BidEnergy
source to pay

BidEnergy Limited
(Formerly known as Cove Resources Limited)

ABN 94 131 445 335

2017

Annual Report

30 June 2017

BidEnergy

Contents

Corporate directory

Directors

Robert Browning (Non-Executive Chairman)

Philip Adams (Managing Director)

Leanne Graham (Non-Executive Director)

James Baillieu (Non-Executive Director)

Stuart Allinson (Executive Director)

Company secretary

Erlyn Dale

Registered office

Suite 5, CPC

145 Stirling Highway

Nedlands, Western Australia 6009

Phone: (08) 9389 3110

Fax: (08) 9389 3199

Principal place of business

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530 Little Collins Street

Melbourne, Victoria 3000

Phone: (03) 9028 8752

Share register

Computershare Investor Services Pty Ltd

Level 2, 45 St Georges Terrace,

Perth, Western Australia 6000

Phone: (03) 9415 4062

Auditor

RSM Australia Partners

Level 21, 55 Collins St

Melbourne VIC 3000

Stock exchange listing

BidEnergy Limited shares are listed on the Australian Securities Exchange (ASX code: BID and BIDO)

Website

www.bidenergy.com

Corporate Governance Statement

Details of the Company's corporate governance statement are included in the Corporate Governance Plan set out on the Company's website. This URL on our website is located at: bidenergy.com/investors/#corporate-governance

Chairman's letter

30 June 2017

Dear Shareholders,

On behalf of the BidEnergy Board, I am pleased to present our Annual Report for the 2017 financial year.

The past year has been transformative for BidEnergy, as we begin to solidify the Company as an innovative authority in the global energy management market. After commencing trading on the Australian Securities Exchange in July, we have seen significant advancements in the growth of our subscription base in Australia, New Zealand, and the UK, as well as positive developments in our US expansion strategy, that contribute to a tripling of our revenue.

Global energy prices are steadily rising, and this issue is a common thematic in discussions at a senior leadership and board level. These prices, coupled with a common lack of awareness and understanding about the sector and commodity, often results in blind acceptance of escalating costs in deregulated markets. BidEnergy is an energy automation platform that addresses these concerns, operating as a full utilities solution for multisite companies - from advanced sourcing to billing and accounts payable. The platform's Robotics Process Automation (RPA) and cloud-based delivery brings new capabilities and efficiencies to customers that results in optimised spending, notable reductions in errors and oversight, as well as increased sustainability.

During the past twelve months, the Company saw several subscription-based contracts come to fruition.

Following very extensive and competitive tender processes, 19 new agreements were signed with major national, and international, companies across a range of sectors from environmental resources to travel and retail.

In addition to these achievements, during the year BidEnergy launched the BidEnergy platform to the US market. This market is a key component of the Company's growth strategy, building on the success seen in the Australian and New Zealand markets. This launch has already resulted in a series of wins, particularly the acquisition of a leading independent rebate energy capture specialist, RealWinWin, in November. The Company also looks forward to finalising the procurement of a second business, AXIS, from Ameresco, Inc. as well as capitalising on other leads.

To drive the US program, in May, the Company promoted Phil Adams to the role of Managing Director. Phil is a well-regarded expert in the industry, having previously served as the CEO and President of NASDAQ listed energy management software and services firm, World Energy Solutions; Phil is also a Board Member of World Energy Efficiency Services. Based in Boston, Massachusetts, Phil's location and knowledge will be extremely beneficial for US expansion; this presence and expertise has already yielded in the RealWinWin acquisition and integration.

Former Managing Director and co-founder, Stuart Allinson remains on the board in a business development capacity; BidEnergy's co-founder Anthony Du Preez has stepped out of the business to focus on other interests.

Alongside Phil's promotion, the Company bolstered its Board and Management Team with the appointment of several new people. In addition to two new advisory roles, BidEnergy appointed two new Non-Executive Directors - software industry veteran Leanne Graham, as well as James Baillieu, a consultant and investor in early stage technology companies, in July and June respectively. Importantly, the Company also welcomed several new management positions. Each of these individuals are extremely experienced in the sector and their hiring is advantageous for the Company's growth.

The year ahead is exciting for our company, as we continue to expand our customer base in our current markets, accelerate our US business development initiatives, and expand in the European market. I look forward to these milestones, and sharing our progress with you.

Robert Browning

Sincerely,

Bob Browning
Chairman

Managing Director's Report

30 June 2017

Operational Report

Escalating energy prices are a global thematic, and in deregulated energy markets, companies and government organisations are taking inordinate prices at face value. The primary problem hinging this is a general lack of understanding of the sector, which is compounded with the complexity of scale and scope for large multi-site companies managing facilities across different utility territories and commodity suppliers.

BidEnergy offers a solution to this problem, by providing a full-service platform that leverages the power of Robotic Process Automation (RPA), led by highly experienced professionals, to optimise the efficacy and efficiency of energy management and spend. The Company's differentiating value proposition is its integrated view of the energy category that considers the many ways companies can save on energy (i.e. minimising commodity costs, reducing payment errors, minimizing late fees, benchmarking energy usage and more), measures that may seem meagre individually, and combines these in a consolidated platform to generate substantial savings.

In July 2016, the Company was pleased to commence publicly trading on the Australian Securities Exchange; following a A$7million capital raising. This positioned BidEnergy strongly to propel the Company forward and accelerate the notable milestones seen during the last twelve months.

Australia, New Zealand, and UK Expansion

During the year, BidEnergy signed several significant subscription contracts in Australia with 17 new companies, increasing the client base from 27 to 44, across a variety of industries following competitive tender processes against local and global consultancies. Notably, in July, BidEnergy signed a 24-month agreement with global resources giant BP to deploy the platform for electricity supplies of BP Australia and New Zealand, and to provide data and reporting access to their analysts in Europe and the US. After the successful integration of the platform, the contract extended to include BP's UK facilities as well. The Company also won subscription contracts with Victorian-based utility provider Yarra Valley Water, Flight Centre, State Government organisation NSW Procurement, and a multinational retail chain, among others.

In addition, BidEnergy signed an Australian partner alliance with global professional services firm KPMG, marking the Company's first significant partnership. This channel partnership sees BID and KPMG jointly pursuing opportunities to deploy the platform, in combination with KPMG's value-adding consulting services. During the fourth quarter, this agreement produced its first sale, with KPMG responsible for the recruitment of a quick serve restaurant chain to the platform.

US Entry

Importantly, during the year, BidEnergy introduced its platform to the US market, increasing opportunities and adding revenue streams for the Company. At 30 June 2017, the company had signed two US subscription customers to the platform.

In November, BID announced the acquisition of an American energy rebate capture specialist, RealWinWin, via an asset based purchase and hire of employees. Similar to BID, RealWinWin is a disruptor in the industry, pioneering the development of rebate administration as a third-party service, which is very complementary to BID's offering. In addition to providing a proven sales and service team with the applicable skill set, the acquisition gives BID access to more than 100 multi-site prospects within the ideal target market.

The team has identified a second bolt-on acquisition, AXIS - Ameresco, Inc.'s bill pay division, which will add approximately 50 new clients, a team of US experts, and premier software; this will add considerably to BidEnergy's infrastructure capabilities.

These acquisitions lay the foundation for the amplification of the Company's footprint in the US market. Prior to their purchase, under previous management, both companies were loss-making. Within six months, BidEnergy has effectively transformed RealWinWin from loss to EBITDA profit, and we expect AXIS to follow a similar transformation. Both companies will enable BidEnergy to evolve the capabilities of its platform and to cross-sell into established client bases.

Financial Position

The Company's revenue tripled in FY17, to $A2.6million, a record year for the Company. This 211% increase is a result of recurring subscription revenues, new client acquisitions, and revenue from the acquisition of RealWinWin. These numbers demonstrate the relevance of the platform and a proven business model.

Building on the achievements of the last year, I am confident the company is well placed for a continued revenue growth in FY18.

The industry is seeing an advent of new energy management systems, where ongoing technological innovations are driving a shift towards a data-centric marketplace; I am pleased to lead a Company at the forefront of this.

Looking ahead, I anticipate further growth as the Company's expansion around the world continues. I look forward to sharing these successes with you.

Philip V. Adams

Yours Sincerely,

Phil Adams
Managing Director

Director's Report

30 June 2017

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of BidEnergy Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2017.

Directors

The following persons were Directors of BidEnergy Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Robert Browning (Non-Executive Chairman) (appointed 1 July 2016)
Philip Adams (Managing Director) (appointed 1 May 2017)
Leanne Graham (Non-Executive Director) (appointed 28 July 2016)
James Baillieu (Non-Executive Director) (appointed 1 June 2017)
Stuart Allinson (Executive Director) (appointed 1 July 2016 as Managing Director, and becoming Executive Director on 1 May 2017)
Anthony Du Preez (Executive Director) (appointed 1 July 2016, resigned 1 May 2017)
Erlyn Dale (Non-Executive Director) (resigned 1 July 2016)
Marcus Gracey (Non-Executive Director) (resigned 1 July 2016)
Winton Willesee (Executive Chairman) (resigned 1 July 2016)

Principal activities

During the financial year the principal continuing activities of the Consolidated Entity consisted of carrying on its business as a provider of energy spend and procurement management services to high energy use customers through the deployment of its cloud-based software platform.

Dividends

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

Review of Operations

BidEnergy is an Australian-based technology company, centred on innovative energy optimisation, with operations in Australia, New Zealand, the UK and the US. BidEnergy's cloud-based platform simplifies the complex energy spend management process by using Robotic Process Automation (RPA), enabling organisations to have complete control over their energy spend.

In July 2016, the Company recommenced trading on the Australian Securities Exchange after successfully raising A$7million in funding and completing the reverse acquisition transaction with BidEnergy Pty Ltd (''BidOperations") ("Reverse Acquisition"). Following this, the Company increased their client base with a number of significant contract signings, as well as notable growth in the US market. The Company reported a revenue for the year of A$2.6M (2016: A$0.8M); a 211% increase. This was driven by new client acquisitions, recurring revenue from the BidEnergy platform and A$1.3 million of new revenue generated by RealWinWin, the US based business acquired in November 2016.

Net loss after tax increased to $A7.2 million, reflecting the company's investment in growth, and in line with its US expansion.

Additional highlights from the year are as follows:

Growth in Contract Base

Over the past 12 months, BidEnergy welcomed 19 new clients across a variety of industries, with notable additions inclusive of a Victorian utility provider, global travel service, State Government organisation, and multinational retail chain. Among these contracts, importantly, BidEnergy welcomed global resources giant BP on a 24-month subscription contract to deploy services for the electricity supplies of BP Australia and New Zealand, as well as to provide data and reporting access to analysts in Europe and the US. Following successful integration of the platform with BP, the contract was extended to include BP's UK facilities as well – expanding BidEnergy's footprint into the UK for the first time.

In addition to new contracts, in November, BidEnergy announced an alliance contract with global professional services firm KPMG; this is the Company's first significant partnership. The contract returned its first customer in the fourth quarter, adding a quick service restaurant chain to the platform.

Director's Report

30 June 2017

US Expansion

During the year BidEnergy introduced the BidEnergy platform to the US market and, in November, the Company announced the acquisition of American energy rebate capture specialist RealWinWin (RWW). The Acquisition delivers BidEnergy a functioning channel and immediate and direct access to energy category managers in over 100 multisite prospects. The Acquisition further strengthens the compelling value proposition for customers and significantly increases the US sales capability to accelerate growth both through the existing RWW customer base and in the broader US market. The combined RWW business and BidEnergy platform is applicable to customers and utilities in all US states.

Prior to its purchase, RealWinWin was loss-making, and within six months the Company has been able to turn this into a EBITDA profit.

The Company is also working towards the completion of a second acquisition, of AXIS - Ameresco, Inc.'s bill pay division, that will add approximately 50 new clients, a team of US experts, and their proprietary software. Once completed and integrated, AXIS, also a loss-making company, is expected to see a similar transformation to RealWinWin under BidEnergy management.

The Company will continue to accelerate its US growth expansion strategy in the coming year.

Corporate

BidEnergy underwent a Board and Management Team renewal during the year, appointing two new Non-Executive Directors to the Board and engaging the services of two experienced consultants to support the Board. Additionally, in line with the Company's enhanced focus on the US Market, the Board promoted its US-based CEO, Phil Adams, to the position of Managing Director, and welcomed appointments in several other key management positions.

Former Managing Director and co-founder, Stuart Allinson remains on the board in a business development capacity whilst co-founder Anthony Du Preez has stepped out of the business to focus on other interests.

Financial Position

The net assets of the consolidated entity increased by $4,175,655 to $4,542,599 as at 30 June 2017 (30 June 2016: $366,944). The increase in net assets was mostly due to the acquisitions discussed at Notes 4 and 31, and the subsequent capital raisings. Working capital, being current assets less current liabilities, was $2,752,381 (30 June 2016: $345,316). The consolidated entity had negative cash flows from operating activities for the year of $5,177,212 (30 June 2016: $2,601,373). The total cash and cash equivalents as at 30 June 2017 was $3,568,969 (30 June 2016: $2,624,642). The increase in cash during the year amounted to $944,327 (June 2016: $228,763) largely due to the cash acquired in the reverse acquisition described in Note 4 as part of the Company's capital rising.

Significant changes in the state of affairs

On 1 July 2016, BidEnergy Limited (formerly Cove Resources Limited) ("BID") completed the acquisition of a provider of cloud based energy procurement systems BidEnergy Pty Ltd ("BidOperations") ("Reverse Acquisition"). The Acquisition has been accounted for using the principles for reverse acquisitions in AASB 3 Business Combinations because, as a result of the Acquisition, the former shareholders of 'BidOperations' (the legal subsidiary) obtained accounting control of Cove Resources Limited (the legal parent). Please refer to Note 4.

On 24 November 2016, US subsidiary, BidEnergy Inc. acquired the US energy rebate capture business of RealWinWin ("RWW") from US-vendor RealWinWin. Inc. under an Asset Purchase Agreement entered into between the parties ("RWW Acquisition"). The RWW Acquisition has been accounted as a Business Combination under AASB 3. The RWW business is a leading independent energy rebate capture specialist and the acquisition provides the consolidated entity a US customer base through which to upsell its existing software and services in energy management and procurement. As a data business, RWW is a highly complementary acquisition providing a significant opportunity to accelerate growth in the US market, accessing upwards of 100,000 sites through more than 100 multi-site prospects in the company's target market. Please refer to Note 31.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial year.

Director's Report

30 June 2017

Matters subsequent to the end of the financial year

On 3 July 2017 the Company announced a transaction for its US subsidiary, BidEnergy Inc to acquire approximately 50 clients and critical capability under a conditional agreement to purchase the assets of Ameresco, Inc.'s (NYSE:AMRC) Axis utility bill management business.

On 3 July 2017, the Company announced a non-renounceable 1:1 entitlement offer to raise approximately $6.7 million (before costs), which was fully underwritten by Canaccord Genuity (Australia) Limited ("Canaccord") ("Entitlement Offer"). The Company completed the allotment and issue of 335,338,682 shares pursuant to that Entitlement Offer on 8 August 2017. The Company also confirmed the appointment of Canaccord as its corporate advisor and issued 20.5 million options to the nominees of Canaccord in lieu of cash fees in respect of that engagement.

On 6 July 2017, the Company issued 5,500,000 Shares to Canaccord pursuant to the Advisor Offer under the Prospectus dated 3 July 2017, being in lieu of payment for accrued fees totalling $110,000 for corporate advisory services provided to the Company under a corporate advisory services mandate executed in December 2015.

On 19 July 2017, the Company announced that it had signed a subscription agreement to provide its innovative cloud-based platform to one of the largest transportation and logistics companies in the Asia Pacific region, representing annual subscription revenues in the order of $77,000.

On 24 August 2017, the Company convened a general meeting of shareholders at which shareholders approved the following resolutions on the terms and conditions set out in the Notice of Meeting dated 21 July 2017:

- o Issue of 19 million Performance Rights to Mr Philip Adams
- o Ratification of 8,682,331 RealWinWin Consideration Shares and 3,858,814 RealWinWin Consideration Options
- o Approval of the issue of up to 35,458,855 RealWinWin Earn-Out Consideration Shares; and
- o Adoption of the 2017 Long Term Incentive Plan.

On 1 September 2017, the Company announced that the closing date for its purchase of the Axis utility bill management ("Axis") from Ameresco, Inc. (NYSE: AMRC) originally projected to be 31 August 2017 has shifted into the back half of September 2017. BidEnergy and Ameresco have been working diligently and co-operatively to satisfy the conditions precedent and enable closing deliverables, which include certain legal, banking, technology and operational matters.

On 15 September 2017, the Company issued 19,000,000 performance rights to Managing Director, Phil Adams, pursuant shareholder approval on 24 August 2017.

On 27 September 2017, the Company provided an update with respect to the acquisition of the Axis utility bill management business ("Axis") from Ameresco, Inc. (NYSE: AMRC) as announced on 3 July 2017. BidEnergy and Ameresco continue to work closely together to satisfy the conditions precedent and enable closing deliverables, which include certain legal, banking, technology and operational matters. These outstanding matters are taking longer than anticipated to finalise, with the setting up of the necessary banking infrastructure to facilitate the transfer of Axis customer accounts to a treasury account under BidEnergy's management being the key gating item. The Company is now target for finalisation in October 2017. As a result, BidEnergy is seeking to amend the Asset Purchase Agreement and extend its exclusivity period beyond 30 September 2017, subject to Ameresco's approval which it expects to obtain. The Company will inform the market of the amended completion timeline when finalised.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Likely developments and expected results of operations

BidEnergy will continue to focus on growing its customer base to which to provide energy management and procurement solutions. Growth will be targeted in US and Australian expansion, other geographic expansion, upselling existing platform services, and cross selling the BidEnergy platform to RealWinWin customers. BidEnergy will continue to pursue new channel partners through which to distribute the BidEnergy platform.

Environmental regulation

The Consolidated Entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Director's Report

30 June 2017

Information on Directors

Name:	Robert Browning
Title:	Non-Executive Chairman (appointed 1 July 2016)
Experience and expertise:	A seasoned leader with over 30 years of experience in a variety of industries including consumer products, utilities, shipbuilding and financial technology. Mr Browning was Managing Director of Alinta Ltd from February 2001 through January 2017, Managing Director of Austal Limited from July 2008 through November 2010 and Managing Director of EML Payments Limited from July 2011 through January 2012. He has held chairman and/or directorship of Alinta Limited, Austal Limited and EML Payments Limited. Mr Browning holds a BS from San Diego State University, an MBA from the University of Phoenix and an MS from Massachusetts Institute of Technology.
Other current directorships:	Non-Executive director of EML Payments Limited (ASX: EML)
Former directorships (last 3 years):	Nil
Interests in shares:	6,678,146 fully paid ordinary shares and 2,321,142 performance shares
Interests in options:	Nil
Interests in rights:	Nil

Director's Report

30 June 2017

Name:	Philip Adams
Title:	CEO of BidEnergy Inc (appointed 21 January 2016) and Managing Director (appointed 1 May 2017)
Experience and expertise:	Phil's leadership in energy management dates back to the early 2000s when he guided World Energy Solutions to leverage the convergence of electricity deregulation and B2B ecommerce and establish itself as the online-auction leader. Over his 13-year tenure at the company, first as COO, then President, CEO and Board Member, he helped take the company public in 2006; managed the Regional Greenhouse Gas Initiative (RGGI) contract, running auctions for the U.S.'s first carbon cap and trade program; grew the company organically and through several acquisitions; and led its successful exit in 2015 through an acquisition by EnerNOC. Prior to World Energy, Phil held senior executive roles in sales, marketing and product management at several major software and Internet companies. He also spent four years in strategy consulting at Corporate Decisions (now Oliver Wyman). Phil holds a B.A. in Economics from Williams College and an M.S. from MIT's Sloan School of Management.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	19,000,000 performance rights

Director's Report

30 June 2017

Name:	Leanne Graham
Title:	Non-Executive Director (appointed 28 July 2016)
Experience and expertise:	Ms Graham is one of New Zealand's few female IT entrepreneur's with over 30 years' experience at the highest levels in the software sector. She has built a name for herself by enabling multiple cloud, mobility and SaaS companies to maximise their global go to market opportunities. Leanne is director of iExecute Saas, Chairperson of Cognitive, a SaaS community publishing platform. Ms Graham was the General Manager of Sales at Xero and was the architect of their global sales strategy around 'recruit, educate and grow'; a key channel strategy used to build Xero's customer base in New Zealand, Australia, United Kingdom and the United States. Through her strategic investment company Cloud Rainmakers Ltd, she assists technology companies to identify how they can develop strategic partnerships and disrupt an industry to become export successes. Leanne is currently non-executive Chairperson of Velpic Limited, an ASX listed business providing online e-learning software.
Other current directorships:	Non-Executive Director of Velpic Limited (ASX: VPC)
Former directorships (last 3 years):	Nil
Interests in shares:	Nil
Interests in options:	500,000 unlisted options
Interests in rights:	Nil

Name:	James Baillieu
Title:	Non-Executive Director (appointed 1 June 2017)
Qualifications:	LLB and BA
Experience and expertise:	James is an investor in and consultant to early stage technology businesses. He was an early investor in and consultant to Aconex (ACX) and later assumed the role as SVP of Business Development at Aconex. Prior to this, he spent more than seven years as a consultant with McKinsey & Co assisting businesses in Australia and internationally with strategy and operational improvement. He is a lawyer who practised in commercial law with Mallesons Stephen Jaques in the 1990s. He has an LLB (First Class Honours) and BA from the University of Melbourne.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	57,209,805 fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

Name:	Clive Stuart Allinson
Title:	Executive Director (appointed 1 May 2017) Managing Director (appointed 1 July 2016, resigned 1 May 2017)
Experience and expertise:	Stuart has a broad energy and utilities background, having held various positions in production, wholesale, distribution, retail and regulatory affairs. He has consulted to governments, market participants and large business users in the areas of strategy, policy, process, controls, regulation, compliance, process improvement and business transformation.
Other current directorships:	Acting Chairman and member of Climate Change Authority
Former directorships (last 3 years):	Nil
Interests in shares:	14,570,501 fully paid ordinary shares and 5,064,308 performance shares
Interests in options:	Nil
Interests in rights:	182,709 performance rights

Director's Report

30 June 2017

Name:	Anthony Du Preez
Title:	Executive Director (appointed 1 July 2016, resigned 1 May 2017)
Experience and expertise:	Anthony is an experienced entrepreneur having founded and built a number of globally scalable technology companies, including www.adslot.com (ASX:ADJ), www.tradeslot.com and www.carbonnavigator.com. Anthony has a first class honours systems engineering degree and an MBA from the Melbourne Business School.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	34,483,519 fully paid ordinary shares and 11,985,530 performance shares as at date of resignation
Interests in options:	N/A
Interests in rights:	N/A

Name:	Erlyn Dale
Title:	Non-Executive Director (resigned 1 July 2016)
Qualifications:	BCom ACIS/ACSA
Experience and expertise:	Erlyn has a broad range of experience in company administration and corporate governance and holds positions of non-executive director and/or company secretary for a number of ASX listed public companies across a range of industries. Erlyn has completed a Bachelor of Commerce (Accounting and Finance) and a Graduate Diploma of Applied Corporate Governance and is an Associate Member of both the Institute of Chartered Secretaries and Administrators and the Governance Institute of Australia.
Other current directorships:	Metallum Limited (ASX: MNE) (appointed 14 October 2015) xTV Networks Limited (ASX: XTV) (appointed 7 July 2016)
Former directorships (last 3 years):	Nil
Interests in shares:	N/A
Interests in options:	N/A

Name:	Marcus Gracey
Title:	Non-Executive Director (resigned 1 July 2016)
Experience and expertise:	Mr Gracey is an experienced corporate lawyer and ASX company director. His background includes directorships and executive roles in both listed and private companies across various market sectors including energy & resources and technology. Mr Gracey's professional qualifications include a Bachelor of Laws, a Bachelor of Economics, a Master of Laws, a Master of Business Administration (Executive MBA), a graduate diploma in Company secretarial practice and he is a Chartered Company Secretary and has also completed the AICD International Company Directors Course.
Other current directorships:	Nil
Former directorships (last 3 years):	Interpose Holdings Limited (ASX: IHS) (resigned 10 January 2017) Indus Energy NL (ASX: IND) (resigned 25 August 2015)
Interests in shares:	350,000 fully paid ordinary shares as at the date of resignation
Interests in options:	650,000 options ($0.10, 30 June 2019) as at the date of resignation
Interests in rights:	N/A

Director's Report

30 June 2017

Name:	Winton Willesee
Title:	Executive Chairman (resigned 1 July 2016)
Qualifications:	BBus., DipEd., PGDipBus., MCom., FFin, CPA, MAICD, ACIS/ACSA
Experience and expertise:	Mr Willesee is an experienced company director. Winton brings a broad range of skills and experience in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance. Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects. Mr Willesee holds formal qualifications in economics, finance, accounting, education and governance. He is a Fellow of the Financial Services Institute of Australasia, a Member of the Australian Institute of Company Directors, a Member of CPA Australia and a Chartered Secretary.
Other current directorships:	Chairman of Metallum Limited (ASX: MNE) Executive Chairman of xTV Networks Limited (ASX: XTV) Executive Director of Ding Sheng Xin Finance Co Limited (ASX: DXF) Non-executive Director of MMJ PhytoTech Limited (ASX: MMJ)
Former directorships (last 3 years):	Non-Executive Chairman of Birimian Ltd (ASX: BGS)(resigned 22 March 2017) Non-Executive Director of DroneShield Limited (ASX:DRO)(resigned 24 Jan 2017) Executive Chairman Cove Resources Ltd (now BidEnergy Limited)(ASX:BID) (resigned 1 Jul 2016) Non-Executive Chairman of Basper Ltd (now DirectMoney Limited ASX:DM1)) (resigned 3 Jul 2015) Non-Executive Chairman of Coretrack Ltd (now LWP Technologies Limited (ASX:LWP)) (resigned 6 Mar 2015) Non-Executive Director of Otis Energy Ltd (now iSignThis Limited (ASX:ISX)) (resigned 22 Dec 2014) Non-Executive Director of Newera Resources Ltd (now Consolidated Zinc Limited (ASX:CZL)) (resigned 31 Jul 2014)
Interests in shares:	1,485,000 fully paid ordinary shares as at date of resignation
Interests in options:	500,000 options ($0.10, 30 June 2019) as at date of resignation
Interests in rights:	N/A

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Miss Erlyn Dale
BCom ACIS/ACSA

Miss Dale has a broad range of experience in company administration and corporate governance and holds positions of non-executive director and/or company secretary for a number of ASX listed public companies across a range of industries.

Miss Dale has completed a Bachelor of Commerce (Accounting and Finance) and a Graduate Diploma of Applied Corporate Governance and is an Associate Member of both the Institute of Chartered Secretaries and Administrators and the Governance Institute of Australia.

Director's Report

30 June 2017

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2017, and the number of meetings attended by each Director were:

	Full Board	
	Attended	Held
Robert Browning	13	13
Stuart Allinson*	11	13
Anthony Du Preez**	10	10
Leanne Graham	13	13
Phillip Adams***	3	3
James Baillieu****	2	2
Erlyn Dale*****	-	-
Winton Willesee*****	-	-
Marcus Gracey*****	-	-

Held: represents the number of meetings held during the time the Director held office.

*Stuart Allinson (appointed 1 July 2016)
**Anthony Du Preez (appointed 1 July 2016, resigned 1 May 2017)
***Phillip Adams (appointed 1 May 2017)
****James Baillieu (appointed 1 June 2017)
*****Erlyn Dale, Winton Willesee and Marcus Gracey resigned as Directors on 1 July 2016

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Consolidated Entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Consolidated Entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Consolidated Entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Director's Report

30 June 2017

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Board recommends the actual payments to directors and shareholders are responsible for ratifying any recommendations, if appropriate. ASX listing rules require the aggregate non-executive directors remuneration be determined periodically by a general meeting. The aggregate approved remuneration for non-executive directors is $500,000.

Executive remuneration
The Consolidated Entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the Consolidated Entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Consolidated Entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved.

The long-term incentives ('LTI') include long service leave and share-based payments. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2017.

Consolidated entity performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the Consolidated Entity. A portion of cash bonus and incentive payments are dependent on defined financial targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board.

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants
During the financial year ended 30 June 2017, the consolidated entity, through the Board, engaged Sherwood Love and Associates, remuneration consultants, to provide advice on remuneration levels and high-level structures for Directorship positions. Sherwood Love and Associates was paid $11,000 including GST for these services.

Director's Report

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An agreed set of protocols were put in place to ensure that the remuneration recommendations would be free from undue influence from key management personnel. These protocols include requiring that the consultant not communicate with affected key management personnel without a member of the Nomination and Remuneration Committee being present, and that the consultant not provide any information relating to the outcome of the engagement with the affected key management personnel. The Board is also required to make inquiries of the consultant's processes at the conclusion of the engagement to ensure that they are satisfied that any recommendations made have been free from undue influence. The Board is satisfied that these protocols were followed and as such there was no undue influence.

Voting and comments made at the Company's 2016 Annual General Meeting ('AGM')

At the 2016 AGM, 99.9% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2016. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

The remuneration table listed below includes that of the legal parent entity (Cove Resources Limited) for the period 1 July 2015 to the date of the reverse acquisition 1 July 2016. The 2016 comparative remuneration table have also been included as signed off in the 2016 Annual Report.

Amounts of remuneration

Details of the remuneration of key management personnel of the Consolidated Entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2017	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Directors:							
Robert Browning	63,600	-	-	5,567	-	-	69,167
Stuart Allinson*	180,000	-	-	17,100	-	1,948	199,048
Anthony Du Preez**	201,986	-	-	18,525	-	-	220,511
Leanne Graham***	45,833	-	-	-	-	1,492	47,325
Phillip Adams(i)	76,221	7,144	7,263	-	-	-	90,628
James Baillieu****	3,805	-	-	361	-	-	4,166
Erlyn Dale*****	-	-	-	-	-	-	-
Winton Willesee*****	-	-	-	-	-	-	-
Marcus Gracey*****	-	-	-	-	-	-	-
Other Key Management Personnel:							
Phillip Adams(i)	314,583	91,389	33,397	-	-	347,210	786,579
Matthew Watson	138,724	-	-	13,179	-	3,848	155,751
	1,024,752	98,533	40,660	54,732	-	354,498	1,573,175

*Stuart Allinson was the Managing Director of BidEnergy Limited between 1 July 2016 and 1 May 2017. He resigned from the Management Director position and subsequently appointed as Executive Director of the Board on 1 May 2017.
**Anthony Du Preez was the Executive Director of BidEnergy Limited between 1 July 2016 and 1 May 2017. He resigned from the Board on 1 May 2017.
***Leanne Graham was appointed on 28 July 2016.
****James Baillieu was appointed on 1 June 2017.
*****Erlyn Dale, Winton Willesee and Marcus Gracey resigned as Directors on 1 July 2016. No remuneration was paid during 2017 financial year.
(i) Phillip Adams was the CEO of BidEnergy Inc. between 1 July 2016 and 30 April 2017. His remuneration during this period has been disclosed in the "Other Key Management Personnel" section above. He was promoted to the position of Managing Director of the Consolidated Entity on 1 May 2017, while maintaining his position as the CEO of BidEnergy Inc. His remuneration between 1 May 2017 and 30 June 2017 has been disclosed under "Director" section.
8,636,409 performance rights that were held by Mr Adams were cancelled on 5 June 2017. The total share based payment expensed up to that date was $85,299. The previous performance rights were deemed cancelled and the remaining fair value ($261,911) was expensed immediately in the statement of profit or loss and other comprehensive income, in accordance with AASB 2.

Director's Report

30 June 2017

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2016	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Erlyn Dale**	30,000	-	-	-	-	-	30,000
Marcus Gracey	30,000	-	-	-	-	-	30,000
Executive Directors:							
Winton Willesee*	68,000	-	-	-	-	-	68,000
Other Key Management Personnel:							
Erlyn Dale**	54,000	-	-	-	-	-	54,000
	182,000	-	-	-	-	-	182,000

* Includes $20,000 for corporate service fees in relation to the BidEnergy transaction.
** Ms Dale was also entitled to receive $54,000 for her company secretary services for the 2016 year at a rate of $4,500 per month.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Phillip Adams

Title: Managing Director of BidEnergy Limited
CEO and President of BidEnergy Inc.

Agreement commenced: 1 May 2017

Term of agreement: Ongoing - cases on ceasing to hold the office of Managing Director

Details: Mr Adams is entitled to be paid a salary of US$270,000 per annum, payable in fortnightly instalments. He is also entitled to a variable compensation based on achieving objectives:

- 15% of the salary upon achieving Threshold Objectives.
- 25% of the salary upon achieving Target Objectives.
- 40% of the salary upon achieving Maximum Objectives.

On 24 August 2017, Shareholder approved the issue of performance rights to Mr Adams. The performance rights will vest in three tranches, as follows:

- 6,333,333 performance rights vest on completion of the Ameresco transactions by 30 November 2017.
- 6,333,333 performance rights vest on achieving revenue of $6.5 million for the financial year ended 30 June 2018 as verified by audited accounts, by 30 November 2018.
- 6,333,334 performance rights vest on achieving revenue of $9 million for the year ended 30 June 2019 as verified by audited accounts, by 30 November 2019.

The Company may terminate the employment contract

- within 12 months of the commencement date by giving Mr Adams notice in writing equivalent to his period of service;
- after 12 months of service (calculated from the commencement date) by giving Mr Adams 12 months' notice in writing;
- by proving Mr Adams with payment of the salary portion of the remuneration in lieu of notice of the number of months provided for in clauses above or payment in lieu of notice equal to all or any of the unworked portion of the notice period provided that if the amount to be paid under this clause exceeds the 4.99% equity cap then an amount equivalent to the 4.99% equity cap.

Mr Adams may terminate the employment contract by giving the Company three months' notice in writing.

Name:	Matthew Watson
Title:	Chief Financial Officer
Agreement commenced:	10 October 2016
Term of agreement:	Mr Watson is entitled to be paid a salary of AUD$190,000 per annum plus superannuation, payable in monthly instalments. He is also entitled to 20% bonus incentive for reaching performance targets as set on annual basis. The Company may terminate Mr Watson's employment by giving written notice required under the National Employment standards as follows: - Four weeks written notice if the period of continuous service is no more than a year (other than probationary period); - Twelve weeks if the period of continuous service is more than one year.

Name:	Stuart Allinson
Title:	Managing Director (appointed 1 July 2016, resigned 1 May 2017) Executive Director (appointed 1 May 2017)
Agreement commenced:	Managing Director (commenced 1 July 2016, resigned 1 May 2017) Executive Director (commenced 1 May 2017)
Term of agreement:	Mr Allinson was entitled to be paid a salary of AUD$180,00 per annum plus superannuation. The Company may terminate Mr Allinson's employment by giving three months' written notice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2017.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Expiry date	Exercise price	Fair value per option at grant date
Leanne Graham	500,000	30 November 2016	28 July 2020	$0.1000	$0.013

Options granted carry no dividend or voting rights.

Except for the above, there were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2017.

Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Expiry date	Exercise price	Fair value per right at grant date
Stuart Allinson	182,709	1 July 2016	1 July 2020	$0.1200	$0.043
Anthony Du Preez*	212,706	1 July 2016	1 July 2020	$0.1200	$0.043
Phillip Adams**	8,142,822	1 July 2016	1 July 2020	$0.1200	$0.043

* Anthony Du Preez resigned as Executive Director on 1 May 2017. Performance rights issued during the year has been forfeited following his resignation.

** Phillip Adams's performance rights were cancelled on 5 June 2017.

Performance rights granted carry no dividend or voting rights.

Director's Report

30 June 2017

Additional information

The earnings of the Consolidated Entity for the two years to 30 June 2017 are summarised below:

	2017 $	2016 $
Revenue	2,999,867	1,248,181
Net loss before tax	(7,378,001)	(3,302,777)
Net loss after tax	(7,185,483)	(3,302,777)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2017	2016
Share price at financial year start ($)	0.10	0.11
Share price at financial year end ($)	0.02	0.10
Basic earnings per share (cents per share)	(2.21)	(1.02)
Diluted earnings per share (cents per share)	(2.21)	(1.02)

The table only discloses information for the two years to 30 June 2017 instead of five years as the information prior 2015 is not relevant pre-acquisition.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year/date of resignation
Ordinary shares					
Winton Willesee*	1,035,000	-	-	-	1,035,000
Marcus Gracey*	350,000	-	-	-	350,000
Erlyn Dale*	-	-	-	-	-
Robert Browning	-	-	6,678,146	-	6,678,146
Anthony Du Preez**	-	-	34,483,519	-	34,483,519
James Baillieu	-	-	7,209,805	-	7,209,805
Stuart Allinson	-	-	14,570,501	-	14,570,501
Leanne Graham	-	-	-	-	-
Phillip Adams	-	-	-	-	-
	1,385,000	-	62,941,971	-	64,326,971

* Erlyn Dale, Winton Willesee and Marcus Gracey resigned on 1 July 2016. The movement in shareholding noted above represents their shareholding as at the date of resignation.

** Anthony Du Preez was appointed to the position of Executive Director on 1 July 2016 and resigned on 1 May 2017. The shareholding represents the balance as at the date of resignation.

Director's Report

30 June 2017

Option holding

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year/date of resignation
Options over ordinary shares					
Winton Willesee*	500,000	-	-	-	500,000
Marcus Gracey*	175,000	-	-	-	175,000
Leanne Graham**	-	500,000	-	-	500,000
	675,000	500,000	-	-	1,175,000

*Winton Willesee and Marcus Gracey resigned on 1 July 2016. The movement in options noted above represents their option holding as at the date of resignation.

**Leanne Graham was granted 500,000 unlisted Class F Options, exercise price $0.10 (10 cents) until 28 July 2020.

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Phillip Adams*	-	8,142,822	-	(8,142,822)	-
Anthony Du Preez**	-	212,706	-	(212,706)	-
Stuart Allinson	-	182,709	-	-	182,709
	-	8,538,237	-	(8,355,528)	182,709

* Phillip Adam's performance rights were cancelled on 5 June 2017.

** Anthony Du Preez resigned as Executive Director on 1 May 2017. Performance rights issued during the year has been forfeited following his resignation.

Performance shares holding

The number of performance shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year/date of resignation
Performance shares					
Robert Browning*	-	2,321,142	-	-	2,321,142
Anthony Du Preez**	-	11,985,530	-	-	11,985,530
Stuart Allinson***	-	5,064,308	-	-	5,064,308
	-	19,370,980	-	-	19,553,689

* Robert Browning was issued 1,160,571 Class A performance shares and 1,160,571 Class B performance shares on 1 July 2016. Both parcels escrowed until 20 July 2018.

** Anthony Du Preez was issued 5,992,765 Class A performance shares and 5,992,765 Class B performance shares on 1 July 2016. Both parcels escrowed until 20 July 2018. He resigned as Executive Director on 1 May 2017. The balance disclosed above represents his performance shares holding as at the date of resignation.

*** Stuart Allinson was issued 2,532,154 Class A performance shares and 2,532,154 Class B performance shares on 1 July 2016. Both parcels escrowed until 20 July 2018.

This concludes the remuneration report, which has been audited.

Director's Report

30 June 2017

Shares under option
Unissued ordinary shares of BidEnergy Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
27 May 2015	30 June 2019	$0.1000	28,430,006
1 July 2016	30 September 2017	$0.1000	10,798,670
1 July 2016	31 December 2018	$0.1250	9,243,759
1 July 2016	1 July 2019	$0.1500	23,514,921
1 July 2016	30 June 2019	$0.1500	25,000,000
24 November 2016	24 November 2021	$0.0700	3,858,814
30 November 2016	28 July 2020	$0.1000	500,000
			101,346,170

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of BidEnergy Limited issued on the exercise of options during the year ended 30 June 2017 and up to the date of this report.

Shares under performance shares
Unissued ordinary shares of BidEnergy Limited under performance shares at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under performance shares
1 July 2016	1 July 2020	-	70,000,000

Shares under performance rights
Unissued ordinary shares of BidEnergy Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
1 July 2016	1 July 2020	$0.1200	2,424,313
15 September 2017	30 November 2017	-	6,333,333
15 September 2017	30 November 2018	-	6,333,333
15 September 2017	30 November 2019	-	6,333,334
			21,424,313

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of performance rights
There were no ordinary shares of BidEnergy Limited issued on the exercise of performance rights during the year ended 30 June 2017 and up to the date of this report.
Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Director’s Report

30 June 2017

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided by the auditor during the financial year are outlined in note 26 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 26 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of RSM Australia Partners
There are no officers of the Company who are former partners of RSM Australia Partners.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor
RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.
This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Robert Browning

Robert Browning
Non-Executive Chairman

28 September 2017

Auditor's independence declaration

For the year ended 30 June 2017

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of BidEnergy Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Melbourne, VIC
Dated: 28 September 2017

BidEnergy

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2017

	Note	Consolidated 2017 $	2016 $
Revenue	6	2,621,237	840,334
Other income	7	378,630	407,847
Expenses			
Third party support costs		(454,562)	(145,211)
Depreciation and amortisation expense	8	(524,633)	(16,514)
Employee benefits expense	8	(5,718,015)	(2,697,979)
Listing fees	4	(1,234,775)	-
Administration expense		(1,203,865)	(832,561)
Marketing expense		(584,706)	(173,195)
Occupancy expense		(296,606)	(123,786)
Travel expense		(360,706)	(204,662)
Finance costs	8	-	(357,050)
Loss before income tax benefit		(7,378,001)	(3,302,777)
Income tax benefit	9	192,518	-
Loss after income tax benefit for the year attributable to the owners of BidEnergy Limited	23	(7,185,483)	(3,302,777)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		56,688	-
Other comprehensive income for the year, net of tax		56,688	-
Total comprehensive income for the year attributable to the owners of BidEnergy Limited		(7,128,795)	(3,302,777)
		Cents	**Cents**
Basic earnings per share	35	(2.21)	(1.02)
Diluted earnings per share	35	(2.21)	(1.02)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position

As at 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Assets			
Current assets			
Cash and cash equivalents	10	3,568,969	2,624,642
Trade and other receivables	11	138,142	128,768
Other current assets	12	60,692	6,461
Total current assets		3,767,803	2,759,871
Non-current assets			
Property, plant and equipment	13	27,157	19,976
Intangibles	14	2,176,356	-
Deferred tax asset		8,558	-
Other	15	45,915	26,319
Total non-current assets		2,257,986	46,295
Total assets		6,025,789	2,806,166
Liabilities			
Current liabilities			
Trade and other payables	16	582,261	208,172
Employee benefits	17	267,747	107,225
Other	18	165,414	2,099,158
Total current liabilities		1,015,422	2,414,555
Non-current liabilities			
Deferred tax liabilities		213,330	-
Employee benefits	19	43,569	24,667
Other	20	210,869	-
Total non-current liabilities		467,768	24,667
Total liabilities		1,483,190	2,439,222
Net assets		4,542,599	366,944
Equity			
Issued capital	21	16,021,604	2,892,079
Reserves	22	1,017,926	2,786,312
Accumulated losses	23	(12,496,931)	(5,311,447)
Total equity		4,542,599	366,944

The above statement of financial position should be read in conjunction with the accompanying notes

BidEnergy

Statement of changes in equity

For the year ended 30 June 2017

Consolidated	Issued Capital $	Accumulated Losses $	Reserves $	Total equity $
Balance at 1 July 2015	400,060	(2,008,670)	2,292,783	684,173
Loss after income tax expense for the year	-	(3,302,777)	-	(3,302,777)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(3,302,777)	-	(3,302,777)
Transactions with owners in their capacity as owners:				
Costs of capital raising	(368,319)	-	368,319	-
Share capital issued	2,860,338	-	-	2,860,338
Share option reserve	-	-	125,210	125,210
Balance at 30 June 2016	2,892,079	(5,311,447)	2,786,312	366,944

Consolidated	Issued Capital $	Accumulated Losses $	Reserves $	Total equity $
Balance at 1 July 2016	2,892,079	(5,311,447)	2,786,312	366,944
Loss after income tax benefit for the year	-	(7,185,483)	-	(7,185,483)
Other comprehensive income for the year, net of tax	-	-	56,688	56,688
Total comprehensive income for the year	-	(7,185,483)	56,688	(7,128,795)
Transactions with owners in their capacity as owners:				
Conversion of Convertible Redeemable Preference Shares in vendor	4,576,827	-	(2,508,785)	2,068,042
Deemed value of shares deemed to be issued to BidEnergy Limited (formerly Cove Resources Limited) (being the legal parent) shareholders on acquisition date (note 21)	1,375,434	-	-	1,375,434
Capital raising (note 21)	7,000,000	-	-	7,000,000
Costs of capital raising (Note 21)	(430,500)	-	-	(430,500)
Shares issued for RWW acquisition (note 31)	607,764	-	-	607,764
Share based payments for RWW acquisition (note 31)	-	-	270,116	270,116
Share based payments to employees (note 36)	-	-	413,594	413,594
Balance at 30 June 2017	16,021,604	(12,496,930)	1,017,925	4,542,599

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows

For the year ended 30 June 2017

	Note	Consolidated 2017 $	2016 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,199,062	1,037,790
Payments to suppliers and employees (inclusive of GST)		(8,754,904)	(3,923,815)
Receipts from research and development incentive		326,984	271,747
Interest received		51,646	36,100
Finance costs paid		-	(23,195)
Net cash used in operating activities	34	(5,177,212)	(2,601,373)
Cash flows from investing activities			
Payments for property, plant and equipment		(28,578)	(16,510)
Payments for intangibles (capitalised development costs)	14	(919,234)	-
Payments for security deposits		-	(13,692)
Cash acquired on reverse acquisition (net of transaction costs)	4	7,386,987	-
Cash paid for business acquisition, net of cash acquired	31	(356,000)	-
Net cash from/(used in) investing activities		6,083,175	(30,202)
Cash flows from financing activities			
Proceeds from borrowings		-	2,860,338
Share issue transaction costs		(10,500)	-
Net cash (used in)/from financing activities		(10,500)	2,860,338
Net increase in cash and cash equivalents		895,463	228,763
Cash and cash equivalents at the beginning of the financial year		2,624,642	2,395,879
Effects of exchange rate changes on cash and cash equivalents		48,864	-
Cash and cash equivalents at the end of the financial year	10	3,568,969	2,624,642

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements

30 June 2017

Note 1. General information

The financial statements cover BidEnergy Limited as a Consolidated Entity consisting of BidEnergy Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is BidEnergy Limited's functional and presentation currency.

BidEnergy Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Floor 7, Suite 9,
530 Little Collins Street
Melbourne, Victoria 3000

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 September 2017.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Going concern
For the year ended 30 June 2017, the Consolidated Entity made a loss after tax of $7,185,483 (June 2016: $3,302,777 loss) and had net operating cash outflows of $5,177,212 (June 2016: $2,601,373 outflow). The cash balance as at 30 June 2017 was $3,568,969 (30 June 2016: $2,624,642).

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Directors continue to monitor the ongoing funding requirements of the Consolidated Entity and believe that there are sufficient funds to meet the Consolidated Entity’s working capital requirements. Subsequent to year end the Consolidated Entity raised approximately $6.7 million before costs which improved the working capital position accordingly. Therefore, the directors are confident that the financial report has been appropriately prepared on a going concern basis.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in note 30.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of BidEnergy Limited ('Company' or 'parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. BidEnergy Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is BidEnergy Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the Consolidated Entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

Platform subscription fees
Platform subscription fee revenue is recognised over the period to which the customer receives services, once the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

RWW rebate revenue
RWW rebate revenue is recognised at the point where cash rebates are received from utility providers, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Non-subscription revenue
Non-subscription revenue from computer maintenance fees is recognised by reference to the stage of completion of the contracts.

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Consolidated Entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years
Plant and equipment under lease	2-5 years
Office equipment	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Customer lists
Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7.5 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Capitalised development costs
Development costs are capitalised only when it is probable that the expected future economic benefits would flow to the company and can be measured reliably. These costs are capitalised at the direct costs incurred and amortised on a straight-line basis over the period of their expected benefit being their finite life of 2 years. Amortisation starts at the time that the technology is activated and issued by both internal and external customers. The capitalised costs include the direct costs of internal staff and any supporting software acquired from a third party. Expenditure not related to the creation of new product is recognised as an expense when incurred.

Brand
The brand of an entity arises on the acquisition of a business. The brand is amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7.5 years.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Consolidated Entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Consolidated Entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Consolidated Entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of BidEnergy Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Funds held in trust

The Company holds funds and pays utility bills on behalf of its clients. These funds are held in trust for which the Company acts as a trustee.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2017. The Consolidated Entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Consolidated Entity, are set out below.

Notes to the financial statements

30 June 2017

Note 2. Significant accounting policies (continued)

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Consolidated Entity will adopt this standard from 1 July 2018 and it is not expected to have a material impact on the Consolidated Entity’s financial performance.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Consolidated Entity will adopt this standard from 1 July 2018 and it is not expected to have a material impact on the Consolidated Entity’s financial performance.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Consolidated Entity will adopt this standard from 1 July 2019 and it is not expected to have a material impact on the Consolidated Entity’s financial performance.

Notes to the financial statements

30 June 2017

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Fair value measurement hierarchy
The Consolidated Entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The Consolidated Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The Consolidated Entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Consolidated Entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Consolidated Entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

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Note 3. Critical accounting judgements, estimates and assumptions (continued)

Income tax
The Consolidated Entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Consolidated Entity recognises liabilities for anticipated tax audit issues based on the Consolidated Entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Consolidated Entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations
As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Consolidated Entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 4. Reverse acquisition

On 1 July 2016, BidEnergy Limited (formerly Cove Resources Limited) ("BID") completed the acquisition of a provider of cloud based software for energy management and procurement systems, BidEnergy Pty Ltd ("Bid Operations"). The acquisition has been accounted for using the principles for reverse acquisitions because the financial profile of Cove Resources Limited was deemed not to be a business for accounting purposes and, therefore, the transaction was not a business combination within the scope of AASB 3. Instead the Reverse Acquisition has been accounted for as a share-based payment transaction using the principles of share based payment transactions in AASB 2, and in particular the guidance in AASB 2 that any difference between the fair value of the shares issued by the accounting acquirer (Bid Operations) and the fair value of the accounting acquiree’s (BidEnergy Limited (formerly Cove Resources Limited)) identifiable net assets represents a service received by Bid Operations, including payment for a service of an ASX stock exchange listing which is expensed through the consolidated entity's profit and loss statement in the 2017 financial year.

Accordingly the consolidated financial report of BID has been prepared as a continuation of the business and operations of Bid Operations. As the deemed accounting acquirer Bid Operations has accounted for the acquisition from 1 July 2016.

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

Consolidated statement of comprehensive income:
- The statement for the period ended 30 June 2017 comprises 12 months of operating results of Cove Resources Limited and 12 months of Bid Operations from the acquisition date of 1 July 2016.

- The statement for the period to 30 June 2016 comprises 12 months of Bid Operations.

Consolidated statement of financial position:
- The consolidated statement of financial position at 30 June 2017 represents Bid Operations and Cove Resources Limited assets and liabilities as at that date.

- The consolidated statement of financial position at 30 June 2016 represents Bid Operations’ assets and liabilities as at that date.

Notes to the financial statements

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Note 4. Reverse acquisition (continued)

Consolidated statement of changes in equity:
- The consolidated statement of changes in equity for the period ended 30 June 2017 comprises Bid Operations and Cove Resources balance at 1 July 2016, its loss for the 12 months and transactions with equity holders for 12 months.

- The consolidated statement of changes in equity for the period ended 30 June 2016 comprises 12 months of Bid Operations.

Consolidated statement of cash flows:
- The consolidated cash flow statement for the period ended 30 June 2017 comprises the cash balances of Bid Operations, as at 30 June 2016, the cash transactions for the 12 months to 30 June 2017 (and 12 months for Cove Resources Limited and the cash balance of Bid Operations and Cove Resources Limited at 30 June 2017.)

- The consolidated cash flow statement for the period ended 30 June 2016 comprises 12 months of Bid Operations cash transactions.

References throughout the financial statements to “reverse acquisition” are in reference to the above accounting treatment.

Listing Fee Expense on reverse acquisition

Bid Operations is deemed to have made a share-based payment for a service of an ASX stock exchange listing which is expensed through the consolidated entity's profit and loss statement for the year ended June 2017.

Deemed consideration paid by Bid Operations $1,375,434

Fair Value of Nets Assets acquired in Cove Resources Limited on reverse acquisition:

Cash and cash equivalents	$7,386,987
Trade and other receivables	$143,181
Prepayments	$420,000
Trade and other payables	($674,734)
Prospectus funds received in advance of share issue	($7,000,000)
Net Assets Acquired	$275,434

Listing expense recognised on Reverse Acquisition $1,100,000 (excluding other transaction costs).
Other listing expense transactions costs amounted to $134,775 which resulted in the total listing fee expense of $1,234,775.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Notes to the financial statements

30 June 2017

Note 5. Operating segments

Identification of reportable operating segments

The Consolidated Entity is organised into operating segments: based on the business activities in Australia and UK, Bid US and RealWinWin (RWW). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Combined entity.

The principal business of the group is to provide cloud based software for energy management, procurement and rebate capture in Australia, UK and USA. Due to the significance of RWW, the USA segments split into Bid US and RWW. Management consider UK operation to be immaterial to the Consolidated Entity, therefore transactions have been included together with Australian operation.

Operating segment information

Consolidated – 2017	BID Australia and UK $	BID US $	RWW $	Total $
Platform subscription fees	1,255,545	2,032	-	1,257,577
Non-subscription revenue	65,492	-	-	65,492
RWW rebate revenue	-	-	1,298,168	1,298,168
Revenue	**1,321,037**	**2,032**	**1,298,168**	**2,621,237**
Third party support costs	(454,562)	-	-	(454,562)
Administration expense	(858,454)	(157,155)	(93,046)	(1,108,655)
Employee benefits expense	(4,055,479)	(1,108,812)	(1,059,364)	(6,223,655)
Marketing expense	(287,372)	(289,779)	(7,556)	(584,707)
Travel expense	(237,935)	(109,403)	(13,367)	(360,705)
Occupancy expense	(195,163)	(23,594)	(77,849)	(296,606)
Total operating expenses	**(6,088,965)**	**(1,688,743)**	**(1,251,182)**	**(9,028,890)**
EBITDA from core operations	**(4,767,928)**	**(1,686,711)**	**46,986**	**(6,407,653)**
Listing fees and acquisition costs	(1,234,775)	-	-	(1,234,775)
R&D	326,984	-	-	326,984
Income tax	-	-	192,518	192,518
Capitalised labour (software)	919,234	-	-	919,234
Depreciation and amortisation	(21,397)	-	(503,235)	(524,632)
Share based payments	(413,597)	-	-	(413,597)
Interest – other	51,633	13	-	51,646
Foreign exchange	(26,179)	(69,029)	-	(95,208)
Loss after income tax benefit for the year attributable to the owners of BidEnergy Limited	**(5,166,025)**	**(1,755,727)**	**(263,731)**	**(7,185,483)**

Notes to the financial statements

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Note 5. Operating segments (continued)

Consolidated - 2016	Australia and UK $	BID US $	RWW $	Total $
Platform subscription fees	652,317	-	-	652,317
Non-subscription revenue	188,012	-	-	188,012
Revenue	**840,329**	**-**	**-**	**840,329**
Third party support costs	(113,511)	-	-	(113,511)
Administration expense	(673,470)	(20,961)	-	(694,431)
Employee benefits expense	(2,352,852)	(210,061)	-	(2,562,913)
Marketing expense	(299,322)	(26,022)	-	(325,344)
Travel expense	(206,925)	-	-	(206,925)
Occupancy expense	(138,319)	(13,107)	-	(151,426)
Total operating expenses	**(3,784,399)**	**(270,151)**	**-**	**(4,054,550)**
EBITDA from core operations	**(2,944,070)**	**(270,151)**	**-**	**(3,214,222)**
Option fee	100,000	-	-	100,000
R&D	271,747	-	-	271,747
Depreciation and amortisation	(16,514)	-	-	(16,514)
Share based payments	(125,210)	-	-	(125,210)
Interest – preference shares	(333,854)	-	-	(333,854)
Interest – other	36,096	-	-	36,096
Foreign exchange	(20,820)	-	-	(20,820)
Loss after income tax benefit for the year attributable to the owners of BidEnergy Limited	**(3,032,626)**	**(270,151)**	**-**	**(3,302,777)**

Note 6. Revenue

	Consolidated 2017 $	Consolidated 2016 $
Platform subscription fees	1,257,577	652,317
Non-subscription revenue	65,492	188,017
RWW Rebate Revenue	1,298,168	-
Revenue	2,621,237	840,334

Note 7. Other income

	Consolidated 2017 $	Consolidated 2016 $
Interest	51,646	36,100
Option fee	-	100,000
Research and development tax incentive	326,984	271,747
Other income	378,630	407,847

BidEnergy

Notes to the financial statements

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Note 8. Expenses

	Consolidated 2017 $	Consolidated 2016 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Office equipment	21,397	16,514
Amortisation		
Software	458,262	-
Brands	33,838	-
Customer List	11,136	-
Total amortisation	503,236	-
Total depreciation and amortisation	524,633	16,514
Finance costs		
Interest	-	357,050
Employee benefits expense		
Share-based payments expense	413,596	-
Salaries and wages	5,304,419	2,697,979
Total employee benefits expense	5,718,015	2,697,979

Note 9. Income tax benefit

	Consolidated 2017 $	Consolidated 2016 $
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(7,378,001)	(3,302,777)
Tax at the statutory tax rate of 30%	(2,213,400)	(990,833)
Non-deductible expenses	124,079	100,156
Research and development	98,095	136,466
Unrecognised income tax benefit in respect of current year losses	1,966,596	515,286
Amount not brought to account as deferred tax asset in the current year	24,631	238,925
Amounts brought to account as deferred tax asset in the current year (US operations)	(208,592)	-
Other amounts not recognised relating to US operations (difference in exchange rates)	16,073	-
Income tax benefit	(192,518)	-

	Consolidated 2017 $	Consolidated 2016 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised (Australia)	8,983,898	2,428,579
Potential tax benefit @ 30%	2,695,169	728,574

Notes to the financial statements

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Note 9. Income tax benefit (continued)

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed, and the Company earns sufficient taxable profit to absorb the losses.

	Consolidated	
	2017	**2016**
	$	**$**
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Doubtful debts	13,800	24,472
Employee entitlements (Australia)	93,395	39,568
Capital raising costs	145,697	185,653
Other (foreign exchange)	10,760	6,246
Tax losses	2,695,169	515,286
Less deferred tax liability not recognised - prepayments	(16,967)	(1,938)
Net deferred tax assets not recognised	2,941,854	769,287

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 10. Current assets - cash and cash equivalents

	Consolidated	
	2017	**2016**
	$	**$**
Cash at bank	3,568,969	2,624,642

Note 11. Current assets - trade and other receivables

	Consolidated	
	2017	**2016**
	$	**$**
Trade receivables	184,141	210,340
Less: Provision for impairment of receivables	(45,999)	(81,572)
	138,142	128,768

Due to the short term nature of the receivables, their carrying value is assumed to approximate their fair value. No collateral or security is held. The consolidated entity has financial risk management policies in place to ensure that all receivable are received within the credit time frame.

Impairment of receivables
The ageing of the impaired receivables provided for above are as follows:

	Consolidated	
	2017	**2016**
	$	**$**
0 to 3 months overdue	16,665	20,420
3 to 6 months overdue	6,820	8,352
Over 6 months overdue	22,514	52,800
	45,999	81,572

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Note 11. Current assets - trade and other receivables (continued)

Movements in the provision for impairment of receivables are as follows:

	Consolidated 2017 $	Consolidated 2016 $
Opening balance	81,572	-
Additional provisions recognised	(13,573)	81,572
Receivables written off during the year as uncollectable	(22,000)	-
Closing balance	45,999	81,572

Note 12. Current assets - Other current assets

	Consolidated 2017 $	Consolidated 2016 $
Prepayments	56,555	6,461
Other	4,137	-
	60,692	6,461

Note 13. Non-current assets - property, plant and equipment

	Consolidated 2017 $	Consolidated 2016 $
Office equipment - at cost	82,062	53,484
Less: Accumulated depreciation	(54,905)	(33,508)
	27,157	19,976

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office Equipment At cost $	Total $
Balance at 1 July 2015	19,980	19,980
Additions	16,510	16,510
Depreciation expense	(16,514)	(16,514)
Balance at 30 June 2016	19,976	19,976
Additions	28,578	28,578
Depreciation expense	(21,397)	(21,397)
Balance at 30 June 2017	27,157	27,157

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Note 14. Non-current assets - intangibles

	Consolidated 2017 $	Consolidated 2016 $
Goodwill - at cost	634,503	-
Customer list - at cost	143,173	-
Less: Accumulated amortisation	(11,136)	-
	132,037	-
Software - at cost	1,030,098	-
Less: Accumulated amortisation	(21,564)	-
	1,008,534	-
Brand - at cost	435,120	-
Less: Accumulated amortisation	(33,838)	-
	401,282	-
	2,176,356	-

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $	Software $	Brands $	Customer Lists $	Total $
Balance at 1 July 2015	-	-	-	-	-
Balance at 30 June 2016	-	-	-	-	-
Additions through business combinations (note 31)	666,422	578,949	451,932	155,414	1,852,717
Capitalised development costs	-	919,234	-	-	919,234
Foreign exchange differences	(31,919)	(31,387)	(16,812)	(12,241)	(92,359)
Amortisation	-	(458,262)	(33,838)	(11,136)	(503,236)
Balance at 30 June 2017	634,503	1,008,534	401,282	132,037	2,176,356

Note 15. Non-current assets - other

	Consolidated 2017 $	Consolidated 2016 $
Security deposits	45,915	26,319

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Note 16. Current liabilities - trade and other payables

	Consolidated	
	2017	2016
	$	$
Trade payables	155,009	91,832
Accrued expenses	170,224	8,130
Other payables	257,028	108,210
	582,261	208,172

Refer to note 24 for further information on financial instruments.

Note 17. Current liabilities - Employee benefits

	Consolidated	
	2017	2016
	$	$
Annual leave	267,747	107,225

Note 18. Current liabilities - other

	Consolidated	
	2017	2016
	$	$
Convertible note liability	-	2,068,042
Deferred revenue	154,419	31,116
Contingent consideration (Note 31)	10,995	-
	165,414	2,099,158

Note 19. Non-current liabilities - Employee benefits

	Consolidated	
	2017	2016
	$	$
Long service leave	43,569	24,667

Note 20. Non-current liabilities - other

	Consolidated	
	2017	2016
	$	$
Contingent consideration (Note 31)	146,517	-
Deferred consideration (Note 31)	64,352	-
	210,869	-

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Note 21. Equity - issued capital

	Consolidated			
	2017 Shares	2016 Shares	2017 $	2016 $
Ordinary shares - fully paid	329,838,682	66,446	16,021,604	2,892,079

Due to the reverse acquisition described in Note 4, the contributed equity represents that of accounting acquirer while the shares on issue reflect the legal parent.

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance		66,446		2,892,079
Balance	30 June 2016	66,446		2,892,079
	1 July 2016	(66,446)	-	-
Conversion of Convertible Redeemable Preference Shares in vendor	1 July 2016	-	-	4,576,827
Deemed value of shares deemed to be issued to existing Cove Resources Limited (legal parent) shareholders on acquisition date	1 July 2016	49,759,651	$0.03	1,375,434
Share issue to vendor (BidEnergy Pty Ltd)	1 July 2016	201,396,700	-	-
Capital raising	1 July 2016	70,000,000	$0.10	7,000,000
Costs of capital raising	1 July 2016	-	-	(430,500)
Shares issued for RWW acquisition	24 November 2016	6,752,924	$0.07	472,705
Shares issued for RWW acquisition	13 January 2017	1,929,407	$0.07	135,059
Balance	30 June 2017	329,838,682		16,021,604

Movements in listed share options

Details	Date	Options
Balance	1 July 2015	569,000,000
Exercise of option	8 December 2015	(400,000)
Share consolidation/split	2 June 2016	(540,169,994)
Balance	30 June 2016	28,430,006
Balance	30 June 2017	28,430,006

Capital risk management
The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Consolidated Entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

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Note 21. Equity - issued capital (continued)

The Consolidated Entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 22. Equity - reserves

	Consolidated 2017 $	Consolidated 2016 $
Redeemable preference shares reserve	-	2,508,785
Foreign currency reserve	56,687	-
Options reserve	961,239	277,527
	1,017,926	2,786,312

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Redeemable preference shares reserve $	Foreign currency reserve $	Options reserve $	Total $
Balance at 1 July 2015	2,292,783	-	-	2,292,783
Revaluation - gross	216,002	-	277,527	493,529
Balance at 30 June 2016	2,508,785	-	277,527	2,786,312
Foreign currency translation	-	56,687	-	56,687
Reversal due to reverse acquisition	(2,508,785)	-	-	(2,508,785)
Share based payments for RWW acquisition	-	-	270,116	270,116
Share based payments for employees	-	-	413,596	413,596
Balance at 30 June 2017	-	56,687	961,239	1,017,926

Note 23. Equity - accumulated losses

	Consolidated 2017 $	Consolidated 2016 $
Accumulated losses at the beginning of the financial year	(5,311,448)	(2,008,670)
Loss after income tax benefit for the year	(7,185,483)	(3,302,777)
Accumulated losses at the end of the financial year	(12,496,931)	(5,311,447)

Note 24. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Consolidated Entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

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Note 24. Financial instruments (continued)

Derivatives are not currently used by the Group for hedging purposes. The Group does not speculate in the trading of derivative instruments.

Market risk

Foreign currency risk
The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations, in particular United States dollars.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows (holdings are shown in AUD equivalent):

	Assets		Liabilities	
	2017	2016	2017	2016
Consolidated	$	$	$	$
US dollars	284,504	142,647	(205,977)	-
GBP	11,906	10,087	-	-
	296,410	152,734	(205,977)	-

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group does not have any debt that may be affected by interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

Liquidity risk
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk by preparing forward looking cash flow analysis in relation to its operational, investing and financing activities and monitoring its cash assets and assets readily convertible to cash in the context of its forecast future cash flows.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

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Note 24. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	582,260	-	-	-	582,260
Total non-derivatives		582,260	-	-	-	582,260

Consolidated - 2016	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	208,172	-	-	-	208,172
Total non-derivatives		208,172	-	-	-	208,172

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 25. Key management personnel disclosures

Directors
The following persons were Directors of BidEnergy Limited during the financial year:

Mr Winton Willesee	Executive Chairman (resigned 1 July 2016)
Miss Erlyn Dale	Non-Executive Director (resigned 1 July 2016)
Mr Marcus Gracey	Non-Executive Director (resigned 1 July 2016)
Mr Robert Browning	Non-Executive Chairman (appointed 1 July 2016)
Mr Phillip Adams	Managing Director (appointed 1 May 2017)
Ms Leanne Graham	Non-Executive Director (appointed 28 July 2016)
Mr James Baillieu	Non-Executive Director (appointed 1 June 2017)
Mr Stuart Allinson	Executive Director (appointed 1 July 2016 as Managing Director, and becoming Executive Director on 1 May 2017)
Mr Anthony Du Preez	Executive Director (appointed 1 July 2016, resigned 1 May 2017)

Other key management personnel
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity, directly or indirectly, during the financial year:

Mr Phillip Adams	BidEnergy Inc. CEO (from 1 July 2016 to 30 April 2017, promoted to BidEnergy Limited Managing Director on 1 May 2017)
Mr Matthew Watson	Chief Financial Officer

Notes to the financial statements

30 June 2017

Note 25. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Consolidated Entity is set out below:

	Consolidated 2017 $	Consolidated 2016 $
Short-term employee benefits	1,163,945	182,000
Post-employment benefits	54,372	-
Share-based payments	354,498	-
	1,573,175	182,000

Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	Consolidated 2017 $	Consolidated 2016 $
Audit services -		
Audit or review of the financial statements	81,750	22,000
Other services -		
Advisory services	36,250	-
Tax and compliance	19,716	-
	55,966	-
	137,716	22,000

Note 27. Contingent assets and liabilities

The directors are not aware of any contingent assets or contingent liabilities as at 30 June 2017 (2016: Nil).

Note 28. Commitments

	Consolidated 2017 $	Consolidated 2016 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	174,065	51,393
One to five years	251,772	51,393
	425,837	102,786

The company has no capital expenditure commitments as at 30 June 2017 (2016: Nil).

Note 29. Related party transactions

Parent entity
BidEnergy Limited is the parent entity.

BidEnergy

Notes to the financial statements

30 June 2017

Note 29. Related party transactions (continued)

Subsidiaries
Interests in subsidiaries are set out in note 32.

Key management personnel
Disclosures relating to key management personnel are set out in note 25 and the remuneration report included in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2017	**2016**
	$	**$**
Payment for other expenses:		
Consulting fees paid to director related entity (Winton Willesee (through Azalea Consulting) for provision of Executive Chairman, Non-Executive Director, Company Secretary and office and administration services	54,000	144,000
Consulting fees paid to director related entity (Winton Willesee (through Azalea Consulting) for provision of Corporate services in relation to the Bid Energy Transaction	12,000	20,000
Consulting fees paid to director related entity (Winton Willesee (through Azalea Consulting) for provision of Corporate services in relation to capital raising	18,000	-

Receivable from and Payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 30. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2017	**2016**
	$	**$**
Loss after income tax	(2,281,897)	(2,666,540)
Total comprehensive income	(2,281,897)	(2,666,540)

Notes to the financial statements

30 June 2017

Note 30. Parent entity information (continued)

Statement of financial position

	Parent	
	2017	**2016**
	$	**$**
Total current assets	3,103,353	3,396,108
Total assets	7,131,608	3,442,402
Total current liabilities	177,095	2,414,555
Total liabilities	177,095	2,439,222
Equity		
Issued capital	8,552,698	2,892,079
Redeemable preference shares reserve	-	2,508,785
Options reserve	683,712	277,527
Accumulated losses	(2,281,897)	(4,675,211)
Total equity	6,954,513	1,003,180

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity guarantees obligations of BidEnergy Inc in relation to the acquisition of RealWinWin (RWW). The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2016.

Contingent liabilities
The parent entity had no contingent liabilities as at 2016 and 2017.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 2016 and 2017.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 31. Business combinations

On 24 November 2016, US subsidiary, BidEnergy Inc. acquired the US energy rebate capture business of RealWinWin ("RWW") from US-vendor RealWinWin Inc. under an Asset Purchase Agreement entered into between the parties ("RWW Acquisition"). The RWW Acquisition has been accounted as a Business Combination under AASB 3. The RWW business is a leading US independent energy rebate capture specialist and the acquisition provides the consolidated entity a US customer base through which to upsell its existing software and service offering in energy management and procurement services. As a data business, RWW is a highly complementary acquisition providing a significant opportunity to accelerate growth in the US market, accessing upwards of 100,000 sites through more than 100 multi-site prospects in the company's target market.

Notes to the financial statements

30 June 2017

Note 31. Business combinations (continued)

The provisional fair values of the identifiable net assets acquired are detailed below, reflecting management's best judgements and assumptions as at 30 June 2017. Under AASB 3 provisional amounts may be used to account for business combinations for up to 12 months from the date of the acquisition. The provisional fair values outlined below replace those provisionally recorded at 31 December 2016.

	Fair value $
Trade receivables	62,727
Deferred tax asset	8,988
Intangible asset – Customer list	155,414
Intangible asset – Brand Name RWW	451,932
Intangible asset - Software	578,949
Trade and other payables	(10,936)
Provisions	(32,565)
Deferred tax liability	(421,951)
Net assets acquired	792,558
Goodwill	666,422
Acquisition-date fair value of the total consideration transferred	1,458,980
Cash paid	356,000
Deferred consideration – cash payment due in January 2018 (USD 50,000)	67,589
Equity instruments (3,858,814 unlisted options exercisable at A$0.07 from 24 November 2017 until the expiry date of 24 November 2021)	270,116
Equity instruments (6,752,924 ordinary shares – Issued – November 2016)	472,705
Equity instruments (1,929,407 ordinary shares – Issued – January 2017)	135,058
Contingent consideration	157,512
Acquisition-date fair value of the total consideration transferred	1,458,980

i. Consideration transferred

The fair value of the ordinary shares issued was based on a deemed issue price of $0.07 per ordinary share, being equal to the volume weighted average price ("VWAP") of the Company's shares traded on the ASX during the 5-day period immediately prior to closing of the RWW Acquisition.

The fair value of the unlisted options was determined using the Black-Scholes option pricing model using an underlying share price volatility of 95%.

The ordinary shares and unlisted options are subject to voluntary escrow until 24 November 2017. Ordinary shares issued in January 2017 are subject to voluntary escrow for a period of 12 months from the date of issue, i.e. 13 January 2018.

Any shares issued as part of the contingent consideration will be fully paid ordinary shares and subject to voluntary escrow for a period of 12 months from the date of issue.

Deferred consideration of $67,589 (USD 50,000) is payable in January 2018.

Notes to the financial statements

30 June 2017

Note 31. Business combinations (continued)

ii. Contingent consideration

The contingent consideration is ascertained over two consecutive terms (earn-out period), being:

(i) From 24 November 2016 to 31 December 2017, with the contingent consideration payable no later than 31 March 2018; and

(ii) From 1 January 2018 to 31 December 2018, with the contingent consideration payable no later than 31 March 2019.

The contingent consideration payable to the vendors of RWW is based on the annual contract value of the company's existing subscription services sold by RWW during the earn-out period. Based on a range of probable outcomes and scenarios, the company has assessed that the fair value of contingent consideration payable as at 30 June 2017 is $157,512 (USD 120,907).

The contingent consideration payable during the earn-out period will be through the issue of ordinary shares in the company where the fair value of the shares issued will be the higher of A$0.07 and the VWAP of shares traded on the ASX during the 5-day period immediately prior to the public release of the consolidate entity's December 31 financial results. Any shares issued as part of the contingent consideration will be fully paid ordinary shares and subject to voluntary escrow for a period of 12 months from the date of issue.

iii. Acquisition related costs

Acquisition-related costs amounting to $73,129 are not included as part of consideration for the acquisition and have been recognised as transaction costs. These costs have been included within general and administrative expenses in the profit and loss statement.

iv. Identifiable net assets

The fair value of the trade receivables acquired as part of the business combination amounted to $62,727 (USD 45,843). As of the acquisition date, the company's best estimate is that all cash will be collected.

v. Goodwill

Goodwill of $666,422 was primarily related to the providing the company a significant opportunity to accelerate growth in the US market.

The consolidated entity operates three operating segments and goodwill was allocated to the RWW segment and cash generating unit as at acquisition date. The goodwill that arose from this business combination is not deductible for tax purposes.

vi. Contribution to the Consolidated Entity's result

RWW contributed revenues of $1,298,168 from the date of the acquisition to 30 June 2017 (Refer Note 6).

Note 32. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2017 %	Ownership interest 2016 %
BidEnergy (Operations) Pty Ltd	Australia	100.00%	-
BidEnergy Limited	United Kingdom	100.00%	-
BidEnergy Inc	United States	100.00%	-

Notes to the financial statements

30 June 2017

Note 33. Events after the reporting period

On 3 July 2017 the Company announced a transaction for its US subsidiary, BidEnergy Inc to acquire approximately 50 clients and critical capability under a conditional agreement to purchase the assets of Ameresco, Inc.'s (NYSE:AMRC) Axis utility bill management business.

On 3 July 2017, the Company announced a non-renounceable 1:1 entitlement offer to raise approximately $6.7 million (before costs), which was fully underwritten by Canaccord Genuity (Australia) Limited ("Canaccord") ("Entitlement Offer"). The Company completed the allotment and issue of 335,338,682 shares pursuant to that Entitlement Offer on 8 August 2017. The Company also confirmed the appointment of Canaccord as its corporate advisor and issued 20.5 million options to the nominees of Canaccord in lieu of cash fees in respect of that engagement.

On 6 July 2017, the Company issued 5,500,000 Shares to Canaccord pursuant to the Advisor Offer under the Prospectus dated 3 July 2017, being in lieu of payment for accrued fees totalling $110,000 for corporate advisory services provided to the Company under a corporate advisory services mandate executed in December 2015.

On 19 July 2017, the Company announced that it had signed a subscription agreement to provide its innovative cloud-based platform to one of the largest transportation and logistics companies in the Asia Pacific region, representing annual subscription revenues in the order of $77,000.

On 24 August 2017, the Company convened a general meeting of shareholders at which shareholders approved the following resolutions on the terms and conditions set out in the Notice of Meeting dated 21 July 2017:

- o Issue of 19 million Performance Rights to Mr Philip Adams
- o Ratification of 8,682,331 RealWinWin Consideration Shares and 3,858,814 RealWinWin Consideration Options
- o Approval of the issue of up to 35,458,855 RealWinWin Earn-Out Consideration Shares; and
- o Adoption of the 2017 Long Term Incentive Plan.

On 1 September 2017, the Company announced that the closing date for its purchase of the Axis utility bill management ("Axis") from Ameresco, Inc. (NYSE: AMRC) originally projected to be 31 August 2017 has shifted into the back half of September 2017. BidEnergy and Ameresco have been working diligently and co-operatively to satisfy the conditions precedent and enable closing deliverables, which include certain legal, banking, technology and operational matters.

On 15 September 2017, the Company issued 19,000,000 performance rights to Managing Director, Phil Adams, pursuant shareholder approval on 24 August 2017.

On 27 September 2017, the Company provided an update with respect to the acquisition of the Axis utility bill management business ("Axis") from Ameresco, Inc. (NYSE: AMRC) as announced on 3 July 2017. BidEnergy and Ameresco continue to work closely together to satisfy the conditions precedent and enable closing deliverables, which include certain legal, banking, technology and operational matters. These outstanding matters are taking longer than anticipated to finalise, with the setting up of the necessary banking infrastructure to facilitate the transfer of Axis customer accounts to a treasury account under BidEnergy's management being the key gating item. The Company is now target for finalisation in October 2017. As a result, BidEnergy is seeking to amend the Asset Purchase Agreement and extend its exclusivity period beyond 30 September 2017, subject to Ameresco's approval which it expects to obtain. The Company will inform the market of the amended completion timeline when finalised.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Notes to the financial statements

30 June 2017

Note 34. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2017 $	Consolidated 2016 $
Loss after income tax benefit for the year	(7,185,483)	(3,302,777)
Adjustments for:		
Depreciation and amortisation	524,633	16,515
Interest expense - convertible notes	-	333,854
Employee share option expense	413,596	125,210
Listing fees	1,100,000	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	196,535	77,599
(Increase) / decrease in other assets	(54,231)	3,953
(Decrease) / increase in trade and other payable	(243,899)	62,023
Decrease in deferred tax liabilities	(208,621)	-
Increase in other liabilities	123,303	19,858
Increase in provisions	156,955	62,392
Net cash used in operating activities	(5,177,212)	(2,601,373)

Note 35. Earnings per share

	Consolidated 2017 $	Consolidated 2016 $
Loss after income tax attributable to the owners of BidEnergy Limited	(7,185,483)	(3,302,777)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	325,197,962	322,550,977
Weighted average number of ordinary shares used in calculating diluted earnings per share	325,197,962	322,550,977
	Cents	**Cents**
Basic earnings per share	(2.21)	(1.02)
Diluted earnings per share	(2.21)	(1.02)

Note 36. Share-based payments

Options issued

A share option plan has been established by the Consolidated Entity and approved by shareholders at a general meeting, whereby the Consolidated Entity may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel of the Consolidated Entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Notes to the financial statements

30 June 2017

Note 36. Share-based payments (continued)

Set out below are summaries of options granted under the plan:

2017

Grant date	Expiry date	Exercise price	Balance at the start of the year*	Granted**	Exercised	Expired/ forfeited/ other	Balance at the end of the year
27/03/2015	30/06/2019	$0.1000	13,450,000	-	-	-	13,450,000
20/05/2016	30/06/2019	$0.1500	25,000,000	-	-	-	25,000,000
24/11/2016	24/11/2021	$0.0700	-	3,858,814	-	-	3,858,814
30/11/2016	28/07/2020	$0.1000	-	500,000	-	-	500,000
			38,450,000	4,358,814	-	-	42,808,814

* The carried forward option balance relates to Cove Resources Limited.

** On 30 November 2016, the Group issued 3,858,814 Class E options, deemed valued at $270,116, as part of RealWinWin (RWW) acquisition (Refer note 31).

On 30 November 2016, the Group issued 500,000 Class F director incentive options to Leanne Graham valued at $6,396, using Black Scholes Valuation method. As at 30 June 2017, $1,492 has been recognised as share based payments.

2016

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other*	Balance at the end of the year
27/05/2015	30/06/2019	$0.1000	269,000,000	-	-	(255,550,000)	13,450,000
20/05/2016	30/06/2019	$0.1500	-	25,000,000	-	-	25,000,000
			269,000,000	25,000,000	-	(255,550,000)	38,450,000

* The decrease in other, relates to the share consolidation/split which occurred on 2 June 2016.

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2017 Number	2016 Number
27/03/2015	30/06/2019	13,450,000	13,450,000
20/05/2016	30/06/2019	25,000,000	25,000,000
24/11/2016	24/11/2021	3,858,814	-
30/11/2016	28/07/2020	500,000	-
		42,808,814	38,450,000

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
24/11/2016	24/11/2021	$0.0700	$0.0700	-	-	-	$0.070
30/11/2016	28/07/2020	$0.0600	$0.1000	45%	-	1.90%	$0.013

Employee share based payment plans

The Company provides benefits to nominated employees and non-executive directors in the form of share-based payment transactions, whereby employees and non-executive directors render services in exchange for shares or rights over shares.

Notes to the financial statements

30 June 2017

Note 36. Share-based payments (continued)

On 1 July 2016, the Company announced its commitment to issue 11,060,722 performance rights to its employees, including 8,142,822 to the US CEO. The performance rights were valued at $471,629 using Black Scholes Valuation method. Vesting is subject to employees continued employment with the Company.

On 5 June 2017, 493,587 performance rights were cancelled due to the employees no longer meeting the vesting conditions. On the same day, 8,142,822 performance rights that were held by Phil Adams were cancelled. The total share based payment expensed up to that date was $85,299. The previous performance rights were deemed cancelled and the remaining fair value ($261,911) was expensed immediately in the statement of profit or loss and other comprehensive income, in accordance with AASB 2.

Reconciliation of share based payments as at year end:

	Consolidated	
	2017 $	2016 $
Performance rights payment	5,608	-
Cancellation of performance rights	347,210	-
Options payment	1,492	125,210
Other share based payments	59,286	-
Total share-based payments expense (Refer note 8)	413,596	125,210

Note 37. Funds held in trust

The Company holds funds and pays utility bills on behalf of its clients. As at 30 June 2017 the amount held on trust was $378,712 (2016: Nil).

Directors' declaration

30 June 2017

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Robert Browning
Non-Executive Chairman

28 September 2017

Independent auditor's report to the members of BidEnergy Limited

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INDEPENDENT AUDITOR'S REPORT
To the Members of BidEnergy Ltd

Opinion

We have audited the financial report of BidEnergy Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

BidEnergy

Independent auditor's report to the members of BidEnergy Limited

RSM

Key Audit Matter	How our audit addressed this matter
Accounting for Reverse Acquisition Refer to Note 4 in the financial statements	
On 13 March 2016, Cove Resources Limited ("Cove") entered into a Share Purchase Agreement with BidEnergy Pty Limited ("BidOperations") which provided for the sale to Cove of all the issued capital in BidOperations on 1 July 2016 the completion date. We identified the acquisition as a key audit matter due to the complexity and judgment involved in accounting for this transaction. The effect of this transaction was that the shareholders of BidOperations held 62.7% in the combined entity, and therefore BidOperations had been determined to be the accounting acquirer and Cove the accounting subsidiary. Furthermore, the acquisition did not meet the definition of a business combination under AASB 3 *Business Combinations* as the activities of Cove at the date of acquisition did not represent a business. The transaction is considered a reverse acquisition and has been accounted for as a share-based payment transaction using the principles of *AASB 2 Share-based Payments*. The acquisition of BidEnergy is technically complex from an accounting perspective and involves significant management judgment in determining the acquiring entity, the fair value of consideration paid, and whether the accounting acquiree meets the definition of a business under AASB 3 *Business Combinations.*	Our audit procedures in relation to the accounting for acquisition included : • reviewing the Share purchase agreement in order to obtain an understanding of the transaction and the related accounting considerations; • critically evaluating management's determination that BidEnergy was the accounting acquiring entity, and that the acquired entity did not meet the definition of a business; • Challenging the key assumptions used by management in determining the accounting treatment and the fair value of consideration paid (both cash, share capital and share options), with reference to the various related documents and agreements as well as the requirements of the Australian Accounting Standards; • inspecting management's support for the fair values of assets and liabilities acquired as part of the transaction and testing the reasonableness of the assumptions and inputs used in determining the fair value of consideration paid; and • assessing the appropriateness of financial statement disclosures in relation to the acquisition.

Independent auditor's report to the members of BidEnergy Limited

RSM

Acquisition of RealWinWin Inc ("RWW") Refer to Note 31 in the financial statements	
On 24 November 2016, the Group acquired 100% of the business of RealWinWin Inc ("RWW") via an asset purchase and hire of RWW employees. The transaction was treated as a business combination in accordance with AASB 3 *Business Combinations,* and the Group has therefore included a provisional Purchase Price Allocation ("PPA"). As detailed in Note 31, the provisional accounting has resulted in goodwill of \$0.7m and other intangible assets being customer list, brand name and software of \$1.2m being recognised. This was considered a key audit matter because accounting for the transaction is complex and involves significant judgments in applying the accounting standards. These include the recognition and valuation of consideration paid (including contingent consideration and share options), the identification and valuation of intangible assets, and the determination of the fair value of the tangible assets acquired.	Our audit procedures in relation to accounting for acquisition included: • Obtaining the asset purchase agreement, and other associated documents, and ensuring that the transaction had been accounted for in compliance with AASB 3 Business Combinations; • Verifying the initial cash consideration to the signed asset purchase agreement and to bank statements; • Reviewing the share capital and share options elements of the consideration to the asset purchase agreement and assessed the appropriateness of the fair value; • Assessing the reasonableness of the probable outcomes and scenarios in calculating the fair value of the contingent consideration (earnout) payable to vendors. • Assessing the valuation models (including assumptions, business forecasts and market analysis) prepared by management to value the intangible assets identified in the acquired business, and engaged our internal valuation specialists to challenge and confirm the assumptions and methodology used by management; • Ensuring the value of tangible assets agreed to the acquiree's balance sheet at the date of acquisition and asset purchase agreement, and assessed the appropriateness of the fair value determined; • Reviewing the updated assessments made by management since the initial acquisition date on 24 November 2016 in regards to impairment of goodwill and contingent consideration; and • Reviewing the disclosures in Note 31 to the financial statements in order to assess compliance with the disclosure requirements of AASB 3.

Independent auditor's report
to the members of BidEnergy Limited

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Independent auditor's report to the members of BidEnergy Limited

RSM

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of BidEnergy Ltd., for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Melbourne, VIC
Dated: 28 September 2017

Shareholder information

30 June 2017

The shareholder information set out below was applicable as at 18 September 2017.

1. Quotation

Listed securities in BidEnery Limited are quoted on the Australian Securities Exchange under ASX code BID (Fully Paid Ordinary Shares) and BIDO (Listed Options).

2. Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:
(a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and
(b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

There are no voting rights attached to any Options, Performance Shares or Performance Rights on issue.

3. Distribution of Shareholders

i) Fully Paid Ordinary Shares

Shares range	Number of holders	Units	%
1 to 1,000	150	71,889	0.01
1,001 to 5,000	148	463,480	0.07
5,001 to 10,000	79	646,973	0.10
10,001 to 100,000	285	13,562,998	2.02
100,001 and over	294	655,932,024	97.80
Total	956	670,677,364	100.00%

On 18 September 2017, there were 441 holders of unmarketable parcels of less than 2,202,439 ordinary shares (based on the closing share price of $0.024).

ii) Listed Options exercisable at $0.10 on or before 30 June 2019

Shares range	Number of holders	Units	%
1 to 1,000	1	5	0.00
1,001 to 5,000	24	107,630	0.38
5,001 to 10,000	18	178,250	0.63
10,001 to 100,000	137	4,812,122	16.93
100,001 and over	32	23,331,999	82.07
Total	212	28,430,006	100.00%

iii) Class A Performance Shares

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	10	521,202	1.49
100,001 and over	39	34,478,798	98.51
Total	49	35,000,000*	100.00%

*There are no holders who hold more than 20% securities.

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iv) Class B Performance Shares

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	10	521,202	1.49
100,001 and over	39	34,478,798	98.51
Total	49	35,000,000*	100.00%

*There are no holders who hold more than 20% securities.

v) Class A Performance Rights

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	2	188,163	7.76
100,001 and over	9	2,236,150*	92.24
Total	11	2,424,313	100.00%

*Holders who hold more than 20% of securities are:
Jimmy Harjadi – 842,643 performance rights

vi) Class B Performance Rights expiring 30 November 2017

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	6,333,333	100.00
Total	1	6,333,333*	100.00%

*Holders who hold more than 20% of securities are:
Phil Adams – 6,333,333 performance rights

vii) Class C Performance Rights expiring 30 November 2018

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	6,333,333	100.00
Total	1	6,333,333*	100.00%

*Holders who hold more than 20% of securities are:
Phil Adams – 6,333,333 performance rights

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viii) Class D Performance Rights expiring 30 November 2019

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	6,333,334	100.00
Total	1	6,333,334*	100.00%

*Holders who hold more than 20% of securities are:
Phil Adams – 6,333,334 performance rights

ix) Class A Options exercisable at $0.10 on or before 30 September 2017, escrowed to 20 July 2018

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	10,798,670	100.00
Total	1	10,798,670*	100.00%

*Holders who hold more than 20% of securities are:
Canaccord Genuity (Australia) Limited – 10,798,670 options

x) Class B Options exercisable at $0.125 on or before 31 December 2018, escrowed to 20 July 2018

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	9,243,759	100.00
Total	1	9,243,759*	100.00%

*Holders who hold more than 20% of securities are:
Canaccord Genuity (Australia) Limited – 9,243,759 options

xi) Class C Options exercisable at $0.15 on or before 1 July 2019

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	1	32,724	0.14
100,001 and over	33	23,482,197	99.86
Total	34	23,514,921*	100.00%

*There are no holders who hold more than 20% of securities.

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xii) Class D Options exercisable at $0.15 on or before 30 June 2019, escrowed to 20 July 2018

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	2	25,000,000	100.00
Total	2	25,000,000*	100.00%

*Holders who hold more than 20% of securities are:
Canaccord Genuity (Australia) Limited – 17,000,000 options
White Swan Nominees Pty Ltd – 8,000,000 options

xiii) Class E Options exercisable at $0.07 on or before 24 November 2021, escrowed to 24 November 2017

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	3	3,858,814	100.00
Total	3	3,858,814*	100.00%

*Holders who hold more than 20% of securities are:
Ben Franklin Technology Partners of Southestern Pennsylvania A/C – 1,929,407 options
Mr Douglas A Bloom – 1,286,278 options

xiv) Class F Options exercisable at $0.10 on or before 28 July 2020

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	500,000	100.00
Total	1	500,000*	100.00%

*Holders who hold more than 20% of securities are:
L Graham Trustees Ltd & Erca Trustees (LG) Ltd <L Graham A/C> - 500,000 options

xv) Class G Options exercisable at $0.03 on or before 31 December 2020

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	6,000,000	100.00
Total	1	6,000,000*	100.00%

*Holders who hold more than 20% of securities are:
CG Nominees (Australia) Pty Ltd – 6,000,000 options

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xvi) Class H Options exercisable at $0.045 on or before 31 December 2020

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	6,000,000	100.00
Total	1	6,000,000*	100.00%

*Holders who hold more than 20% of securities are:
CG Nominees (Australia) Pty Ltd – 6,000,000 options

xvii) Class I Options exercisable at $0.06 on or before 31 December 2020

Shares range	Number of holders	Units	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	8,500,000	100.00
Total	1	8,500,000*	100.00%

*Holders who hold more than 20% of securities are:
CG Nominees (Australia) Pty Ltd – 8,500,000 options

4. Substantial Shareholders

The names of the substantial shareholders listed on the Company's register as at 18 September 2017 are:

Name: Auction Design Pty Ltd <Du Preez Family A/C>
Holder of: 34,483,519 fully paid ordinary shares, representing 10.74% as at 1 July 2016
Notice Received: 5 July 2016

Name: Regal Funds Management Pty Limited
Holder of: 48,966,524 fully paid ordinary shares, representing 7.3% as at 8 August 2017
Notice Received: 9 August 2017

Name: James Baillieu
Holder of: 57,209,805 fully paid ordinary shares, representing 8.53% as at 8 August 2017
Notice Received: 10 August 2017

Name: Blue Lagoon International Corporation
Holder of: 52,766,975 fully paid ordinary shares, representing 8.18% as at 8 August 2017
Notice Received: 14 August 2017

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5. Restricted Securities

The following restricted securities are listed on the Company's register as at 18 September 2017

Escrowed to 20 July 2018
101,315,069 Fully Paid Ordinary Shares
18,041,598 Class A Performance Shares
18,041,598 Class B Performance Shares
182,709 Performance Rights
10,798,670 Class A Options ($0.10, 30 Sep 2017)
9,243,759 Class B Options ($0.125, 31 December 2018)
25,000,000 Class D Options ($0.15, 30 June 2019)

Escrowed to 24 November 2017
6,752,924 Fully Paid Ordinary Shares
3,858,814 Class E Options ($0.07, 24 November 2021)

Escrowed to 13 January 2018
1,929,407 Fully Paid Ordinary Shares

6. On market buy-back

There is currently no on market buy back in place.

7. Twenty Largest Shareholders

The twenty largest shareholders of the Company's quoted securities as at 18 September 2017 are as follows:

	Ordinary shares Number held	Ordinary shares % of total shares issued
HSBC Custody Nominees (Australia) Limited	73,259,143	10.92
Citicorp Nominees Pty Limited	46,554,119	6.94
Auction Design Pty Ltd (Du Preez Family A/C)	34,483,519	5.14
Blue Lagoon International Corporation	33,742,852	5.03
CG Nominees (Australia) Pty Ltd	25,000,000	3.73
Merrill Lynch (Australia) Nominees Pty Limited	24,416,105	3.64
UBS Nominees Pty Ltd	23,582,549	3.52
Brispot Nominees Pty Ltd (House Head Nominee A/C)	15,265,759	2.28
Merriwee Pty Ltd (Merriwee Super Fund A/C)	15,148,552	2.26
Allinson Trauts Pty Ltd (Allinson Family A/C)	14,570,501	2.17
Morris & Hay Pty Ltd (B MacFarlane Family A/C)	14,570,501	2.17
Carolyn Palmer	14,570,501	2.17
Cregan Holdings Pty Ltd (T & D Cregan Super A/C)	12,500,000	1.86
Mr Ivan Tanner + Mrs Felicity Tanner (The Supernatural S/F A/C)	11,546,588	1.72
Philip Murphy Investments Pty Ltd	9,713,667	1.45
Spring Plains Past Co (VIC) PL (Spring Plains A/C)	9,500,000	1.42
Deck Chair Holdings Pty Ltd	8,364,428	1.25
Capital Accretion Pty Ltd (The Fortified Value A/C)	8,195,906	1.22
Nailo Pty Ltd	8,094,723	1.21
White Swan Nominees Pty Ltd	7,416,644	1.11
	410,496,057	61.21

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8. Twenty Largest Listed Option Holders – BIDO ($0.10, 30 September 2019)

The twenty largest listed option holders of the Company's quoted securities as at 18 September 2017 are as follows:

	Options over ordinary shares Number held	ordinary shares % of total options issued
Chincherinchee Nominees Pty Ltd	5,000,000	17.59
Mahsor Holdings Pty Ltd (Rosham Family S/F No2 A/C)	3,520,000	12.38
Manda's Skincare Products Pty Ltd (Manda Superfund A/C)	1,877,544	6.60
Lamro Pty Ltd (Orama A/C)	1,638,750	5.76
Jigsaw Investment Holdings (Jigsaw Investment A/C)	1,400,000	4.92
Ms Merle Smith + Ms Kathryn Smith (The Mini Pension Fund A/C)	1,216,072	4.28
Holdrey Pty Ltd (Don Mathieson Family A/C)	1,094,929	3.85
Erebon Pty Ltd	919,620	3.23
Newton6 Pty Limited (The Newton Super Fund A/C)	900,000	3.17
Brumby Capital Pty Ltd	544,579	1.92
Azalea Family Holdings Pty Ltd (No 2 A/C)	500,000	1.76
Tmena Pty Ltd (Combivan Pty Ltd A/C)	450,000	1.58
Mr Sufian Ahmad	400,000	1.41
The Sports Cafe Australia Pty Ltd	400,000	1.41
Mr Thomas Fagan	360,500	1.27
Walsal Nominees Pty Ltd No2	350,000	1.23
Intrepid Concepts Pty Ltd	348,371	1.23
Mr Gavin Rezos	250,000	0.88
Zahav Insurance & Investment Brokers Pty Ltd (The Owide Super Fund A/C)	200,000	0.70
Lanuach Pty Ltd (Pearl Kirstein S/fund A/C)	188,134	0.66
	21,558,499	75.83

Consistency with business objectives - ASX Listing Rule 4.10.19
In accordance with Listing Rule 4.10.19, the Group states that it has used the cash and assets in a form readily convertible to cash in a way consistent with its business objectives at the time of admission. The business objective is to provide energy spend management and procurement services to high energy use customers through the deployment of its cloud-based software platform. During the financial year, the Group's US subsidiary, Bid Energy Inc. acquired the US energy rebate capture business of RealWinWin ("RWW"). The RWW business is a leading independent energy rebate capture specialist and the acquisition provide the Group a US customer base through which to upsell it existing software and service offering in energy management and procurement services. The Group believes it has used its cash in a consistent manner to achieve business objectives.

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