)

On 29 May 2019, the Company paid Genesis \$500,000 which was subsequently assigned to JBFG.

No interest has been accrued or paid on this loan.

Genesis repaid the \$500,000 on 4 July 2019 on behalf of JBFG.