

## Appendix 4E - Preliminary Final Report

Name of Entity	Grandbridge Limited
ABN	64 089 311 026
Financial Year Ended	Year ended 30 June 2017
Previous Corresponding Reporting Period	Year ended 30 June 2016

### Results for announcement to the market

\$A'000

Revenues from ordinary activities (i)	Up	23%	to	832
Net profit from ordinary activities after tax attributable to members (ii)	Up	438%	to	144
Net profit for the period attributable to members (ii)	Up	438%	to	144
<b>Dividends (distributions)</b>	<b>Amount per security</b>	<b>Franked amount per security</b>		
Final dividend	Nil	Nil		
Interim dividend	Nil	Nil		
Previous corresponding period	Nil	Nil		

- (i) Current period revenues include \$340,692 of fees relating to the termination of service agreements which have not been paid by the debtors. A provision for doubtful debts has been recognised in respect of 100% of the associated receivable
- (ii) Net profit after tax is after recognising a \$131,941 income tax benefit (2016: \$11,554 expense)
- (iii) The substantial percentage improvement increase in net profit after tax of 433% is attributable to a small net profit after tax of \$26,830 reported in the previous corresponding period

### Ratios

<b>Profit before tax / revenue</b> Consolidated profit from ordinary activities before tax as a percentage of revenue	1.50%	5.66%
<b>Profit after tax / equity interests</b> Consolidated net profit from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	2.76%	0.53%
<b>Net tangible asset backing per ordinary security (cents per share)</b>	22.99	19.00

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## Commentary on results

The consolidated entity has reported an unaudited net profit after tax for the year ended 30 June 2017 of \$144,373 (30 June 2016: profit \$26,830), which is stated after (i) consulting and legal expenses of \$238,163 partly relating to ongoing legal disputes (2016: \$21,796), offset by a reduction in employee expenses to \$177,922 (2016: \$342,778) (ii) unrealised losses on the revaluation of financial investments of \$128,044 (2016: gain of \$99,873).

The consolidated entity has a working capital deficit of \$215,423 (2016: deficit \$967,403). The net assets of the consolidated entity increased by \$144,373 to \$5,238,860 at 30 June 2017.

The Company's shares were suspended on ASX on 1 June 2017 due to the Company's financial position and remain in suspension.

Developments in the Company's investments include:

### **MEC Resources Limited (GBA 4.37%)**

On 24 November 2016 MEC Resources ("MEC") announced that it had terminated the consultancy agreement with immediate effect between MEC, Trandcorp Pty Ltd ("Trandcorp") and Mr David Breeze (Trandcorp's Nominee) under which Mr David Breeze was appointed as Managing Director of MEC.

#### *Capital raisings*

In March 2017 MEC announced a 1 for 2 pro-rata non-renounceable rights issue of up to approximately \$2.8 million before costs at an issue price of \$0.028 per share. The issue closed on 28 April 2017 with shareholders subscribing for a total of 22,788,594 shares, including shortfall shares, to raise \$638,081. Subsequently another 300,000 shortfall shares were issued before 30 June 2017 to raise \$8,400.

On 24 May 2017 MEC announced that the Venture Capital Board of Innovation and Science Australia had granted a further two year exemption to the Company valid until 5 August 2019 under Section 25 of the *Pooled Development Funds Act 1992* (Cth). A Pooled Development Fund ("PDF") may only invest 30% of its shareholder funds in any particular investee.

### **BPH Energy Limited (GBA 7.20%)**

#### *Capital raisings*

On 5th July 2016 the Company issued 70,730,318 shares under a share placement plan at a price of \$0.00533 per share to raise \$376,993, being the maximum 30% of its share capital it could issue. Applications in excess of \$800,000 were received. A private placement of shares to sophisticated and professional investors was announced on 8th July 2016 at the same price. A total of 45,966,214 shares were issued under this placement which raised \$245,000 from existing shareholders of the Company.

In March and April 2017 the Company issued 219,701,468 shares under a share purchase plan at \$0.005 per share for \$1,098,507. Of these subscription monies, \$803,469 was received in cash and \$295,038 set off against related party payables.

The consolidated entity increased its direct shareholding in BPH to 7.1% during the period under review.

### **Cortical Dynamics Ltd (GBA 6.49%)**

In November 2016 Cortical Dynamics Ltd ("Cortical") was announced as the winner of the Australian Technologies Competition ("ATC") Advanced Manufacturing category, runner up in the Australian Technology Company of the Year, and runner up in the Med Tech and Pharma category. ATC has established itself as Australia's premier technology accelerator. The competition provides mentoring for innovative SMEs and awards those who are best positioned to become global success stories. Over the last five years, the competition has generated over \$250 million dollars in investment and project opportunities for Australian SMEs.

Over 130 of Australia's best technology companies were considered for these awards. Cortical was chosen as one of three finalists in the Med Tech and Pharma award and as one of three in the further category for

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Advanced Manufacturing. Australian and international government partners of the ATC include the Australian Department of Industry, Innovation and Science, the City of Melbourne, the NSW Department of Industry, Hong Kong Trade & Development Council and UK Trade & Investment.

Cortical was also invited by the Australian Trade and Investment Commission (“Austrade”) to attend and present at the Austrade Med Tech Innovation Showcase 2016 held in Korea in September 2016. The showcase was for Australia’s key industry experts and innovative Med Tech companies with senior executives from leading Korean pharma and medical device companies.

Cortical Chairman, Mr David Breeze, presented Cortical’s next generation Brain Function Monitor and met with four of the leading Korean teaching and research hospitals, all of whom expressed interest in using the technology when it became available in Korea. Discussions were also initiated with a Korean medical device distribution company who approached Cortical seeking the Korean distribution rights. Organised by Austrade, with the support of the Department of Foreign Affairs and Trade (“DFAT”) and the Korean Health Innovation Development Institute (“KHIDI”), the showcase provided a platform for Australian medical technology organisations to meet with Korean businesses that are interested in partnering with Australian technology and solutions providers.

In February 2017 The European Patent Office granted Cortical a further patent titled, ‘Brain function monitoring and display system’ for the Brain Anaesthesia Response (“BAR”) monitoring system. Europe has been estimated to hold over one third of the worldwide electroencephalogram (“EEG”) / EMG / brain function monitoring market. Cortical has developed an extensive patent portfolio encapsulating the BAR monitoring system and its physiologically based algorithms, with a total of twenty two patents granted throughout Europe, Australia, New Zealand, the United States, Japan and the People’s Republic of China.

Having achieved Therapeutic Goods Administration (“TGA”) certification and the CE Mark, Cortical is now able to market the BAR monitor within Australia and Europe, one of the worlds’ largest EEG brain function monitoring equipment markets. Cortical has signed an initial agreement in Australia and is now negotiating its first distribution agreement for Europe and is receiving distribution enquiries from other international centres.

The BAR monitoring system measures a patient’s brain electrical activity, the EEG, in order to indicate how deeply anaesthetised a patient is during an operation via an adhesive sensor applied to the forehead. The BAR monitor is designed to assist anaesthetists and intensive care staff in ensuring patients do not wake unexpectedly, as well as reducing the incidence of side effects associated with the anaesthetic.

#### *Capital raisings*

During the reporting period Cortical issued 5,400,000 fully paid ordinary shares (including 650,000 issued in July 2017) at an issue price of \$0.10 per share to fund its ongoing activities.

#### **Advent Energy Ltd (GBA 11.80%)**

The information in this section has been extracted from the ASX announcement of MEC Resources Limited (ASX: MMR), the major shareholder in Advent Energy Ltd.

##### **(i) PEP 11**

PEP11, offshore Sydney Basin adjacent to Newcastle-Sydney offshore New South Wales, is held 85% and operated by Asset Energy Pty Ltd (“Asset”), a wholly owned subsidiary of Advent Energy Ltd (“Advent”). Bounty Oil & Gas NL (ASX: BUY) holds the remaining 15% of PEP11.

Gas prices on the east coast have risen to extreme levels in the last year as cold weather and rising demand from the Queensland LNG projects has resulted in short-term wholesale gas prices in Sydney up to nearly \$29 per gigajoule (GJ). This price spike means that industrial gas buyers relying on the spot market for gas supplies will be paying more than three times as much as Japan is paying for importing LNG. Concerns have been raised that large gas consumers will be asked to reduce consumption to preserve supplies for households. With the NSW onshore gas industry in turmoil and the declining reserves in the Bass Strait and Cooper Basin, Advent Energy is pushing ahead with a focussed seismic campaign around a key potential drilling prospect in PEP11 in the offshore Sydney Basin.

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PEP11 holds significant structural targets potentially capable of comprising multi-Tcf natural gas resources. The offshore Sydney Basin has been lightly explored to date, including a multi-vintage 2D seismic data coverage and a single exploration well, New Seaclem-1 (2010). Its position as the only petroleum title offshore New South Wales provides a significant opportunity should natural gas be discovered in commercial quantities in this petroleum title. It lies adjacent to the Sydney-Newcastle region and the existing natural gas network servicing the east coast gas market. The impact of restrictive onshore exploration policy in NSW and Victoria in conjunction with the rise in export of natural gas resources as LNG from Queensland has placed the domestic east coast gas market in a parlous state considering the inability of gas reserves to meet market demand beyond approximately 2019, as forecast by the Australian Energy Market Operator.

Advent's two core prospects in PEP11 have previously been calculated via external assessment to have the potential for un-risked (P50) prospective gas resources of 472 and 2,131 billion cubic feet ("BCF") respectively, with multi-trillion cubic feet upside ("multi-TCF", Pmean). This resource assessment was originally comprised within the independent expert report disclosed to the ASX on 22 December 2010 and has not materially changed since that date.

In March 2017 Advent engaged the services of Minev Services Pty Ltd to provide support to deliver the proposed 2D seismic program within PEP11. Advent, through wholly owned subsidiary Asset Energy Pty Ltd, along with its joint venture partner, presently have an obligation to perform a 200 line km 2D seismic survey in PEP11.

In July 2017 Advent submitted its Environmental Plan ("EP") for approval to the National Offshore Petroleum Safety and Environment Management Authority ("NOPSEMA") prior to commencement of seismic acquisition activities in PEP11. The initial assessment findings have been received from NOPSEMA, and an opportunity to modify and resubmit the EP has been provided to Asset. Advent anticipates that it will address the findings and shortly update the draft EP.

Advent expects to commence its 2D seismic program in the third quarter of 2017, pending regulatory approvals. It is expected that campaign will run for three to four days, and take place predominantly approximately 30km south east of Newcastle. The survey will acquire high resolution 2D seismic data over the Baleen prospect, and will evaluate (amongst other things) shallow geohazard indications including shallow gas accumulations that can affect future potential drilling operations.

(ii) EP386 and RL1

EP386 and RL1 are held by Advent's 100% subsidiary Onshore Energy Pty Ltd. The petroleum titles lie in the onshore Bonaparte Basin, one of Australia's most prolific hydrocarbon producing basins. Within these titles an independently certified 2C Contingent Resource of 11.5 Billion cubic feet (Bcf) (1C is 0.25 Bcf and 3C is 45.8 Bcf) has previously been announced for the Weaber Gas Field in RL1. This field lies immediately adjacent to the Project Sea Dragon aquaculture project proposed by the Seafarms Group which is planned to potentially grow to a 100,000 tonne export project. This project has Major Project Status across multiple jurisdictions, and Advent Energy has previously signed a letter of intent for the potential supply of natural gas to Project Sea Dragon. Across EP386 and RL1, the majority of petroleum exploration wells were successful in encountering hydrocarbons. The petroleum wells Waggon Creek-1, Vienta-1 (EP386) and Weaber-4 (RL1) are cased and suspended as future producers.

In February 2017 Advent received conditional regulatory approval for suspension of the permit work commitments and extension of the term of EP386. The approval from the Western Australian Department of Mines & Petroleum ("DMP") allows the current EP386 work commitments to be completed by 31 March 2018, subject to regulatory approval and suitable funding.

Advent is preparing a proposal to DMP for a well intervention program to satisfy regulatory requirements and gather data to assess the potential of the hydrocarbon accumulations encountered in its Waggon Creek-1 and Vienta-1 wells in EP386. Advent is also preparing a similar proposal to the Northern Territory Department of Mines and Energy for Weaber-4 in RL1 in the Northern Territory. The data from the proposed well interventions is anticipated to provide new support for the commercial potential of the hydrocarbon accumulations.

Advent has submitted a preliminary proposed well intervention program to the designated authority for consideration.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Consolidated	
	Note	2017 \$	2016 \$
Revenue	1	831,585	677,754
Other (losses) / income	1	(127,951)	104,273
Administration expenses		(215,058)	(181,444)
Provision against loans write-back / (expense)		32,502	(93,171)
Investment written off		(18,293)	-
Consulting and legal expenses		(238,163)	(21,796)
Depreciation		(1,100)	(1,742)
Finance expense		(2,045)	(1,965)
Employee expenses	2	(177,922)	(342,778)
Insurance expenses		(25,647)	(21,681)
Occupancy expenses		(40,576)	(71,066)
Other expenses from ordinary activities		(4,900)	(8,000)
Profit before income tax		12,432	38,384
Income tax benefit / (expense)	3	131,941	(11,554)
Profit from continuing operations		144,373	26,830
Profit attributable to members of the parent entity		144,373	26,830
<i>Other comprehensive income</i>			
Items that will never be reclassified to profit and loss		-	-
Items that are or may be reclassified to profit and loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the period		144,373	26,830
<i>Earnings Per Share –</i>			
<i>Basic and diluted earnings per share (cents per share)</i>	4	0.47	0.08

The accompanying notes form part of and should be read in conjunction with this financial statement

## NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

### 1. Revenue and Other Income

	Consolidated	
	2017	2016
	\$	\$
<i>Revenue</i>		
Advisory and corporate advice	818,104	677,074
Underwriting fees	13,000	-
Interest revenue – other entities	481	680
<i>Total revenue</i>	<u>831,585</u>	<u>677,754</u>
<i>Other income</i>		
Unrealised (losses) / gains on financial investments	(128,044)	99,873
ATO refund	-	4,400
Other	93	-
	<u>(127,951)</u>	<u>104,273</u>

### 2. Expenses Included in the Profit for the Year

#### *Employee Expenses*

Salary	197,549	304,359
Superannuation	16,234	28,121
Share based payments	-	84
Other payroll expenses	(35,861)	10,214
	<u>177,922</u>	<u>342,778</u>

### 3. Income Tax Expense

- a) The components of income tax (benefit) / expense comprise:

Adjustments recognised in the current year in relation to the current tax of prior years

Adjustments recognised in the current year in relation to the current tax of prior years	3,542	-
Current tax	6,399	-
Deferred income tax (credit) / expense	(141,882)	11,554
	<u>(131,941)</u>	<u>11,554</u>

Deferred income tax (credit) / expense included in income tax (benefit) / expense comprises:

Decrease / (increase) in deferred tax assets	58,520	(17,727)
(Decrease) / increase in deferred tax liabilities	(200,402)	29,281
	<u>(141,882)</u>	<u>11,554</u>

**NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(CONTINUED)**

	<b>Consolidated</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>3. Income Tax Expense (continued)</b>		
b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 27.5% (2016: 30%)	3,419	11,515
Tax effect of amounts which are not (taxable) / authorized in calculating taxable income:		
Effect of change in income tax rate	(60,573)	-
Non-deductible expenses	-	512
Effect of previously unrecognised and unused tax losses now recognised as deferred tax assets	(33,891)	(2,427)
Expense relating to prior period	3,542	-
Temporary differences	(44,438)	1,954
Income tax (benefit) / expense recognised	(131,941)	11,554
<b>4. Earnings per Share</b>		
Reconciliation of earnings to profit or loss		
Net profit after tax and profit attributable to members of the parent entity	144,373	26,830
Profit used to calculate basic EPS	144,373	26,830
Profit used in the calculation of dilutive EPS	144,373	26,830
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	30,633,364	30,633,364
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	30,633,364	30,633,364
Earnings per share (cents per share)	0.47	0.08
Diluted earnings per share (cents per share)	0.47	0.08

## STATEMENT OF FINANCIAL POSITION

		Consolidated	
	Note	2017 \$	2016 \$
<b>Current Assets</b>			
Cash and cash equivalents	1	56,869	49,798
Trade and other receivables		15,602	-
Financial assets	2	888,642	-
Other current assets		18,290	24,677
<b>Total Current Assets</b>		<b>979,403</b>	<b>74,475</b>
<b>Non-Current Assets</b>			
Financial assets	2	6,063,084	6,844,866
Property, plant & equipment	3	-	1,100
Deferred tax assets	4	642,546	701,067
<b>Total Non-Current Assets</b>		<b>6,705,630</b>	<b>7,547,033</b>
<b>Total Assets</b>		<b>7,685,033</b>	<b>7,621,508</b>
<b>Current Liabilities</b>			
Trade and other payables	5	1,122,510	970,545
Short-term provisions	6	72,316	71,333
<b>Total Current Liabilities</b>		<b>1,194,826</b>	<b>1,041,878</b>
<b>Non-Current Liabilities</b>			
Long-term provisions	6	23,801	57,195
Deferred tax liabilities	4	1,227,546	1,427,948
<b>Total Non-Current Liabilities</b>		<b>1,251,347</b>	<b>1,485,143</b>
<b>Total Liabilities</b>		<b>2,446,173</b>	<b>2,527,021</b>
<b>Net Assets</b>		<b>5,238,860</b>	<b>5,094,487</b>
<b>Equity</b>			
Issued capital	7	3,609,420	3,609,420
Reserves	8	3,913,166	3,913,166
Accumulated losses		(2,283,726)	(2,428,099)
<b>Total Equity</b>		<b>5,238,860</b>	<b>5,094,487</b>

The accompanying notes form part of and should be read in conjunction with this financial statement



## NOTES TO THE STATEMENT OF FINANCIAL POSITION

	Consolidated	
	2017	2016
	\$	\$
<b>1. Cash and Cash Equivalents</b>		
Cash at bank and in hand	56,869	43,390
Short-term bank deposits	-	6,408
	<u>56,869</u>	<u>49,798</u>
<b>2. Financial Assets</b>		
<i>Current</i>		
Loans receivable (b)	888,642	-
	<u>888,642</u>	<u>-</u>
<i>Non-current</i>		
Security deposit (a)	20,000	20,000
Loans receivable (b)	1,655	829,045
Shares:		
Investments in listed entities (c)	381,095	317,194
Investments in unlisted entities (d)	5,660,334	5,678,627
	<u>6,063,084</u>	<u>6,844,866</u>
(a) The security deposit is for a performance bond provided by the Company's bank to the Australian Securities and Investments Commission.		
(b) Loans receivable -		
Unsecured loans to other entities	1,906,783	1,878,033
Provisions against unsecured loans	(1,016,486)	(1,048,988)
Unsecured loans to other entities	<u>890,297</u>	<u>829,045</u>
(c) Financial assets carried at fair value through profit and loss -		
BPH Energy Limited	83,556	23,724
MEC Resources Limited	292,419	282,670
Strategic Elements Limited	5,120	10,800
Total	<u>381,095</u>	<u>317,194</u>
(d) Available for sale financial assets – at fair value		
Molecular Discovery Systems Limited	20,334	20,334
Advent Energy Limited	5,640,000	5,640,000
AFFSDA	-	18,293
Total	<u>5,660,334</u>	<u>5,678,627</u>

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## NOTES TO THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

### 2. Financial Assets (continued)

Loans receivables are non-interest bearing and payable on demand. During the period the Company (i) reversed a \$373,194 provision against its unsecured loan with BPH Energy Ltd (ii) raised a provision of \$340,692 against fees relating to the termination of contracts with MEC Resources Limited and Advent Energy Limited. This provision can be reversed upon payment of the outstanding fees.

	<b>Consolidated</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>3. Property Plant and Equipment</b>		
At cost	117,391	117,391
Accumulated depreciation	(117,391)	(116,291)
Total property, plant and equipment	-	1,100
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Carrying amount at the beginning of the year	1,100	2,225
Additions	-	617
Depreciation expense	(1,100)	(1,742)
Carrying amount at the end of the year	-	1,100
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### 4. Deferred Tax Assets and Liabilities

#### (a) Assets

##### *Non-current*

Deferred tax assets comprise:

Provisions	304,202	353,252
Tax losses	338,344	347,815
	642,546	701,067

#### (b) Liabilities

##### *Non-current*

Deferred tax liabilities comprises:

Prepayments	5,030	7,403
Fair value adjustments	1,222,516	1,420,545
	1,227,546	1,427,948

## NOTES TO THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Consolidated	
	2017	2016
	\$	\$
<b>5. Trade and Other Payables</b>		
Trade payables	176,650	160,601
Sundry payables and accrued expenses	945,860	809,944
	<u>1,122,510</u>	<u>970,545</u>
<b>6. Provisions</b>		
<i>Employee entitlements:</i>		
Opening balance at 1 July	128,528	118,314
(Decrease) / increase in provision	(38,810)	10,214
Balance at 30 June	<u>89,718</u>	<u>128,528</u>
Current	65,917	71,333
Non-Current	23,801	57,195
	<u>89,718</u>	<u>128,528</u>
<i>Income tax:</i>		
Current		
Opening balance at 1 July	-	-
Increase in provision	6,399	-
Balance at 30 June	<u>6,399</u>	<u>-</u>
<b>7. Issued Capital</b>		
30,633,364 (2016: 30,633,364) fully paid ordinary shares	3,609,420	3,609,420
The company does not have an authorized share capital and the shares issued have no par value.		
<i>Ordinary Shares:</i>		
	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
At the beginning of reporting period	30,633,364	30,633,364
At the end of reporting period	<u>30,633,364</u>	<u>30,633,364</u>

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## NOTES TO THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Consolidated	
	2017	2016
	\$	\$
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<b>8. Reserves</b>		
(a) <i>Option Reserve</i>		
The option reserve records items recognized as expenses in respect of share options.		
Opening balance	323,566	323,482
Option expense during the year	-	84
Closing balance	323,566	323,566
<hr/>		
(b) <i>Asset Revaluation Reserve</i>		
The asset revaluation reserve records the revaluation of available for sale investments to fair value.		
Opening balance	3,589,600	3,589,600
Closing balance	3,589,600	3,589,600
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## STATEMENT OF CASH FLOWS

		Consolidated	
	Note	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		490,412	432,827
Payments to suppliers and employees		(598,235)	(484,857)
Income tax paid		(3,542)	-
Interest (paid) / received		(1,564)	680
<b>Net cash (used in) operating activities</b>	1	(112,929)	(51,350)
<b>Cash flows from investing activities</b>			
Payment for property, plant and equipment		-	(617)
<b>Net cash (used in) investing activities</b>		-	(617)
<b>Cash flows from financing activities</b>			
Repayment of loan to related entity		120,000	-
<b>Net cash from investing activities</b>		120,000	-
Net increase / (decrease) in cash and cash equivalents		7,071	(51,967)
Cash and cash equivalents at the beginning of the financial year		49,798	101,765
<b>Cash and cash equivalents at the end of the financial year</b>		56,869	49,798

The accompanying notes form part of and should be read in conjunction with this financial statement.

## NOTES TO THE STATEMENT OF CASH FLOWS

### 1. Cash Flow Reconciliation

	Consolidated	
	2017	2016
	\$	\$
Reconciliation of cash flow from operations with profit from ordinary activities after income tax:		
Operating profit after income tax	144,373	26,830
<i>Non-cash items:</i>		
Depreciation	1,100	1,742
Investment written off	18,293	-
Share based payments	-	84
Unrealised losses / (gains) on revaluation of investments	128,044	(99,873)
(Reversal) / provision against unsecured loans	(373,195)	93,171
Administration recharges	-	(248,648)
<i>Changes in net assets and liabilities:</i>		
(Increase) in trade and other receivables	(15,602)	-
Decrease in other assets	6,387	218
(Decrease) / increase in provisions	(32,412)	1,847
(Decrease) / increase in net deferred tax liabilities	(141,882)	11,554
Increase in trade payables and accruals	151,965	161,725
Net cash (used in) operating activities	(112,929)	(51,350)

## STATEMENT OF CHANGES IN EQUITY

	Ordinary Share Capital \$	Accumulated losses \$	Option Reserve \$	Fair Value Reserve \$	Total \$
<b>Balance at 1 July 2015</b>	3,609,420	(2,454,929)	323,482	3,589,600	5,067,573
Net profit for the year	-	26,830	-	-	26,830
Other comprehensive income net of income tax	-	-	-	-	-
Total comprehensive income for the year	-	26,830	-	-	26,830
Share based expense	-	-	84	-	84
<b>Balance at 30 June 2016</b>	3,609,420	(2,428,099)	323,566	3,589,600	5,094,487
Net profit for the year	-	144,373	-	-	144,373
Other comprehensive income net of income tax	-	-	-	-	-
Total comprehensive income for the year	-	144,373	-	-	144,373
<b>Balance at 30 June 2017</b>	3,609,420	(2,283,726)	323,566	3,589,600	5,238,860

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## Compliance Statement

1. This report has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to the ASX.
2. This report, and the accounts upon which the report is based (if separate), use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. This report is based on accounts to which one of the following applies.

☐

The accounts have been audited

☒

The accounts are in the process of being audited or subject to review.

☐

The accounts have been subject to review.

☐

The accounts have not yet been audited.



Sign here: .....date: 31 August 2017  
Director

Print name: David Breeze