



AUSNET FINANCIAL SERVICES LIMITED

ABN 52 118 913 232

ASX Appendix 4E (rule 4.3A)

Preliminary final report for the year ended 30 June 2017

Details of the reporting period and the previous corresponding period

Reporting Period: 30 June 2017
 Previous Corresponding Period: 30 June 2016

Results for announcement to the market

(All comparisons to year ended 30 June 2016)

	\$A'000	Up/Down	% Movement
Revenue from ordinary activities	9,591	up	45%
Revenue from ordinary activities excluding interest income	9,591	up	45%
Loss from ordinary activities after tax	(3,569)	up	94%
Loss attributable to members	(3,569)	up	94%

Dividends	Amount per share	Franked amount per share
Interim dividend	N/A	N/A
Final dividend	N/A	N/A

Record date for determining entitlements to dividends	N/A
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Brief explanation of any figures reported above necessary to enable the figures to be understood

Refer to the accompanying separate ASX lodgment Review of Financial Results and Operations

Net tangible assets backing	30 June 2017	30 June 2016
Net tangible assets/(liability) per security	0.07 cents	(56.99) cents
Net asset backing per security	0.45 cents	(56.99) cents

Control gained or lost over entities having material effect

Refer to Note 3 of the attached financial report for details on reverse acquisition.

In addition to the above, the following entity was acquired during the year:

Name of entity	Beaufort Realty Pty Ltd
Date of acquisition	31 st March 2017
Contribution of the controlled entity (or group of entities) to the profit/(loss) from ordinary activities during the period, from the date of gaining or losing control	\$92,995
Profit (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A
Contribution to consolidated profit/(loss) from ordinary activities from acquisition date	\$92,995

Description of acquisition:

Ausnet's wholly-owned subsidiary, Ausnet Real Estate Services Pty Ltd ("Ausnet RE") acquired all of the issued shares in Beaufort Realty Pty Ltd ("Beaufort Realty") from the shareholders of Beaufort Realty – Jonathan Adams and Pamela Herron, Christine Kirkness and Dosta Buckovska on 31 March 2017.

Established in January 2009, Beaufort Realty not only services Mount Lawley but also has a strong presence in the surrounding suburbs of North Perth, Inglewood, Highgate, Maylands and Yokine.

Founders Pam Herron, Jon Adams and Christine Kirkness – who all still work in the agency – sought to combine old fashioned values with a modern approach to business. Beaufort Realty's four partners (including selling director Donna Buckovska who bought shares five years ago) have a combined 120 years' experience working in Perth's inner suburbs.

Beaufort Realty has a strong market share in Mount Lawley, consistently rating in the top three local agents according to realestate.com.au.

Material interest in entities which are not controlled entities

The Consolidated Entity has an interest (that is material to it) in the following entities: Nil



Compliance Statement

The preliminary final report has been prepared based on the 30 June 2017 accounts which are in the process of being audited by an independent Audit Firm in accordance with the requirements of s302 of the *Corporations Act 2001*.

Attachments forming part of Appendix 4E:

1. Preliminary Final Financial Report

A handwritten signature in black ink, appearing to read "P. Niardone", written over a horizontal line.

Signed: _____

Paul Niardone
Managing Director

Date: 31st August 2017



**AUSNET FINANCIAL SERVICES LIMITED
(formerly Namibian Copper Limited)**

ABN 52 118 913 232

And its Controlled Entities

**Preliminary Final Financial Report
June 2017**

THE Δ AGENCY
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AUSNET FINANCIAL SERVICES LIMITED
(FORMERLY NAMIBIAN COPPER LIMITED)
ABN 52 118 913 232
And its Controlled Entities
June 2017

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AUSNET FINANCIAL SERVICES LIMITED
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Directors	Philip Re Chairman (Appointed 19 December 2016) Paul Niardone Managing Director (Appointed 19 December 2016) John Kolenda Non Executive Director (Appointed 19 December 2016) Adam Davey Non Executive Director (Appointed 19 December 2016) Ross Cotton Non Executive Director
Company Secretary	Stuart Usher
Registered Office	Suite 1 GF, 437 Roberts Road Subiaco WA 6008
Principal Place of Business	254 Scarborough Beach Road Doubleview WA 6018
Solicitors	Steinepreis Paganin Level 4, Next Building 16 Milligan St Perth WA 6000 Mills Oakley Level 2, 225 St. Georges Terrace Perth WA 6000
Share Registry	Advanced Share Registry Services 110 Stirling Hwy Nedlands WA 6009
Auditors	Bentleys Audit & Corporate (WA) Pty Ltd PO Box 7775 Cloisters Square Perth WA 6850

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Principal Activities

The principal activity of the Consolidated Entity for the financial year was real estate and related activities. There were no significant changes in the nature of the Consolidated Entity's principal activities during the financial year.

Operating Results and Financial Position

The Consolidated Entity delivered a 30 June 2017 loss after tax of \$3,569,072 (2016: \$1,839,173 loss). However, included in the results was an acquisition cost of acquiring Ausnet Financial Services Limited formerly Namibian Copper Limited (Corporate Transaction Accounting Expense) of \$1,439,297 which is a result of the reverse acquisition transaction as detailed in Note 3. If you exclude this cost, the results of the Consolidated Entity was a loss after tax of \$2,129,775.

In comparison to the prior years results, taking into account non-recurring costs, non-cash costs and costs associated with the ASX listing and maintenance of an ASX listed entity, the results are as follows:

	June 2017 \$	June 2016 \$
Loss after income tax	(3,569,072)	(1,839,173)
Add back		
Corporate Transaction Accounting Expense	1,439,297	-
	<u>(2,129,775)</u>	<u>(1,839,173)</u>
Add back		
ASX Listing related costs	355,517	-
Legal costs	106,485	-
Rebranding costs	57,166	-
Interest paid	96,170	-
Write-off non recoverable wages	103,698	-
ASX Head Office costs	570,723	-
	<u>(840,016)</u>	<u>(1,839,173)</u>

This results in a 54% improvement in operational results from a loss after tax of \$1,839,173 in 2016 to a loss of \$840,016 in 2017.

The net assets of the Consolidated Entity have increased from 30 June 2016 by \$4,103,964 to \$2,673,484 at 30 June 2017 (2016: \$(1,430,480) net liabilities).

As at 30 June 2017, the Consolidated Entity's cash and cash equivalents increased from 30 June 2016 by \$2,048,677 to \$2,202,655 at 30 June 2017 (2016: \$153,978).

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Review of Operations

Operations Review

On December 14, 2015 Namibian Copper NL announced that it had signed a non-binding heads of agreement to acquire 100% of Ausnet Real Estate Services Pty Ltd. The Company then proceeded to a signed binding heads of agreement on April 19, 2016. Completion of the transaction followed certain terms being met:

- In exchange for 100% of the issued capital in Ausnet, Namibian Copper NL (“NCO”) agreed to issue AUD\$4M worth of fully paid ordinary shares in NCO at the re-quotation price of \$0.03 being 133,333,333 NCO Shares. NCO shares to the shareholders of Ausnet, subject to ASX escrow provisions (Consideration Shares). As per the Prospectus lodged September 30, 2016 the Consideration Shares had changed to AUS\$4M worth of fully paid ordinary shares in NCO at the re-quotation price of \$0.02 being 200,000,000 NCO Shares.
- Issue to Ausnet shareholders AUD\$4M worth of NCO Consideration Performance Shares at the re-quotation price of \$0.03 being 133,333,333 NCO Performance Shares (Performance Shares), in the following tranches:
 - (i) Tranche 1; AUD\$2M worth of Performance Shares (66,666,667 Consideration Performance Shares); and
 - (ii) Tranche 2; AUD\$2M worth of Performance Shares (66,666,667 Consideration Performance Shares).

As per the Notice of Meeting lodged June 20, 2016 for meeting held on July 20, 2016, the Consideration Performance Shares approved to be issued was 66,666,667 Performance Shares. In addition to this, 46,666,667 Incentive Performance Shares were approved to be issued to proposed and continuing Directors of NCO.

A Performance Share in the relevant class will convert into one share upon achievement of:

1. The Consideration Performance Shares vest upon achieving a 10% growth in the mortgage and finance business loan book within 18 months of settlement (first milestone); and
2. The Incentive Performance Shares vest upon:
 - a. achieving a 10% growth in the mortgage and finance business loan book within 18 months of settlement; and
 - b. achieving a 20 day volume VWAP on the ASX which equals or exceeds 3 times the re-quotation price of \$0.02, at any time within 24 months of settlement (second milestone).

Conditions precedent for the completion of the acquisition that were met included NCO obtaining all regulatory and shareholder approvals as required:

- To issue the consideration shares and performance shares;
- To approve a change to its’ business from a mineral exploration company to a real estate and financial services company;
- To change the name of Namibian Copper NL to Ausnet Financial Services Limited;
- NCO undertaking a 3:2 rights issue at an issue price of \$0.001 per NCO share to raise \$0.5M;
- Each party (NCO and Ausnet) completing financial and legal due diligence on the other, and the results of the due diligence being to the satisfaction of both parties;

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- NCO preparing a prospectus for a capital raising sufficient to enable NCO to be reinstated to quotation on the ASX, lodging the prospectus with the Australian Securities and Investments Commission (ASIC) and receiving sufficient applications to meet the minimum subscription under the prospectus; and
- NCO receiving a letter from the ASX confirming that it will re-instate NCO to trading on the ASX following compliance with Chapters 1 and 2 of the ASX Listing Rules, with the terms of the letter acceptable to NCO and Ausnet.

NCO also agreed to issue the following options in connection with the acquisition:

- 50M NCO Shares and 50M listed NCO Options exercisable at \$0.015 (pre-consolidation price) and expiring 30 April 2019 in consideration for introduction and consulting services.

A capital raising of \$5.8M was conducted, with the result being the maximum amount raised following a highly oversubscribed public offering.

Subsequent to all conditions precedent being met and the capital raising concluded, the reverse acquisition transaction (as described in note 1(b)) was concluded on December 16, 2016 and the Company – now renamed to Ausnet Financial Services Limited – was reinstated to official ASX quotation on December 28, 2016.

As a result of the transaction the Company changed its nature and scale, becoming a provider of real estate and financial services including:

- Real Estate Services
- Mortgage Origination Services
- Settlement Agent Services
- Financial Planning Services

On January 30, 2017 the Company announced that it had entered into a Licence Agreement and an Option to acquire Top Level Real Estate Pty Ltd (“Top Level”) (via its wholly owned subsidiary Ausnet Real Estate Services Pty Ltd) as part of its planned national roll-out of its The Agency platform, a disruptive and fast growing real estate sales and property management business.

The License Agreement allows the Company to launch The Agency on the east coast of Australia, with Top Level licenced to operate under “The Agency” brand within NSW, QLD and VIC. Top Level has signed agreements with an exciting team of senior real estate executives and currently has an initial 17 highly experienced sales agents.

Pursuant to a binding option agreement (“Option Agreement”), the shareholders and convertible noteholders of Top Level (“Vendors”) have granted Ausnet Real Estate Services Pty Ltd (“Ausnet Pty Ltd”) an option to acquire 100% of the issued capital of Top Level on issue at settlement of the acquisition (“Acquisition”), subject to the satisfaction or waiver of conditions precedent. John Kolenda, one of the Company’s current directors, has an interest in one of the Vendors.

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**CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	June 2017 \$	June 2016 \$
Revenue from continuing operations	2	9,590,540	6,631,439
Less Expenses			
Salaries & employee benefits expenses		(8,439,488)	(6,165,639)
Depreciation and Amortisation		(13,490)	(54,466)
Profit/(loss) on disposal of assets		-	(98,182)
Consultancy Fees		(613,450)	(202,045)
Advertising & Promotion expenses		(214,032)	(236,206)
Legal, Professional & Valuation fees		(954,602)	(702,653)
Rent & Outgoings		(247,440)	(214,358)
Other expenses		(926,849)	(747,062)
Share based payment		(118,830)	-
Impairment Costs		(140,816)	(54,605)
Impairment of loan to Joint Venture entity		-	(33,619)
Corporate transaction accounting expense	3	(1,439,297)	-
Net Profit / (loss) before income tax		(3,517,754)	(1,877,396)
Income tax (expense) / benefit		(51,318)	38,223
Profit / (loss) from continuing operations		(3,569,072)	(1,839,173)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period attributable to the members of Ausnet Financial Services Limited		(3,569,072)	(1,839,173)
Basic and diluted earnings/(loss) per share (cents per share) attributable to the members of Ausnet Financial Services Limited		(1.16)	(6.08)

The accompanying notes form part of these financial statements

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	June 2017 \$	June 2016 \$
Current Assets			
Cash and cash equivalents		2,202,655	153,978
Trade and other receivables		1,562,292	1,092,550
Other current assets		33,364	-
Current tax asset		184,115	-
Total Current Assets		3,982,426	1,246,528
Non Current Assets			
Property, Plant and Equipment		78,595	22,613
Intangible Assets		3,313,893	-
Deferred Tax Asset		346,821	346,821
Total Non Current Assets		3,739,309	369,434
Total Assets		7,721,735	1,615,962
Current Liabilities			
Trade and Other Payables		4,058,364	2,060,905
Borrowings		6,117	449,473
Provisions		276,093	441,693
Total Current Liabilities		4,340,574	2,952,071
Non Current Liabilities			
Deferred tax liabilities		580,004	-
Provisions		127,673	94,371
Total Non Current Liabilities		707,677	94,371
Total Liabilities		5,048,251	3,046,442
Net Assets/(Liabilities)		2,673,484	(1,430,480)
Equity			
Contributed Equity	4	9,706,731	2,509,890
Reserves		476,195	-
Accumulated Losses		(7,509,442)	(3,940,370)
Total Equity/(Net Deficiency)		2,673,484	(1,430,480)

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED	Contributed Equity	Accumulated Losses	Reserves	Total
Balance 1 July 2016	2,509,890	(3,940,370)	-	(1,430,480)
Profit / (Loss) for the year	-	(3,569,072)	-	(3,569,072)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(3,569,072)	-	(3,569,072)
Transactions with equity holders in their capacity as owners:				
Share Subscriptions (net of transaction costs)	7,196,841	-	-	7,196,841
Options issued	-	-	476,195	476,195
Dividends paid to equity holders	-	-	-	-
Balance 30 June 2017	9,706,731	(7,509,442)	476,195	2,673,484
Balance 1 July 2015	1,599,086	(2,101,197)	-	(502,111)
Profit / (Loss) for the year	-	(1,839,173)	-	(1,839,173)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(1,839,173)	-	(1,839,173)
Transactions with equity holders in their capacity as owners:				
Share Subscriptions (net of transaction costs)	910,804	-	-	910,804
Dividends paid to equity holders	-	-	-	-
Balance 30 June 2016	2,509,890	(3,940,370)	-	(1,430,480)

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CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	June 2017 \$	June 2016 \$
Cash flows from operating activities			
Receipts from customers		9,025,388	5,958,188
Payments to suppliers and employees		(9,746,974)	(7,349,535)
Interest received		26,529	231
Interest paid		(98,101)	(35,250)
Income tax paid		(50,692)	-
Net cash inflows/(outflows) from operating activities		<u>(843,850)</u>	<u>(1,426,366)</u>
Cash flows from investing activities			
Payments for Property Plant and Equipment		(26,898)	(10,901)
Proceeds from sale of Property Plant and Equipment		10,000	4,800
Payments for intangibles		(422,887)	-
Net cash inflow on acquisition of Beaufort (cash held at acquisition)		(2,239,714)	-
Net cash inflow on reverse acquisition (cash held at acquisition)	3	165,082	-
Net cash inflows/(outflows) from investing activities		<u>(2,514,417)</u>	<u>(6,101)</u>
Cash flows from financing activities			
Proceeds from issue of shares		5,800,000	869,804
Share issue costs		(384,700)	-
Repayments of borrowings		(8,356)	(11,368)
Net Proceeds from borrowings		-	435,000
Net cash inflows/(outflows) from financing activities		<u>5,406,944</u>	<u>1,293,436</u>
Net increase in cash held		2,048,677	(139,031)
Cash at the beginning of financial year		153,978	293,009
Cash at the end of financial year		<u>2,202,655</u>	<u>153,978</u>

The accompanying notes form part of these financial statements

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CONDENSED NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

This general purpose condensed financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. Ausnet Financial Services Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial report covers Ausnet Financial Services Limited and controlled entities ("the Consolidated Entity"). Ausnet Financial Services Limited is a Company limited by shares, incorporated and domiciled in Australia. The financial report is presented in Australian dollars which is the Consolidated Entity's functional and presentation currency.

The financial statements are presented in Australian dollars and have been prepared under the historical cost convention. The financial statements of the Consolidated Entity also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial information in this report does not include all the notes of the type normally included within the annual financial reports and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the full financial reports.

Therefore it is recommended that this report should be read in conjunction with the annual financial reports for the year ended 30 June 2017, when it becomes available, and be considered together with any public announcements made by Ausnet Financial Services Limited during the year ended 30 June 2017 in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

b) Reverse Acquisition

Ausnet Financial Services Limited (formerly Namibian Copper Limited) is listed on the Australian Securities Exchange. The Company completed the legal acquisition of Ausnet Real Estate Services Pty Ltd on 16 December 2016.

Ausnet Real Estate Services Pty Ltd (the legal subsidiary) was deemed to be the acquirer for accounting purposes as it has obtained control over the operations of the legal acquirer Ausnet Financial Services Limited (accounting subsidiary). Accordingly, the consolidated financial statements of Ausnet Financial Services Limited have been prepared as a continuation of the financial statements of Ausnet Real Estate Services Pty Ltd. Ausnet Real Estate Services Pty Ltd (as the deemed acquirer) has accounted for the acquisition of Ausnet Financial Services Limited from 16 December 2016. The comparative information presented in the consolidated financial statements is that of Ausnet Real Estate Services Pty Ltd.

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CONDENSED NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The impact of the reverse acquisition on each of the primary statements is as follows:

- (a) The consolidated statement of profit and loss and other comprehensive income:
 - (i) for the year ended 30 June 2017 comprises 12 months of Ausnet Real Estate Services Pty Ltd and 196 days of Ausnet Financial Services Limited; and
 - (ii) for the comparative period comprises 1 July 2015 to 30 June 2016 of Ausnet Real Estate Services Pty Ltd.
- (b) The consolidated statement of financial position:
 - (i) as at 30 June 2017 represents both Ausnet Real Estate Services Pty Ltd and Ausnet Financial Services Limited as at that date; and
 - (ii) as at 30 June 2016 represents Ausnet Real Estate Services Pty Ltd as at that date.
- (c) The consolidated statement of changes in equity:
 - (i) for the year ended 30 June 2017 comprises Ausnet Real Estate Services Pty Ltd's balance at 1 July 2016, its loss for the year and transactions with equity holders for 12 months. It also comprises Ausnet Financial Services Limited transactions within equity for the 196 days ended 30 June 2017 and the equity value of Ausnet Real Estate Services Pty Ltd and Ausnet Financial Services Limited at 30 June 2017. The number of shares on issue at the end of the year represent those of Ausnet Financial Services Limited only.
 - (ii) for the comparative period comprises 1 July 2015 to 30 June 2016 of Ausnet Real Estate Services Pty Ltd 's changes in equity.
- (d) The consolidated statement of cash flows:
 - (i) for the year ended 30 June 2017 comprises the cash balance of Ausnet Real Estate Services Pty Ltd, as at 1 July 2015, the cash transactions for the 12 months (12 months of Ausnet Real Estate Services Pty Ltd and the period from 17 December 2016 to 30 June 2017 of Ausnet Financial Services Limited) and the cash balances of Ausnet Real Estate Services Pty Ltd and Ausnet Financial Services Limited as at 30 June 2017.
 - (ii) for the comparative period comprises 1 July 2015 to 30 June 2016 of Ausnet Real Estate Services Pty Ltd.

NOTE 2: REVENUE

	Consolidated Entity	
	June	June
	2017	2016
	\$	\$
Revenue from continuing operations:		
Commissions	6,335,430	3,725,292
Fees	3,018,512	2,858,453
Management fees	173,526	36,000
Interest received	24,764	232
Other income	38,308	11,462
Total Revenue	9,590,540	6,631,439

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CONDENSED NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: BUSINESS COMBINATION

On 16 December 2016, Ausnet Financial Services Limited (formerly Namibian Copper Limited) acquired 100% of the ordinary share capital and voting rights in Ausnet Real Estate Services Pty Ltd as detailed in the prospectus and supplementary prospectus announced by the Company.

Under AASB 3 Business Combinations (AASB 3) this is treated as a 'reverse acquisition', whereby the accounting acquirer is deemed to be Ausnet Real Estate Services Pty Ltd and Ausnet Financial Services Limited is deemed to be the accounting acquiree. Refer to the effect upon the basis of preparation at Note 1(b).

(a) Acquisition Consideration

As consideration for the issued capital of Ausnet Real Estate Services Pty Ltd, Ausnet Financial Services Limited issued 200,000,000 post consolidation shares to the shareholders of Ausnet Real Estate Services Pty Ltd at \$0.02 and 66,666,667 performance shares for a total consideration of \$4,000,000. No cash was paid as part of the acquisition consideration.

(b) Fair value of consideration transferred

Under the principles of AASB 3, the transaction between Ausnet Financial Services Limited and Ausnet Real Estate Services Pty Ltd is treated as a reverse acquisition. As such, the assets and liabilities of the legal subsidiary (the accounting acquirer), being Ausnet Real Estate Services Pty Ltd, are measured at their pre-combination carrying amounts. The assets and liabilities of the legal parent (accounting acquiree), being Ausnet Financial Services Limited are measured at fair value on the date of acquisition.

The consideration in a reverse acquisition is deemed to have been incurred by the legal subsidiary (Ausnet Real Estate Services Pty Ltd) in the form of equity instruments issued to the shareholders of the legal parent entity (Ausnet Financial Services Limited). The acquisition-date fair value of the consideration transferred has been determined by reference to the fair value of the number of shares the legal subsidiary (Ausnet Real Estate Services Pty Ltd) would have issued to the legal parent entity Ausnet Financial Services Limited to obtain the same ownership interest in the combined entity. Therefore the deemed fair value of the acquisition of Ausnet Financial Services Limited (Accounting Subsidiary) was determined to be 87,793,034 shares on issue in Ausnet Financial Services Limited at \$0.02 for a total value of \$1,755,861.

(c) Goodwill

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of the legal parent, being Ausnet Financial Services Limited. Details of the transaction are as follows:

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	Fair Value
	\$
Fair value of consideration transferred	1,755,861
<i>Fair value of assets and liabilities held at acquisition date:</i>	
Cash	165,082
Trade and other receivables	185,049
Other current assets	7,660
Trade and other payables	(20,407)
Borrowings	(20,820)
Fair value of identifiable assets and liabilities assumed	<u>316,564</u>
Goodwill (Corporate transaction accounting expense)	<u>1,439,297</u>

The goodwill calculated above represents goodwill in Ausnet Financial Services Limited; however this has not been recognised. Instead the deemed fair value of the interest in Ausnet Real Estate Services Pty Ltd issued to existing Ausnet Financial Services Limited shareholders to effect the combination (the consideration for the acquisition of the public shell company) was recognised as an expense in the consolidated statement profit or loss and comprehensive income. This expense has been presented as a "Corporate transaction accounting expense" on the face of the consolidated statement profit or loss and comprehensive income.

NOTE 4: CONTRIBUTED EQUITY

	June	June
	2017	2016
	\$	\$
587,793,034 (2016: 109,838,870) fully paid ordinary shares	9,706,731	2,509,890
Ordinary Shares		
At the beginning of the reporting period	2,509,890	1,599,086
Convertible notes converted into shares	285,000	-
Issue of prospectus shares	5,800,000	-
Issue of shares to Ausnet Real Estate Services Pty Ltd shareholders	1,755,861	-
Issue of shares to corporate advisor	100,000	-
Shares issued during the year for cash	-	869,804
Shares issued during the year in lieu of service	100,000	41,000
Transaction costs relating to share issues	(844,020)	-
At reporting date	<u>9,706,731</u>	<u>2,509,890</u>

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	June 2017	June 2016
Number of Ordinary Shares		
At the beginning of the reporting period	109,838,870	64,298,753
Convertible notes converted into shares	14,250,000	-
Balance before reverse acquisition	124,088,870	
Elimination of existing legal acquire shares	(124,088,870)	-
Shares of legal acquirer at acquisition date	87,793,034	-
Issue of prospectus shares	290,000,000	-
Issue of shares to Ausnet Real Estate Services Pty Ltd shareholders	200,000,000	-
Issue of shares to corporate advisor	5,000,000	-
Shares issued during the year for cash	-	43,490,117
Shares issued during the year in lieu of service	5,000,000	2,050,000
At reporting date	<u>587,793,034</u>	<u>109,838,870</u>

NOTE 5: AFTER BALANCE DATE EVENTS

There has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of the operations, or the state of the affairs of the Consolidated Entity in future financial years.

NOTE 6: AUDIT STATUS

This report is based on accounts that are in the process of being audited