



2020 Preliminary Final Report and Appendix 4E

For the financial year ended 30 June 2020

1. Company Details

Name of entity: Jaxsta Limited (ASX: JXT)
 ABN: 15 106 513 580
 Reporting period: For the year ended 30 June 2020
 Previous period: For the year ended 30 June 2019

2. Results for announcement to the market

	Movement	30 June 2020 A\$'000	30 June 2019 (Restated) A\$'000
Revenue from ordinary activities	100%	9	0
Loss from ordinary activities after tax attributable to members	down 27%	(10,515)	(14,384)
Net loss for the period attributable to members	down 27%	(10,515)	(14,384)

Comments

The loss for the Group after providing for income tax amounted to \$10,515,297 (30 June 2019 (restated): \$14,384,104). The loss includes impairment charges of \$4,025,904 for goodwill (30 June 2019: nil) associated with the impact of the company's ordinary share and outlook as part of the current COVID-19 economic uncertainty and a fair value adjustment of \$573,000 (2019: nil) for the MRT receivable as part of its renegotiations. The loss in 2019 included listing expenses of \$8,527,231 resulting from the application of reverse acquisition accounting pursuant to AASB 3 Business Combinations and impairment of the MRT receivable of \$823,813. This expense is effectively the difference between the net assets of Jaxsta Holdings Pty Ltd at 28 December 2018 and the value of the shares issued in Jaxsta Limited (formerly Mobilarm Limited) to the Jaxsta Holdings Pty Ltd shareholders.

Dividends

There were no dividends paid, recommended or declared during the current financial

3. Net Tangible Assets

	30 June 2020 (cents)	30 June 2019 (cents)
Net tangible assets per ordinary security	1.18	2.46

The net tangible assets per ordinary security is calculated based on 247,190,330 ordinary shares on issue as at 30 June 2020 (2019: 231,326,901).



4. Control gained over entities

Current period

There were no entities in which control was gained during the current financial period.

Previous period

On 28 December 2018 Mobilarm Limited (now renamed Jaxsta) acquired Jaxsta Holdings and Jaxsta was officially readmitted to the official list of ASX on 28 December 2018. For accounting purposes, the acquisition has been accounted for as a share-based payment and the principles of reverse acquisition have been applied.

5. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the current financial period.

6. Audit qualification review

Details of audit/review dispute or qualification (if any)

The consolidated financial statements are in the process of being audited by Grant Thornton and an unmodified audit opinion is expected to be issued with a 'Material Uncertainty Regarding Going Concern' paragraph.

7. Attachments

Details of attachments (if any)

The Preliminary Final Report of Jaxsta Limited for the year ended 30 June 2020 is attached.

8. Signed

Jorge Nigaglioni
Executive Director

31 August 2020

Sydney, New South Wales



Preliminary Financial Report

**Consolidated Statement of profit or loss and other
comprehensive income for the year ended 30 June 2020**

**Consolidated Statement of Financial Position
for the year ended 30 June 2020**

**Consolidated Statement of changes in equity
for the year ended 30 June 2020**

**Consolidated Statement of Cash Flows
for the year ended 30 June 2020**

Notes to the Consolidated Financial Statements

		30 June 2020	30 June 2019 (Restated)
		\$	\$
Revenue from continuing operations			
Revenue		9,520	-
Cost of sales		(234)	-
Gross profit		9,286	-
Interest income		4,465	3,649
Other income	4	2,043,222	701,314
Expenses			
Employee benefits expense	5	(3,808,769)	(2,736,521)
Marketing expenses		(571,245)	(498,605)
Occupancy expenses		(119,877)	(145,536)
Professional fees		(618,289)	(793,060)
Product development expense	5	(2,055,583)	(757,230)
Depreciation and amortisation expense		(83,427)	(42,993)
Finance costs		(27,230)	(18,887)
Other expenses		(688,946)	(745,191)
Listing expenses	5	-	(8,527,231)
Impairment expenses	5	(4,025,904)	(823,813)
Fair value movement on financial assets	10	(573,000)	-
Total Expenses		(12,572,270)	(15,089,067)
Loss before income tax		(10,515,297)	(14,384,104)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Jaxsta Limited		(10,515,297)	(14,384,104)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Jaxsta Limited		(10,515,297)	(14,384,104)
Earnings per share			
Basic earnings per share (cents)	8	(0.04)	(0.11)
Diluted earnings per share (cents)	8	(0.04)	(0.11)

The accompanying notes should be read in conjunction with these consolidated financial statements.

		30 June 2020	30 June 2019 (Restated)
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	9	2,404,848	2,452,760
Trade and other receivables	10	1,441,420	705,248
Other assets	13	223,414	187,402
TOTAL CURRENT ASSETS		4,069,682	3,345,410
NON-CURRENT ASSETS			
Trade and other receivables	10	-	3,176,187
Property, plant and equipment	11	47,934	42,019
Goodwill	12	-	4,025,904
Intangible assets	12	336,534	367,941
TOTAL NON-CURRENT ASSETS		384,468	7,612,051
TOTAL ASSETS		4,454,150	10,957,461
CURRENT LIABILITIES			
Trade and other payables	14	571,033	599,692
Loans and borrowings	15	390,009	26,597
Provisions	16	206,669	159,389
TOTAL CURRENT LIABILITIES		1,167,711	785,678
NON-CURRENT LIABILITIES			
Provisions	16	32,314	88,902
TOTAL NON-CURRENT LIABILITIES		32,314	88,902
TOTAL LIABILITIES		1,200,025	874,580
NET ASSETS		3,254,125	10,082,881
EQUITY			
Contributed equity	17	32,792,654	29,969,770
Accumulated losses		(30,999,001)	(20,483,705)
Reserves	19	1,460,472	596,816
TOTAL EQUITY		3,254,125	10,082,881

The accompanying notes should be read in conjunction with these consolidated financial statements.

		Contributed equity (Restated) \$	Reserves \$	Accumulated losses (Restated) \$	Total equity \$
As at 1 July 2018		7,974,578	-	(6,099,601)	1,874,977
Loss after income tax expense for the year originally reported		-	-	(20,084,398)	(20,084,398)
Adjustment on error correction	3			5,700,294	5,700,294
Reported loss for the year (Restated)				(14,384,104)	(14,384,104)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		-	-	(14,384,104)	(14,384,104)
Transactions with owners in their capacity as owners					
Contributions of equity, net of transaction cost		27,695,486	-	-	27,695,486
Adjustment on error correction	3	(5,700,294)			(5,700,294)
Share-based payments	19	-	596,816	-	596,816
Balance at 30 June 2019 (Restated)		29,969,770	596,816	(20,483,705)	10,082,881
Refer to note 2 for explanation on comparatives					
Balance at 1 July 2018 (originally reported)		35,670,064	596,816	(26,183,999)	(10,082,881)
Adjustment on error correction	3	(5,700,294)	-	5,700,294	-
As at 1 July 2019 (Restated)		29,969,770	596,816	(20,483,705)	10,082,881
Loss after income tax expense for the year				(10,515,297)	(10,515,297)
Other comprehensive income for the year, net of tax				-	-
Total comprehensive income for the year				(10,515,287)	(10,515,287)
Transactions with owners in their capacity as owners					
Contributions of equity, net of transaction cost	17	2,495,284	-	-	2,495,284
Share-based payments			1,191,257	-	1,191,257
Options exercised		327,600	(327,600)	-	-
Balance at 30 June 2020		32,792,654	1,460,472	(30,999,001)	3,254,125

The accompanying notes should be read in conjunction with these consolidated financial statements.

	30 June 2020	30 June 2019
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from grants - research & development	810,877	696,745
Receipts from customers	31,476	-
COVID-19 government assistance	176,000	-
Payments to suppliers and employees	(6,686,289)	(6,891,396)
Interest received	4,465	3,649
Interest paid	(6,712)	(11,537)
Net cash flows (used in) operating activities	(5,670,183)	(6,202,539)
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(29,471)	(15,297)
Payment for intangibles	(28,411)	(75,157)
Cash acquired from acquisition of subsidiary	-	5,332,656
Proceeds from deferred MRT transaction	2,845,142	-
Net cash flows provided by investing activities	2,787,260	5,242,202
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,704,222	4,471,645
Share issue transaction costs	(208,938)	(604,731)
Proceeds from borrowings	446,528	77,056
Repayment of borrowings	(106,802)	(54,451)
Proceeds from borrowings - related parties	-	465,654
Loan repayments made to related parties	-	(988,374)
Net cash flows provided by financing activities	2,835,010	3,366,799
Net (decrease)/increase in cash held	(47,913)	2,406,462
Cash at beginning of financial year	2,452,761	46,298
Cash at the end of the period	2,404,848	2,452,760

The accompanying notes should be read in conjunction with these consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 1. General information

The financial statements contained on pages 2 to 5 of this Report cover Jaxsta Limited (**Jaxsta, company or parent**) as a consolidated entity consisting of Jaxsta Limited and the entities it controlled at the end of, or during, the financial year (**consolidated entity or the Group**) ended 30 June 2020 (the **Financial Statements**). The Financial Statements are presented in Australian dollars, which is Jaxsta presentation currency. The functional currency of Jaxsta is Australian dollars

Jaxsta is a listed public company limited by shares, incorporated and domiciled in Australia.

Note 2. Significant accounting policies and basis of preparation

The preliminary final report has been prepared in accordance with the Australian Securities Exchange Listing Rules as set out in Appendix 4E and in accordance with the measurement and recognition (but not disclosure) requirements of the Australian Accounting Standards, Corporations Act 2001 and other pronouncements of the Australian Accounting Standards.

As such, this preliminary final report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the annual report for the year ended 30 June 2019 and the appendix 4D report for the half year ended 31 December 2019 and with any public announcement made by Jaxsta Limited during the reporting period in accordance with the disclosure requirements of the Corporations Act 2001.

Except for cash flow information, the Financial Statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The principal accounting policies adopted in the preparation of the Financial Statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) New, revised or amending Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2020 reporting period. The Directors' assessment of the impact of these new standards and interpretations is that they will result in no material changes to the amounts recognised in the Financial Statements but may impact the type of information disclosed in the Financial Statements.

Changes in significant accounting policies

The Financial Statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2019, except as described below. Note that the changes in accounting policies specified below only apply to the current period. The accounting policies included in the Group's last annual financial statements for the year ended 30 June 2019 are the relevant policies for the purposes of comparatives.

Comparative figures in the statement of profit or loss and other comprehensive were adjusted to conform with the current years presentation.

Research & Development tax incentive

Research and development tax concession is recognised on an accrual basis.

Jaxsta has adopted the income approach to accounting for research and development tax concession pursuant to AASB 120 'Accounting for Government Grants and Disclosure of Government Assistance' whereby the concession is recognised in profit or loss on a systematic basis in the periods in which the entity recognises the eligible expenses.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below:

- AASB 16 Leases

AASB 16 will cause the majority of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short term leases and low value assets which may remain off balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown; the profit and loss impact of the leases will be through amortisation and interest charges.

The application of this standard has no impact on this financial report as the Group does not hold any long term leases.

Note 3. Acquisition accounting and comparative information**Correction of prior period of error**

Listing expenses recorded in the Consolidated Statement of Profit or Loss and Comprehensive Income for the year ended 30 June 2019 has been restated as a result of a review of the application of AASB 3 Business Combination which determined that the listing expense was overstated. This error has been rectified by restating each of the affected financial statement line items for prior periods as follows:

Statement of financial position (extract)	30 June 2020		
	Previous amount	Adjustment	Restated
	\$	\$	\$
Contributed equity	32,292,775	(5,700,294)	26,592,481
Accumulated losses	(21,727,999)	5,700,294	(16,027,705)

Statement of profit of loss and other comprehensive income (extract)	30 June 2019		
	Previous amount	Adjustment	Restated
	\$	\$	\$
Listing expenses	(14,227,525)	5,700,294	(8,527,231)
Total Expenses	(20,789,361)	5,700,294	(15,089,067)
Loss before income tax	(20,084,398)	5,700,294	(14,384,104)
Loss after income tax expense	(20,084,398)	5,700,294	(14,384,104)
Total comprehensive income attributable to the owners of Jaxsta Limited	(20,084,398)	5,700,294	(14,384,104)
Basic earnings per share (cents)	(15.00)	4.26	(10.74)
Diluted earnings per share (cents)	(15.00)	4.26	(10.74)

Note 4. Other income

	30 June 2020	30 June 2019
	\$	\$
Research and development tax incentive	1,859,514	665,657
Government COVID support	176,000	35,657
Other income	7,708	-
Total other revenue	2,043,222	701,314

The government COVID support represents amounts received under the Jobkeeper and Cash Flow Boost government programs. The Company recognised these amounts as

other income that offset the Employee benefit expense recorded in the statement of comprehensive income.

Note 5. Loss for the year

	30 June 2020	30 June 2019 (Restated)
	\$	\$
Loss before income tax includes the following specific expenses:		
a. Expenses		
Other Expenses including the following material expenses:		
Professional advisers fees	88,778	102,803
Board fees	196,399	258,446
Commission	42,349	66,566
Employee benefit expenses includes the following:		
Salary and wages	3,181,052	2,201,414
Share-based payments expense	374,753	358,557
Superannuation expense	252,964	176,550
Total employee benefit expenses	3,808,769	2,736,521
Impairment expenses		
- Impairment expenses	4,025,904	823,813
Product development expenses		
Product development cash expenses	1,239,080	579,971
Product development equity based payments	816,503	177,259
Total product development expense	2,055,583	757,230
Listing expenses include the following:		
Share based payment listing expense	-	13,875,930
Legal and professional expenses	-	351,725
Adjustment for correction	-	(5,700,294)
Total listing expenses	-	8,527,361

Note 6. Tax expense

	30 June 2020	30 June 2019
	\$	\$
The prima facie tax loss from ordinary activities before income tax is reconciled to income tax as follows:		
Prima facie tax payable on losses from ordinary activities before income tax rate at @ 27.5% (2019: 27.5%)	(2,891,707)	(5,523,209)
Add:		
Tax effect amounts which are not deductible/taxable in calculating taxable income:		
- Permanent differences	1,553,074	4,541,668
Current year tax losses not recognised	1,338,633	981,542
Income tax attributable to the group	-	-

Tax losses not recognised

The potential tax benefit for tax losses has not been recognised in the statement of financial position. Utilisation of the carry forward tax losses may be subject to a substantial annual limitation due to the ownership change limitations and the same business test, accordingly the recovery of this benefit is not considered probable.

Note 7. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 8. Earnings per share

	30 June 2020	30 June 2019
	\$	\$
Loss after income tax attributable to the owners of Jaxsta Limited	(10,515,297)	(20,084,398)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	239,869,594	133,873,975
Weighted average number of ordinary shares used in calculating diluted earnings per share	239,869,594	133,873,975
	Cents	Cents
Basic earnings per share	(0.04)	(0.15)
Diluted earnings per share	(0.04)	(0.15)

Note 9. Cash and cash equivalents

	30 June 2020	30 June 2019
	\$	\$
Cash on hand	390	101
Cash at bank	2,354,458	2,432,659
Term deposits (i)	50,000	20,000
	2,404,848	2,452,760

(i) The term deposit will mature on 3 October 2020 with 31 days notice early withdrawal facility available. The interest rate is 1.5%.

Reconciliation of cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	2,404,848	2,452,760
	2,404,848	2,452,760

Note 10. Trade and other receivables

		30 June 2020	30 June 2019
		\$	\$
Current			
GST receivable		8,313	74,735
R&D Rebate	(i)	1,048,637	-
Other receivables	(ii)	384,470	630,513
		1,441,420	705,248

(i) The Group changed the way it accounted for the Research & Development tax concession during the financial year ended 30 June 2020 as detailed in Note 3, from a cash basis to an accrual basis. As a result, it recognised a receivable for the concession as at 30 June 2020 and none as at 30 June 2019.

(ii) \$382,500 (2019: \$623,813) of other receivables relates to the deferred compensation in relation to the sale of the MRT business which is due from Secure2Go Group Ltd on or before 28 December 2020. The terms include monthly repayments of \$31,500 and a final payment of \$225,000 by 28 December 2020.

		30 June 2020	30 June 2019
		\$	\$
Non Current			
Other receivables		-	4,000,000
Provision for impairment	(iii)	-	(823,813)
		-	3,176,187
		1,441,420	3,881,435

(iii) The original receivable from Secure2Go Group Ltd was \$4,000,000 and it has been negotiated down by a further \$573,000 during the year ended 30 June 2020. The receivable was impaired as at 30 June 2019 for \$2019: \$823,813. The total current and non current Secure2Go receivable after the impairment provision as at 30 June 2020 is \$382,500 (2019: \$3,800,000).

The following table details the Group's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled, with the terms and conditions agreed between the Group and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

Note 11. Property, plant and equipment

	30 June 2020	30 June 2019
	\$	\$
Office equipment - at cost	43,602	41,446
Less: Accumulated depreciation	(22,751)	(16,147)
	20,851	25,299
Leasehold improvements - at cost	312,163	312,163
Less: Accumulated depreciation	(312,163)	(312,163)
	-	-
Computer equipment - at cost	145,430	118,116
Less: Accumulated depreciation	(118,347)	(101,396)
	27,083	16,720
Total property, plant and equipment	47,934	42,019

Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Office Equipment	Leasehold Improvement	Computer Equipment	Total
	\$	\$	\$	\$
Consolidated Group:				
Balance at 30 June 2018	26,188	-	13,959	40,147
Additions	4,275	-	11,024	15,299
Depreciation expense	(5,164)	-	(8,263)	(13,427)
Balance at 30 June 2019	25,299	-	16,720	42,019
Additions	2,157	-	27,314	29,471
Depreciation expense	(6,605)	-	(16,951)	(23,556)
Balance at 30 June 2020	20,851	-	27,083	47,934

Note 12. Intangible assets

		30 June 2020	30 June 2019
		\$	\$
Platform development costs	(i)	178,963	178,963
Less: Accumulated amortisation		(62,596)	(2,778)
		116,367	176,185
Trademark	(ii)	220,167	191,756
Less: Accumulated depreciation		-	-
		220,167	191,756
Goodwill	(iii)	4,025,904	4,025,904
Less: Impairment		(4,025,904)	-
		-	4,025,904
Total property, plant and equipment		336,534	4,393,845

1) Platform Development costs

Development costs have been capitalised at cost. They have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Platform Development Costs are amortised over their useful lives, being 3 years as determined by the Directors. Amortisation commenced on 13 June 2019.

2) Trademark

Trademarks are assessed to have an indefinite life and will not be amortised.

3) Goodwill

Goodwill has been capitalised at the amount of excess consideration paid over purchase of Jaxsta Enterprise Pty Ltd. The recoverable amount of Jaxsta business is determined based on fair value less costs to sell, which is based on recent capital raisings and quoted prices on the active market, being the ASX. The Group decided to impair goodwill as at 30 June 2020 as the current COVID-19 economic environment created a lack of an active market price and the Group is unable to value goodwill based on its value in use at the early stage revenue that the company is at, at the time of this report.

Movements in Carrying Amounts

Movements in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial year:

	Platform Development Costs	Trademark	Goodwill	Total
	\$	\$		\$
Consolidated Group:				
Balance at 30 June 2018	153,508	142,056	4,025,904	4,321,468
Additions	25,455	49,700	-	75,155
Amortisation charge	(2,778)	-	-	(2,778)
Impairment losses	-	-	-	-
Balance at 30 June 2019	176,185	191,756	4,025,904	4,393,845
Additions	-	28,411	-	28,411
Amortisation charge	(59,818)	-	-	(59,818)
Impairment losses	-	-	(4,025,904)	(4,025,904)
Balance at 30 June 2020	116,367	220,167	-	336,534

Note 13. Other assets

	30 June 2020	30 June 2019
	\$	\$
Prepayments	197,014	161,002
Rental Bond	26,400	26,400
	223,414	187,402

Note 14. Trade and other payables

	30 June 2020	30 June 2019
	\$	\$
Unsecured liabilities:		
Trade Creditors	309,121	300,707
Other creditors and accruals	261,912	298,985
	571,033	599,692

Note 15. Loans and borrowings

		30 June 2020	30 June 2019
		\$	\$
R&D rebate financing	(1)	365,037	26,597
Insurance financing	(2)	24,972	-
		390,009	26,597

- 1) The company entered into an agreement with Radium Capital (Innovation Structured Finance LLC) to get an advance of their estimated R&D tax rebate for the financial year. The facility carries an interest rate of 15% and is secured by the Company's R&D Tax Rebate Claim.
- 2) Insurance funding is a ten months short term loan with an fixed interest rate of 5.85%

Note 16. Provisions

	30 June 2020	30 June 2019
	\$	\$
Current		
Employee benefits - annual	206,669	156,389
	206,669	156,389
Non-current		
Employee benefits - long service	32,315	88,902
	32,315	88,902

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 17. Issued Capital

The share capital dollar value represents the continuation of Jaxsta Holdings Pty Ltd. The number of shares on issue reflect those of Jaxsta Limited.

Refer to note 2 "Business combinations" for further details of the accounting principles applied.

	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Shares		\$	
Ordinary shares - fully paid	247,190,330	231,326,901	32,792,654	29,969,768
	247,190,330	231,326,901	32,792,654	29,969,768

The movement of ordinary shares is listed below:

	Date	Issue Price	No. of Shares	\$
Balance	1 July 2018		493,119,559	7,974,578
Share consolidation 1 for 10	17 August 2018		(448,307,453)	-
Conversion of performance shares	28 December 2018	0.00	5,000,000	-
Performance shares	28 December 2018	0.00	550,000	-
Conversion of loan	28 December 2018	0.13	32,000,000	4,000,000
Shares to effect the acquisition of Jaxsta Holdings Pty Ltd	28 December 2018	0.20	109,399,795	21,879,959
Notional reverse acquisition adjustment	28 December 2018		-	(11,854,036)
Shares issued on capital raising	28 December 2018	0.20	26,345,000	5,269,000
Shares issued on capital raising	14 May 2019	0.25	13,220,000	3,305,000
Shares issue transaction costs			-	(604,731)
Balance	30 June 2019		231,326,901	29,969,770
Shares issued on exercise of employee options			445,000	173,550
Shares issued on capital raising			15,023,329	2,704,199
Shares issued in cleansing statement			100	25
Shares issued on exercise of employee options			395,000	154,050
Shares issue transaction costs				(208,938)
Balance	30 June 2020		247,190,330	32,792,654

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

Note 18. Cash flow information

	30 June 2020	30 June 2019
	\$	\$
a. Reconciliation of Cash Flows from Operating Activities with Loss after Income Tax Loss for the Period	(10,515,297)	(14,384,104)
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in loss:		
- Depreciation and amortisation	83,427	42,993
- Write-off capitalised expenditure	-	41,204
- Net foreign currency losses/(gains)	(4,018)	7,350
- Impairment expenses	4,025,904	823,813
- Fair value adjustments	573,000	-
- Listing expenses	-	8,175,636
- Employee share scheme expense	374,753	358,557
- Supplier share scheme expense	816,503	177,259
Changes in assets and liabilities:		
- (increase)/decrease in trade and term receivables	(1,080,562)	-
- (increase)/decrease in prepayments	(36,013)	(22,130)
- (decreased)/increase in trade payables and accruals	130,086	(79,303)
- (decrease)/increase in provisions	(28,659)	(1,507,315)
- (increase)/decrease in other current assets	(9,307)	163,501
Cash flows from operating activities	(5,670,183)	(6,202,539)
b. Non-cash Financing and Investing Activities		
(i) Loans and Borrowings:		
- \$1,500,000 convertible notes were converted to shares in Jaxsta Limited on 28 December 2018		
- \$299,717 loan from related party was converted to shares in Jaxsta Limited on 28 December 2018		
- \$300,000 founder loans were converted to shares in Jaxsta Limited on 28 December 2018		
(ii) Trade and Other Receivables		
- \$750,000 other receivable was converted to shares in Jaxsta Limited on 28 December 2018		

Note 19. Reserves

	30 June 2020	30 June 2019
	\$	\$
Share based payment reserve	1,460,473	596,816
Balance at the beginning of the year	596,816	-
CEO share options exercise	132,000	66,903
Lead Manager options expense	-	61,000
Employee option plan	105,788	280,313
Employee incentive option plan expense	39,552	11,341
NED option plan expense	97,414	-
Data Partner warrants granted	816,503	177,259
Credit adjustment for options exercised during the year	(327,600)	-
Balance at the end of the year	1,460,473	596,816

Note 20. Events After the Reporting Period

Other than the events described below, there are no other events or circumstances that have arisen that would require disclosure in the financial report.