










APPENDIX 4E

Preliminary Final Report

30 June 2018

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Rule 4.3A

Appendix 4E
Preliminary final report

Name of entity

Ensurance Limited

ABN or equivalent company
reference

80 148 142 634

Half yearly
(tick)

☐

Preliminary
final (tick)

☒

Half year/financial year ended ('current
period')

30 June 2018

Results for announcement to the market

	Previous Period				Current Period
2.1 Total Revenues from ordinary activities	3,218,892	Up	18.79%	to	3,823,779
2.2 Profit (loss) from ordinary activities after tax attributable to members	(5,093,032)	Up	70.97%	to	(8,707,405)
2.3 Net profit (loss) for the period attributable to members	(5,091,231)	Up	71.00%	to	(8,706,100)
2.4 Dividends	Amount per security		Franked amount per security		
Final dividend	nil		n/a		
Interim dividend	nil		n/a		
2.5 Record date for determining entitlements to the dividend:	n/a				
2.6 Brief explanation of any of the figures reported above					
Please refer to commentary in Executive Chairman’s Report on pages 7-9.					

Supplementary information

3. Statement of Financial Performance

Refer to Consolidated Statement of Profit or Loss and Other Comprehensive Income on Page 10

4. Statement of Financial Position

Refer to Consolidated Statement of Financial Position on Page 11

5. Statement of Cash Flows

Refer to Consolidated Statement of Cash Flows on Page 11

6. Statement of Changes in Equity

Refer to Consolidated Statement of Changes in Equity on Page 12

7a. Details of individual and total dividends

		Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
	<i>(Preliminary final report only)</i>			
	Final dividend: Current year	Nil	N/A	N/A
	Previous year	Nil	N/A	N/A
	<i>(Half yearly and preliminary final reports)</i>			
	Interim dividend: Current year	N/A	N/A	N/A
	Previous year	N/A	N/A	N/A

7b Total dividend per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
Ordinary securities	N/A	N/A
Preference securities	N/A	N/A

7c Dividend payment details

Date the dividend is payable

N/A

Record date to determine entitlements to the dividend

(ie, on the basis of proper instruments of transfer received by 5.00 pm if securities are not CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are CHESS approved)

N/A

If it is a final dividend, has it been declared?

(Preliminary final report only)

N/A

7d Final dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
⁺ Ordinary securities <i>(each class separately)</i>	N/A	N/A
Preference ⁺ securities <i>(each class separately)</i>	N/A	N/A
Other equity instruments <i>(each class separately)</i>	N/A	N/A
Total	N/A	N/A

8 Dividend reinvestment plans

The dividend plans shown below are in operation.

N/A

9 Net Tangible Assets per security

	Current period	Previous corresponding period
Net Assets/(Deficiency) \$	(778)	(1,998,839)
Less: Intangible assets \$	-	(1,934,645)
Net Tangible assets/(Deficiency) \$	(778)	(3,933,484)
Ordinary securities on issue at period end (per financial statements)	346,227,724	83,113,862
Net tangible asset backing per ordinary security	(0.00) cents	(4.733) cents

10 Control gained or loss of control over entities having material effect

Control gained over entities during the period:

Name of entities (item 10.1)

Date(s) of gain of control (item 10.2)

Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 10.3).

Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 10.3)

11 Details of aggregate share of profits / (losses) of associates and joint venture entities

Not applicable

12 Any other significant information

Refer to commentary update at 2.6 covering this Appendix 4E

13 Accounting standards for foreign entities

The financial information provided in the Appendix 4E is based on the preliminary final report (attached), which has been prepared in accordance with Australian Accounting Standards.

14 Commentary on results

Refer to commentary update at 2.6 covering this Appendix 4E. The results for the period are as expected.

14.1 Earnings per security (EPS)	Current period	Previous corresponding period
Basic EPS	(2.515) cents	(6.127) cents
Diluted EPS	N/A	N/A

The Group does not report diluted earnings per share, as dilution is not applied to annual losses generated by the Group.

14.2 Returns to shareholders including distributions and buy-backs

None

14.3 Significant features of operating performance

Refer to commentary in Executive Chairman's Report on pages 7-9

14.4 Results of segments that are significant to an understanding of the business as a whole.

Refer to commentary in Executive Chairman's Report on pages 7-9

14.5 Trends in performance.

Refer to commentary in Executive Chairman's Report on pages 7-9

14.6 Any other factors which have affected the results in the period or likely to affect results in the future

Refer to commentary in Executive Chairman's Report on page 7-9

Compliance statement

This report is based on accounts to which one of the following applies.

- | | | | |
|-------------------------------------|---|--------------------------|---|
| <input type="checkbox"/> | The +accounts have been audited. | <input type="checkbox"/> | The +accounts have been subject to review. |
| <input checked="" type="checkbox"/> | The +accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The +accounts have <i>not</i> yet been audited or reviewed. |



Signature:

Date: 27 August 2018

(Director/~~Company Secretary~~)

Print name: A H Leibowitz

Executive Chairman's Report

Positioned for strong FY19, following strategic repositioning

Highlights

- New leadership driving the Company's strategic repositioning as a globally focussed Managing General Agent, following an entire refresh of the board and leadership team
- Partnerships with leading global insurers – Lloyds of London, Swiss Re and XL Caitlin – provide capacity to underwrite large wholesale policies, globally
- Agreement reached to divest 100% of the Company's Australian retail brokerage business subsequent to year end, is a significant milestone for the Company's restructuring plans
- Investment in UK resources and specialised products will support strong growth and provide an established business model to be replicated in Australia

New strategic direction adopted to drive long-term growth

In FY18, a new, experienced leadership team was appointed to drive the long-term growth of the Company, with a complete Board and management team refresh. Following a strategic review led by the new Board, the decision was made to focus on building the Company's operations as a Managing General Agency (MGA), initially in the UK and Australia.

The Company has seized on a growing opportunity to provide specialist insurance underwriting to the construction and engineering market, estimated to be worth GBP 2.9 billion in the UK and EU alone. Following two years of investment, management is focussed on delivering strong growth in FY19 and beyond, supported by the recent launch of a new Engineering Inspection and Insurance product to bolster the Company's product portfolio in the UK and the addition of specialist underwriting staff.

Significant Operations Established in UK

The financial year delivered a number of milestones for the Company's UK operations (Ensurance UK (EUK)), as a globally-focussed MGA with the capacity to underwrite large wholesale policies.

Successful partnerships with Swiss Re, Lloyds of London and XL Caitlin have provided EUK with the capacity to offer a range of specialised insurance products focussed on the construction and engineering market, on an exclusive basis in the UK and parts of the EU, with the capacity to write up to GBP 100 million per risk.

In December 2017, the Financial Conduct Authority (FCA) – the UK's financial regulatory body – granted EUK with FCA approval, giving it full authorisation as an MGA, less than 18 months since the Company's UK operations were established and representing a major milestone for the business.

Adding to its product portfolio, EUK launched a new Engineering Inspection and Insurance product in July, to provide policyholders with protection against sudden and unforeseen damage during construction. The policy will provide access to over 450 engineer surveyors and was developed in partnership with British Engineering Services, a privately-owned company, which was formerly part of the FTSE 100 insurer RSA, and is expected to be met with strong customer demand.

Providing strong validation and recognition of one of the most recently established independent Managing General Agents in the UK, EUK has been shortlisted for MGA of the Year for the 7th annual Insurance Insider Honours after just 18 months of operation. The Insurance Insider Honours Awards are supported by an international judging panel of industry experts, bringing expert knowledge and experience to the adjudication process. The winner will be announced on 6 September 2018 in London.

Agreement to divest 100% of Australian retail brokerage business

Subsequent to year end, Ensurance signed an agreement to dispose its entire Australian retail brokerage business, including all assets and related management, with the sale of 100% of the issued capital in Savill Hicks Corp Pty Ltd for consideration of \$4.1 million. The agreement marks a significant milestone in the Company's strategic repositioning, leaving the leadership team in the position to focus solely on activities that support strong global growth from its UK and Australian MGA businesses.

Due to transactions and agreements already incurred at 30 June 2018, Savill Hicks Corp Pty Ltd meets the criteria for classification as a discontinued operation and the results of this entity are disclosed separately in this document from the continuing operations of the business.

Profit and Loss

Group net loss was (\$8,707,405) (continuing operations \$8,715,329 loss, discontinued operations \$7,924 profit), an increase on the previous year's loss of (\$5,093,032) (continuing operations \$4,676,977 loss, discontinued operations \$416,055 loss).

The main expenses which contributed to the loss were related to increased employment costs to support international expansion and a one-off impairment of the company's intangible assets of \$2.007m .

Employment Costs – 2018 (continuing operations)	\$5,092,453
Employment Costs – 2017 (continuing operations)	\$3,249,708

Cash flows from continuing group operations were (\$7,404,354) in FY18, down from (\$3,953,891) in FY17. In FY18, the Company completed two fully underwritten share placements, the first raising \$3.5m (before costs) and the second, raising \$6.9m (before costs), via the issue of shares at \$0.05 and \$0.04 per share respectively.

Overall group revenue increased by 18.79% on the previous year (\$3.82m in FY18 up from \$3.22m in FY17). Revenue from continuing operations increased by 19.83% (\$1.21m in FY18 up from \$1.01m in FY17). In its first year of trade, Ensurance UK turned over GBP £161k (AUD \$280k) and has shown strong indications of future growth, operating as an MGA in the UK to provide wholesale insurance for construction and engineering in the UK and EU. Fully authorised by the FCA, Ensurance UK has the ability to sell insurance globally and develop an Appointed Representative Network.

During the current financial year Ensurance Underwriting Pty Ltd had growth in revenue of 16.17% (\$929k in FY18 up from \$799k in FY17). Savill Hicks Corp Pty Ltd had growth in revenue of 10.14% (\$2.59m in FY18 up from \$2.35m in FY17), driven by sales from the Company's online platform through Compare The Market.

Outlook

The international business is expected to be significantly larger than the Australian business within 18 months. Significant partnerships with the world's largest insurance providers, including Swiss Re, Lloyds of London and XL Catlin provide Ensurance UK with exclusivity to distribute products.

The Group intends to leverage existing UK partnerships and capacity provided by global insurers to exclusively distribute new innovative products into the Australian market, to replicate the proven UK MGA business model. Utilising the Australian operation's existing broker relationships and distribution capabilities, underwriting staff and established policies and procedures, the Group aims to roll out UK MGA model over the next 2-3 years.

A H Leibowitz
Executive Chairman

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2018

	Note	2018 \$	2017 \$
Continuing operations			
Revenue	1a	1,208,336	1,008,352
		1,208,336	1,008,352
Business development		(311,399)	(342,690)
Compliance costs		(301,869)	(345,328)
Computers and communications		(397,807)	(671,924)
Depreciation and amortisation	2a	(223,603)	(404,461)
Employment costs	2b	(5,092,453)	(3,249,708)
Finance costs		(874,774)	(344,025)
Legal and consulting fees		(355,568)	(70,165)
Occupancy costs		(347,881)	(211,189)
Impairment of intangible assets	2a	(2,007,461)	-
Travel and accommodation		(99,030)	(204,248)
Other expenses		(197,904)	(118,585)
Loss before tax		(9,001,413)	(4,953,971)
Income tax benefit / (expense)	3	286,084	276,994
Loss from continuing operations		(8,715,329)	(4,676,977)
Profit/(Loss) from discontinued operations	16	7,924	(416,055)
Total loss for period		(8,707,405)	(5,093,032)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
► Revaluation of assets		1,305	1,801
Items that may be reclassified subsequently to profit or loss:			
		-	-
Other comprehensive income for the year, net of tax		1,305	1,801
Total comprehensive income attributable to members of the parent entity		(8,706,100)	(5,091,231)
Profit/(loss) for the period attributable to:			
Non-controlling interest		-	-
Owners of the parent		(8,707,405)	(5,093,032)
Total comprehensive income/(loss) attributable to:			
Non-controlling interest		-	-
Owners of the parent		(8,706,100)	(5,091,231)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

ENSURANCE LIMITED

AND CONTROLLED ENTITIES

ABN 80 148 142 634

APPENDIX 4E

Preliminary Final Report

30 June 2018

Consolidated Statement of Financial Position

As at 30 June 2018

Continued operations**Current assets**

Cash and cash equivalents

Trade and other receivables

Trust account insurer assets

Other current assets

Total current assets**Non-current assets**

Financial assets

Plant and equipment

Intangible assets

Total non-current assets**Total assets****Current liabilities**

Trade and other payables

Trust account insurer liabilities

Provisions

Borrowings

Total current liabilities**Non-current liabilities**

Borrowings

Trade and other payables

Provisions

Total non-current liabilities**Total liabilities**

Net assets of continued operations

Net assets of discontinued operations

Net assets**Equity**

Issued capital

Reserves

(Accumulated losses) / Retained earnings

Total equity

Note	2018 \$	2017 \$
4	3,203,479	383,846
5	823,087	1,704,960
7a	3,672,347	1,599,327
6	202,960	68,154
	7,901,873	3,756,287
8	70,204	26,562
9	180,788	38,240
10	-	1,934,645
	250,992	1,999,447
	8,152,865	5,755,734
11	2,051,180	2,535,813
7b	3,672,347	1,599,327
13	309,223	292,680
12a	467,288	1,082,394
	6,500,038	5,510,214
12b	2,583,632	2,747,536
	-	25,453
13	28,889	25,968
	2,612,521	2,798,957
	9,112,559	8,309,171
	(959,694)	(2,553,437)
	958,916	554,598
	(778)	(1,998,839)
14	17,527,964	7,210,755
15	1,545,350	1,157,093
	(19,074,092)	(10,366,687)
	(778)	(1,998,839)

Consolidated Statement of Changes in Equity
for the year ended 30 June 2018

	Note	Issued Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Revaluation Reserve \$	Convertible Note Option Premium Reserve \$	Share-based option Reserve \$	Share-based Payment Reserve \$	Total \$
Balance at 1 July 2016		6,097,054	(5,273,655)	-	9,687	-	-	8,980	842,066
Profit / (loss) for the year attributable owners of the parent		-	(5,093,032)	-	-	-	-	-	(5,093,032)
Other comprehensive income for the year attributable owners of the parent		-	-	-	1,801	-	-	-	1,801
Total comprehensive income for the year attributable owners of the parent		-	(5,093,032)	-	1,801	-	-	-	(5,091,231)
Transaction with owners, directly in equity									
Shares issued during the year	14a	2,077,851	-	-	-	-	-	-	2,077,851
Capital raising transaction costs		(964,150)	-	-	-	-	-	-	(964,150)
Share options granted		-	-	-	-	-	838,242	-	838,242
Equity derivative issued		-	-	-	-	298,383	-	-	298,383
Balance at 30 June 2017		7,210,755	(10,366,687)	-	11,488	298,383	838,242	8,980	(1,998,839)
Balance at 1 July 2017		7,210,755	(10,366,687)	-	11,488	298,383	838,242	8,980	(1,998,839)
Loss for the year attributable owners of the parent		-	(8,707,405)	-	-	-	-	-	(8,707,405)
Other comprehensive income for the year attributable owners of the parent		-	-	-	1,305	-	-	-	1,305
Total comprehensive income for the year attributable owners of the parent		-	(8,707,405)	-	1,305	-	-	-	(8,706,100)
Transaction with owners, directly in equity									
Shares issued during the year	14a	11,224,554	-	-	-	-	-	-	11,224,554
Transaction costs – rights issue		(907,345)	-	-	-	-	-	-	(907,345)
Translation of Ensurance UK ledger		-	-	(54,487)	-	-	-	-	(54,487)
Share options granted		-	-	-	-	(29,271)	470,710	-	441,439
Balance at 30 June 2018		17,527,964	(19,074,092)	(54,487)	12,793	269,112	1,308,952	8,980	(778)

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		1,614,846	1,055,323
Interest received		8,663	8,084
Interest and borrowing costs paid		(513,508)	(176,279)
Payments to suppliers and employees		(8,856,640)	(4,841,019)
(Payments) / Refund of income tax		342,285	-
Net cash used in operating activities		(7,404,354)	(3,953,891)
Cash flows from Investing Activities			
Payment for development of intangible assets		(241,983)	(533,265)
Proceeds from sale of financial assets		492	17,649
Proceeds from intercompany loan with discontinued operation		271,304	136,093
Purchase of plant and equipment		(193,757)	(23,337)
Net cash used in investing activities		(163,944)	(402,860)
Cash flows from financing activities			
Proceeds from issue of shares		11,098,632	457,507
Proceeds from convertible notes		-	3,000,007
Proceeds of borrowings		5,372,696	1,171,916
Repayment of borrowings		(5,841,968)	(87,140)
Convertible note interest		(241,429)	(145,692)
Net cash provided by financing activities		10,387,931	4,396,598
Net increase/(decrease) in cash held		2,819,633	39,847
Cash and cash equivalents at the beginning of the year		383,846	343,999
Cash and cash equivalents at the end of the year	4b	3,203,479	383,846
Cashflows from discontinued operations	16	(4,583)	126,096

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

APPENDIX 4E

Preliminary Final Report
30 June 2018

ENSURANCE LIMITED

AND CONTROLLED ENTITIES

ABN 80 148 142 634

Notes to the Appendix 4E Preliminary Final Report for the year ended 30 June 2018

Note 1 Revenue and other income

a. Revenue

	2018 \$	2017 \$
Revenue	1,201,076	977,872
Interest	7,260	3,947
Other	-	26,533
	1,208,336	1,008,352

Note 2 Loss before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

a. Depreciation, amortisation and impairment:

Depreciation and amortisation of plant and equipment	50,436	27,709
Impairment of intangibles	2,007,461	-
Amortisation of intangibles	173,167	376,752
	2,231,064	404,461

b. Employment costs:

Directors fees	114,875	204,750
Increase in employee benefits provisions	21,977	121,277
Superannuation expenses	367,836	294,200
Wages and salaries	4,002,505	2,205,021
Other employment related costs	585,260	424,460
	5,092,453	3,249,708

Note 3 Income tax

a. Income tax expense / (benefit)

Current tax expense / (benefit)	-	-
Deferred tax	-	-
Tax rebate for Research and Development	(286,084)	(276,994)
	(286,084)	(276,994)

b. Current tax assets

Current tax assets	-	-
	-	-

c. Current tax liabilities

Current tax liabilities	-	-
	-	-

Notes to the Appendix 4E Preliminary Final Report for the year ended 30 June 2018

Note 4 Cash and cash equivalents


a. Current

Cash at bank

Cash on hand

b. Reconciliation of cash

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

 Cash and cash equivalents

Note	2018 \$	2017 \$
	3,201,734	382,667
	1,745	1,179
	3,203,479	383,846
	3,203,479	383,846
	3,203,479	383,846

Note 5 Trade and other receivables

Current

Trade receivables

R&D Tax rebate receivable

Rights issue proceeds

2018 \$	2017 \$
35,751	27,865
284,000	342,285
503,336	1,334,810
823,087	1,704,960

Note 6 Other assets

Current

Prepayments

2018 \$	2017 \$
202,960	68,154
202,960	68,154

Notes to the Appendix 4E Preliminary Final Report

for the year ended 30 June 2018

Note 7 Compliance of insurance assets versus insurance liabilities

a. Trust account insurer assets

- Insurance debtors
- Trust accounts

Total trust account insurance assets

b. Trust account insurer liabilities

- Underwriter's liability
- Unearned commissions
- Other

Total trust account insurance liabilities

c. Excess of insurance assets over insurance liabilities

2018	2017
\$	\$
1,883,519	749,810
1,788,828	849,517
3,672,347	1,599,327
3,380,618	1,465,270
249,517	80,912
42,212	53,145
3,672,347	1,599,327
-	-

Note 8 Financial assets

Non-current

- Tier 1 Financial assets: Listed shares
- Tier 2 Financial assets: Unlisted shares or funds
- Bonds on deposit

2018	2017
\$	\$
2,564	2,164
-	-
67,640	24,398
70,204	26,562

Note 9 Property, plant, and equipment

Non-current

- Fixtures, furniture, and fittings
- Accumulated depreciation

- Plant and equipment
- Accumulated depreciation

Total plant and equipment

2018	2017
\$	\$
187,428	35,525
(25,873)	(27,989)
161,555	7,536
91,639	76,463
(72,406)	(45,759)
19,233	30,704
180,788	38,240

Note 10 Intangible assets

Non-current

- Software development costs
- Impairment
- Accumulated amortisation
- Total intangible assets

2018	2017
\$	\$
3,698,562	3,452,579
(2,007,461)	-
(1,691,101)	(1,517,934)
-	1,934,645

Notes to the Appendix 4E Preliminary Final Report for the year ended 30 June 2018

Note 11 Trade and other payables

Current

Unsecured

Trade payables & accruals

Other payables

Other taxes

Related party payables

Loan with discontinued operation

	2018 \$	2017 \$
Trade payables & accruals	351,644	488,871
Other payables	401,158	461,143
Other taxes	238,620	608,659
Related party payables	-	163,141
Loan with discontinued operation	1,059,758	813,999
	2,051,180	2,535,813

The loan with discontinued operation represents an intercompany loan balance owing from Ensurance Limited to its subsidiary, Savill Hicks Corp Pty Ltd. Normally eliminated on consolidation, with the operations of Savill Hicks Corp Pty Ltd discontinued, pending the sale, the balance is restated as a liability owing from Ensurance Limited. However, the balance of \$1.06m is not payable wholly in cash. The retained earnings of the discontinued operation of \$825k were declared as a dividend on 1 July 2018 and offset against the loan. The remaining balance of \$235k is payable in cash and will be settled on completion of the sale.

Note 12 Borrowings

a. Current

Short term loans

Related party loans

Non-refundable sale deposit taken

Premium funding loans

	2018 \$	2017 \$
Short term loans	-	963,900
Related party loans	120,378	114,906
Non-refundable sale deposit taken	200,000	-
Premium funding loans	146,910	3,588
	467,288	1,082,394

b. Non-current

Convertible Notes:

Convertible notes

Converting loans

Accrued interest


Less: Transferred to reserves

	2018	2017
Convertible notes	3,000,007	2,280,007
Converting loans	-	720,000
Accrued interest	76,987	45,912
Less: Transferred to reserves	(493,362)	(298,383)
	2,583,632	2,747,536

Note 13 Provisions

Disclosed as:

 Current

 Non-current

Carrying amount at the end of year

	2018 \$	2017 \$
Current	309,223	292,680
Non-current	28,889	25,968
	338,112	318,648

Notes to the Appendix 4E Preliminary Final Report
for the year ended 30 June 2018

Note 14 Issued capital

	2018 No.	2017 No.	2018 \$	2017 \$
Fully paid ordinary shares at no par value	346,227,724	83,113,862	17,527,964	7,210,755
a. Ordinary shares				
At the beginning of the period	83,113,862	57,140,909	7,210,755	6,097,054
Shares issued during the year	263,113,862	25,972,953	11,224,554	2,077,851
Transaction costs relating to issue of shares	-	-	(907,345)	(964,150)
At reporting date	346,227,724	83,113,862	17,527,964	7,210,755
b. Partly paid shares				
Partly-paid Shares			8,000,000	8,000,000
c. Options				
Options exercisable at 12 cents expiring 31 July 2020			1,000,000	1,000,000
Options exercisable at 4.6 cents expiring 31 July 2020			3,000,000	-
Options exercisable at 9.2 cents expiring 31 July 2020			-	3,000,000
Options exercisable at 8 cents expiring 31 July 2020			2,597,314	6,097,314
Options exercisable at 4 cents expiring 31 July 2020			3,500,000	-
Options exercisable at 8 cents expiring 15 December 2019			5,000,000	-
Options exercisable at 5 cents expiring 15 December 2019			3,150,000	-
Options exercisable at 5 cents expiring 15 December 2020			7,250,000	-
			25,497,314	10,097,314
d. Performance rights				
Performance Rights Class A			1,000,000	6,500,000
Performance Rights Class B			500,000	500,000
			1,500,000	7,000,000
e. Convertible notes				
Convertible notes			75,000,000	28,500,000
Converting loans			-	9,000,000
			75,000,000	37,500,000

Note 15 Reserves

	2018 \$	2017 \$
Convertible Note option premium reserve	269,112	298,383
Share-based payment reserve	8,980	8,980
Share option reserve	1,308,952	838,242
Foreign currency translation reserve	(54,487)	-
Investment revaluation reserve	12,793	11,488
	1,545,350	1,157,093

Note 16 Discontinued Operations

Discontinued operations comprise the Australian retail broking business, Savill Hicks Corp Pty Ltd, the sale of which was announced to the ASX in July 2018. The sale of Savill Hicks Corp Pty Ltd is expected to complete in late September 2018 and operations will continue until that point. As such, results shown in this note represent the full financial year, 1 July 2017 to 30 June 2018 and include the results of Savill Hicks Corp Pty Ltd as well as associated corporate costs directly attributable to the operations of this business, that will cease to exist after the sale completes.

	2018 \$	2017 \$
a. Profit/(Loss) from Discontinued Operations		
Revenue	2,593,021	2,354,305
Other income	28,422	25,481
Operating expenses	(2,590,691)	(2,832,176)
Profit/(Loss) from operating activities	30,752	(452,390)
Finance costs	(22,828)	(28,956)
Profit/(Loss) before tax	7,924	(481,346)
Tax benefit/(expense)	-	65,291
Profit/(Loss) for period	7,924	(416,055)
b. Cash Flows from Discontinued Operations		
Net cash from operating activities	612,463	219,445
Net cash (used in)/from investing activities	(3,443)	46,293
Net cash used in financing activities	(613,603)	(139,642)
Net cash used in discontinued operations	(4,583)	126,096

