

ASX ANNOUNCEMENT

29 February 2016

Appendix 4D – MedAdvisor Half Year Financial Results

Melbourne, 29 February 2016: MedAdvisor Limited (**ASX:MDR**) an Australian software developer focused on improving health outcomes by placing patients at the centre of connected health platforms, has today released its Appendix 4D – Half Year Financial Results for the period ended 31 December 2015.

Highlights for the period

- Revenue from Ordinary Activities increased by 94 per cent year-on-year from \$350,000 to \$680,000
- Gross margins increased by 16 percentage points from 44 per cent to 60 per cent during the period
- Patient numbers up 38 per cent in the half year to 31 December 2015

Mr Robert Read, CEO of MedAdvisor, said: "As a first-mover in the medication management space, MedAdvisor has been able to capitalise on significant early opportunities. During the six months to 31 December, MedAdvisor signed a number of important agreements with state-based and national pharmacy groups and patient advocacy groups, including Epilepsy Queensland.

"Our pharmacy subscriber numbers have grown strongly due to an increased focus on account management and the platform's popularity with consumers continues to rise, with more than 125,000 active users managing their medication via the free MedAdvisor app and platform."

Year-on-year revenue growth was impacted by a one-off net payment in 2014 of \$450,000 by pharmaceutical manufacturer, Actavis, and an R&D Refund of \$281,214 during the current period. Total revenue for the six months to 31 December 2015 was \$0.97 million.

-ENDS-

About MedAdvisor

MedAdvisor is an Australian software systems developer focused on addressing gaps in personal medication adherence. MedAdvisor's free app connects to pharmacy dispensing systems to automatically retrieve medication records and drive an intelligent training, information and reminder system to ensure correct and reliable medication use. It was the most downloaded pharmacy or medication-related app in Apple and Android stores in Australia in 2014 and 2015, and is being used by more than 120,000 Australians. A quarter of all Australian pharmacies subscribe to the MedAdvisor software platform.



MedAdvisor has established sales and marketing partnerships with private health insurer, BUPA, and has training and service contracts with top tier global pharmaceutical companies, including GSK, AstraZeneca, UCB and Apotex.

For more information

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MEDADVISOR LIMITED
(formerly known as Exalt Resources Limited)
Appendix 4D
Half-year Report

1. Company Details

Name of Entity:	MEDADVISOR LIMITED
ABN:	17 145 327 617
Reporting period:	For the half-year ended 31 December 2015
Previous period:	For the half-year ended 31 December 2014

2. Results for Announcement to the Market

				\$'000
Revenues from ordinary activities	up	94.0%	to	680
Loss from ordinary activities after tax attributable to the owners of MedAdvisor Limited	up	281.0%	to	(1,107)
Loss for the half-year attributable to the owners of MedAdvisor Limited	up	281.0%	to	(1,107)
Dividends				
Not applicable				

Comments:

This is the first 4D statement since the completion of the reverse takeover of Exalt Resources Limited by MedAdvisor International Pty Ltd on 12 November, 2015. As such this statement bears no direct relationship to the Appendix 4D releases made by Exalt Resources Limited prior to the acquisition.

Total Revenue Breakdown:

	6 months 31-Dec-15	6 months 31-Dec-14
Ordinary revenue	680	350
Net license fee - balance of Actavis Agreement (non-subscription)	-	450
Other income (R&D Tax Concession & Interest)	289	8
	289	458
	969	808

Financial Metrics:

MedAdvisor pharmacies	up	29%	to	1,462
Patients activated on the MedAdvisor	up	38%	to	110,536
Tap to Refill Orders completed	up	78%	to	1,002,312

MedAdvisor's focus is growing user numbers. Funding from the Reverse Take Over (RTO) in December 2015 is being utilized to accelerate the rate of growth by investing in new marketing initiatives. The company continues to invest heavily in its product and is aiming to pilot GP Link in H1 FY16 which will connect patients with their doctors and pharmacists.

The loss of the consolidated entity after providing for income tax \$1,107,112 (31 December, 2014 \$290,550).

Revenues from ordinary activities for the December 2015 half were up by 94%. Revenues for the December 2014 half year included \$450,000 in net license fees paid by Actavis Pharma Pty Ltd under the Co-Marketing and Distribution Agreement which concluded in 2014 and is non-recurring.

Following the appointment of Mr Robert Read as CEO in July 2015 and the completion of the Convertible Note issue the Company began investing in the expansion of internal resources in product development and marketing and implementing consumer and pharmacy directed marketing initiatives. As a result employee costs, marketing expenses, administrative expenses and pharmacy income have all increased.

During the December 2015 half, the Company changed the way it engaged with customers to take over certain activities previously performed by third parties. This resulted in new arrangements with Guildlink and Apotex in October 2015 and has seen gross margins from pharmacy subscriptions increase from 44% to 60%.

The company has also announced the appointments of Mr Theo Antonopoulos as Head of Sales & Marketing and Ms Sandra Hook as a Non-Executive Director, bringing valuable new experience into the team and board. These are important appointments as the business migrates from a technology based company to a sales and marketing led organization.

Finance expenses for the current period include a charge of \$180,772 for listing costs which has arisen from the application of AASB 2 'Share-based payment' Accounting Standard. This is a non-cash charge and does not relate to the actual costs incurred in relation to the relisting of the Company in December 2015, which have been treated as a charge against paid up capital in accordance with the Accounting Standards.

Following the successful relisting of the Company in December 2015 the business is in a solid financial position with net tangible assets of \$4.2 and cash reserves \$4.6 million.

3. Net Tangible Assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.6121</u>	<u>(0.0372)</u>

4. Control Gained or Lost over Entities

Control Gained

Name of entity:	MedAdvisor International Pty Ltd
Date on which control was gained:	12 November 2015
Additional information:	The acquisition of 100% of the issued capital of MedAdvisor International Pty Ltd is considered to be a reverse takeover under accounting standards, as such the figures in this statement include the activities of MedAdvisor Limited since the date of the reverse acquisition of MedAdvisor International Pty Ltd as well as the activities of MedAdvisor International Pty Ltd for the current quarter and in the year to date figures.

Appendix 4D
Half-year Report

Control Lost

Not applicable

5. Additional Dividend Information

Not applicable

6. Dividend Reinvestment Plans

Not applicable

7. Details of Associates and Joint Venture Entities

Not applicable

8. Audit Qualification or Review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

9. Attachments

The Interim Report of MedAdvisor Limited for the half-year ended 31 December, 2015 is attached.

10. Signed



Robert Read

Director

Camberwell, Victoria

Dated: 23 February, 2016

MedAdvisor Limited

(ABN 17 145 327 617)



Financial Report

for

half-year ended 31 December 2015

MEDADVISOR LIMITED
(formerly known as Exalt Resources Limited)
ABN 17 145 327 617

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

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The Consolidated financial report is presented in Australian currency.

Its registered office and principal place of business is:

The registered office is:

MedAdvisor Limited
Level 4
969 Burke Road
CAMBERWELL VIC 3124

The principal place of business is:

MedAdvisor Limited
Level 4
969 Burke Road
CAMBERWELL VIC 3124

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 23 February, 2016

MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
ABN 17 145 327 617

DIRECTORS REPORT

Your directors present their report on MedAdvisor Limited (referred to hereafter as the Entity) for the half-year ended 31 December 2015.

Directors

The names of the company's directors who held office during or since the end of the financial half-year are:

Mr Peter Bennetto
Mr Robert Read
Mr Joshua Swinnerton
Mr Jim Xenos
Ms Sandra Hook (appointed 19 January 2016)

Principal Activities

The principal activities of the Entity have changed during the period from resources and energy exploration activities to the development and deployment of the MedAdvisor medication and adherence platform. The MedAdvisor platform is focused on improving health outcomes by connecting health professionals with their patients using mobile and web technologies.

Review of Operations

During the current period the business has achieved the following important milestones:

- Appointment of Mr Robert Read as CEO. Mr Read has senior experience in the Pharmaceutical Industry complemented by a successful track record investing in and growing businesses for Private Equity and Venture Capital.
- Redefining how the company manages and interacts with its customers through the new the GuildLink Agreement which has resulted in the Company becoming closer with its client base through enhanced billing and support arrangements.
- Successful completion of the Convertible Notes capital raising in a pre-listing financing round.
- Strategic partnership with pharmaceutical manufacturer, Apotex, to provide MedAdvisor with access to Apotex's sales network, allowing the Company to broaden its base of subscriber pharmacies.
- Successful listing and associated capital raising for MedAdvisor on the ASX in December, 2015.
- Appointment of Mr Theo Antonopoulos formerly Head of Multi-Channel Marketing and Marketing Excellence at pharmaceutical manufacturer GlaxoSmithKline as Head of Sales and Marketing.
- Partnership with Epilepsy Queensland to promote MedAdvisor to a wide audience of people with epilepsy. Epileptic patients are 15-20% more adherent to their medication when on MedAdvisor.
- Launch of the MedAdvisor Patient Pain Education Program in partnership with Painaustralia, a patient-focused solution to increase understanding and awareness of the risks and warning signs of codeine
- More than 1 million Tap-to-Refill orders representing approximately \$40 million in sales for MedAdvisor Network pharmacies.

MEDADVISOR LIMITED
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ABN 17 145 327 617

DIRECTORS REPORT

The loss of the consolidated entity after providing for income tax \$1,107,112 (31 December, 2014 \$290,550).

Revenues for the December 2014 half year included \$450,000 in net license fees paid by Actavis Pharma Pty Ltd under the Co-Marketing and Distribution Agreement. This was the final payment due under the agreement and is not a recurring revenue source for the business.

Consistent with the strategic plan of the business to take its world class technology to a broader audience, the appointment of Mr Robert Read in July 2015 was a key milestone which has resulted in the company expanding its business to focus on building our marketing and sales capabilities. Mr Read has a background investing and working with small and growing businesses in both venture capital and private equity contexts as well as having senior pharmaceutical experience with one of the world's biggest pharma companies, GlaxoSmithKline.

The revised GuildLink Agreement that came into place in October 2015, has resulted in the Company changing the way it engages with its customer base. This has resulted in MedAdvisor holding the primary relationships with its customers. As a result we have enjoyed an increase in gross pharmacy margins from 44% to 60%.

Following the appointment of Mr Robert Read as CEO in July 2015 and the completion of the Convertible Note issue the Company embarked on rapid expansion of internal resources in product development and marketing and ramping up consumer and pharmacy directed marketing initiatives. As a result staff numbers grew and the company has built on its internal administrative capabilities and expanded its marketing activities in line with its growth agenda.

Finance expenses for the current period include a charge of \$180,772 for listing costs which has arisen from the application of AASB 2 "Share-based payment" and AASB 3 'Business Combinations' Accounting Standards. This is a non-cash charge and does not relate to the actual costs incurred in relation to the relisting of the Company in December 2015, which have been treated as a charge against paid up capital in accordance with the Accounting Standards. Refer Note 6 of this Report.

Following the successful relisting of the Company in December 2015 the business is in a solid financial position with net tangible assets of \$4.2 million and cash reserves \$4.6 million.

Significant Changes in State of Affairs

On 12 November 2015 the Company completed the reverse takeover transaction with MedAdvisor International Pty Ltd. The completion of this transaction resulted in the Company issuing to MedAdvisor International Pty Ltd shareholders 385,064,105 shares in MedAdvisor Limited in exchange for 100% of the issued shares of MedAdvisor International Pty Ltd which company owns and operates the MedAdvisor medication management and adherence platform. In addition the Company issued 39,250,014 shares in MedAdvisor Limited to MedAdvisor International Pty Ltd Noteholders in satisfaction of their Notes in accordance with the terms of the agreement with signed with MedAdvisor International Pty Ltd.

The Company currently holds two mining tenements in New South Wales and has begun the process of surrendering these tenements and applying for a refund of the associated Exploration Bonds.

Future Developments

The company has developed leading-edge technology and IP that puts the patient at the heart of the solution, delivering the best user-centric link between patients and pharmacists in the market. Building on its connected technology health platform, MedAdvisor will deliver a pilot of GP Link in H1 2016. GP Link will allow patients to request a repeat authorisation from their favourite GP. Offering utility and convenience, GP Link will help

MEDADVISOR LIMITED
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DIRECTORS REPORT

patients better manage their scripts and allow GPs to understand their patient's medication adherence and make more informed prescribing decisions while supporting better health outcomes.

Events Occurring after the Reporting Period

The Company appointed Ms Sandra Hook as a Non-Executive Director on 19 January, 2016. Ms Hook brings extensive experience as a non-executive director, board advisor as well as senior management experience across a wide range of industries, including digital and media. Ms Hook will also add to the Board's marketing and sales capability.

There are no matters or circumstances that have arisen since the end of the half-year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on the following page.

Signed in accordance with a resolution of the Directors:



Robert Read
Director
Camberwell, Victoria.
Dated: 23 February, 2016

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of MedAdvisor Limited for the half year ended 31 December 2015, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten version of the RSM logo in blue ink.**RSM AUSTRALIA PARTNERS**A handwritten signature in blue ink, appearing to read "P W Fraser".

P W FRASER
Partner

Melbourne, VIC
23 February 2016

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RSM Australia Partners ABN 36 965 185 036

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MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
ABN 17 145 327 617

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR HALF YEAR ENDED 31 DECEMBER 2015

		Consolidated	
		2015	2014
		31-Dec-15	31-Dec-14
	Notes	\$	\$
Revenues from continuing operations	9	679,741	349,620
Other revenue	9	289,192	458,870
Direct expenses	10	(269,956)	(173,138)
Development costs		(47,082)	(74,977)
Employee benefits expenses	10	(853,618)	(510,195)
Marketing expense		(352,936)	(241,883)
Depreciation and amortisation expenses		(7,438)	(4,500)
Other expenses		(359,376)	(92,763)
Finance costs	10	(185,638)	(1,583)
Profit / (loss) before income tax		(1,107,112)	(290,550)
Income tax (expense) / income		-	-
Profit / (loss) for the year		(1,107,112)	(290,550)
Other comprehensive income		-	-
Total comprehensive income (loss) for the period		(1,107,112)	(290,550)
Loss per Share			
Basic loss per share		\$ (0.0026)	\$ (0.0024)
Diluted loss per Share		\$ (0.0026)	\$ (0.0024)

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

Comparative figures are for the half year ended 31 December 2014

MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
ABN 17 145 327 617

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

		Consolidated	
		2015	2014
		31-Dec-15	30-Jun-15
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and Cash Equivalents	11	4,680,479	571,366
Trade and Other Receivables	12	75,344	86,992
Other Assets	13	135,727	74,864
Total Current Assets		4,891,550	733,222
Non-Current Assets			
Exploration Assets		-	-
Fixed Assets	14	174,194	9,935
Intangible Assets	15	74,240	78,740
Total Non-Current Assets		248,434	88,675
Total Assets		5,139,984	821,897
LIABILITIES			
Current Liabilities			
Trade and Other Payables	16	485,442	260,200
Income in Advance	17	298,422	125,989
Borrowings	18	-	345,000
Employee Benefits	19	77,104	56,813
Total Current Liabilities		860,968	788,002
Total Liabilities		860,968	788,002
Net Assets		4,279,016	33,895
EQUITY			
Contributed Equity		6,508,117	1,622,436
Reserves		466,552	-
Retained Profits / (Losses)		(2,695,653)	(1,588,541)
Total Equity		4,279,016	33,895

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

Comparative figures are as at 30 June 2015

MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
ABN 17 145 327 617

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR HALF YEAR ENDED 31 DECEMBER 2015

	Contributed Equity \$	Share Options Reserve \$	Retained Earnings \$	Total Equity \$
Consolidated				
Balance 1 July 2015	1,622,436	-	(1,588,541)	33,895
Transactions with owners in their capacity as owners:				
Ordinary Shares Issued	6,137,871			6,137,871
Capital Raising Costs (net of GST)	(1,252,191)			(1,252,191)
Share Options Issued		466,552		466,552
Total comprehensive income for the half-year			(1,107,112)	(1,107,112)
Balance 31 December 2015	6,508,116	466,552	(2,695,653)	4,279,016
Consolidated				
Balance 1 July 2014	1,622,436	-	(1,042,418)	580,018
Transactions with owners in their capacity as owners:				
Ordinary Shares Issued	301,282			301,282
Capital Raising Costs (net of GST)	(301,250)			(301,250)
Total comprehensive income for the half-year			(290,550)	(290,550)
Balance 31 December 2014	1,622,468	-	(1,332,968)	289,500

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.
Comparative figures are for the half year ended 31 December 2014

MEDADVISOR LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR HALF YEAR ENDED 31 DECEMBER 2015

		Consolidated	
		2015	2014
		31-Dec-15	31-Dec-14
	Notes	\$	\$
Cash Flows From Operating Activities			
Receipts from customers (inclusive of GST)		1,043,001	1,076,344
Payments to suppliers and employees (inclusive of GST)		(1,842,562)	(1,005,237)
Interest received		7,840	8,856
Net cash inflow (outflow) from operating activities		(791,721)	79,963
Cash Flows From Investing Activities			
Cash acquired on reverse takeover of parent		24,537	-
Payments for property, plant and equipment		(164,862)	-
Payments for intangibles		-	(2,680)
Net cash outflow from investing activities		(140,325)	(2,680)
Cash Flows From Financing Activities			
Proceeds from new share issue		5,100,000	-
Capital Raising Costs (net of GST)		(655,840)	-
Proceeds from borrowings		597,000	-
Net cash (outflow) inflow from financing activities		5,041,160	-
Net increase/(decrease) in cash held		4,109,114	77,283
Cash and cash equivalents at the beginning of the year		571,366	714,870
Cash and cash equivalents at the end of the year	11	4,680,479	792,153

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

Comparative figures are for the half year ended 31 December 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

1. General

These financial statements represent those of MedAdvisor Limited ('MedAdvisor' or the 'Company') and the entities it controls for the half-year ended 31 December 2015.

2. Basis of preparation

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2015 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

3. Critical accounting estimates and judgements.

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

4. Earnings per share

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of MedAdvisor Limited as the numerator, i.e. no adjustments to profits were necessary during the six (6) month period to 31 December 2015.

The weighted average number of shares for the purposes of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	6 months to 31-Dec-15	6 months to 31-Dec-14
Weighted average number of shares used in basic earnings per share	433,852,167	120,512,821
Weighted average number of shares used in diluted earnings per share	441,879,563	120,512,821

5. Issued capital

	6 months to 31-Dec-15	6 months to 31-Dec-14
Shares		
Balance at beginning of reporting period	120,512,821	120,512,821
Issue of Top Up Shares during the period	24,273,505	-
	144,786,326	120,512,821
Shares on issue following share split of 2.625:1	380,064,105	120,512,821

MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	6 months to 31-Dec-15	6 months to 31-Dec-14
New shares issued by MedAdvisor International Pty Ltd	5,000,000	-
Exalt Resources Limited shares on issue at the date of relisting	85,250,406	
New shares issued on relisting of the Company	166,666,666	-
New shares issued as share based compensation	1,000,000	
New shares issued to MedAdvisor International Pty Ltd		
Convertible Noteholders	39,250,014	-
New shares issued to Exalt Resources Limited Convertible Noteholders	9,755,497	-
Balance at end of reporting period	686,986,688	120,512,821
Options		
Balance at beginning of reporting period	-	-
MedAdvisor Limited Options issued to P Bennetto	10,000,000	-
MedAdvisor Limited Options issued to Peloton Capital Pty Ltd	25,000,000	-
Exalt Resources Limited Options on issue at the date of the relisting	16,008,568	
Exalt Resources Limited Options that expired 31 December 2015	(16,008,568)	-
Balance at end of reporting period	35,000,000	-

6. Reverse acquisition accounting

On 12 November 2015, MedAdvisor International Pty Ltd original shareholders obtained a majority share interest in MedAdvisor Limited (formerly known Exalt Resources Limited) after a reverse acquisition transaction.

This transaction did not meet the definition of a business combination in AASB 3 'Business Combinations' as the net assets that existed within Exalt Resources Limited as at the date of acquisition did not represent a 'business' (as defined by AASB 3). The transaction has therefore been accounted for in the consolidated financial statements by reference to the accounting requirements of AASB 2 'Share-based payment' and AASB 3, as a deemed issue of shares which is, in effect, a share-based payment transaction whereby MedAdvisor International Pty Ltd original shareholders have acquired the net assets of MedAdvisor Limited (formerly known Exalt Resources Limited), together with the listing status of MedAdvisor Limited.

The consolidated financial statements represent a continuation of the financial statements of MedAdvisor International Pty Ltd. The following principles and guidance on the preparation and presentation of consolidated financial statements in a reverse acquisition set out in AASB 3 have been applied:

- fair value adjustments arising at acquisition were made to MedAdvisor Limited (formerly known Exalt Resources Limited) assets and liabilities, not those of MedAdvisor International Pty Ltd;
- the cost of the acquisition, and amount recognised as issued capital to affect the transaction, is based on the value of the notional amount of shares that MedAdvisor International Pty Ltd would have needed to issue shareholders of Exalt Resources Limited to acquire the same shareholding percentage in MedAdvisor Limited at the acquisition date;
- retained earnings and other equity balances in the consolidated financial statements at acquisition date are those of MedAdvisor International Pty Ltd;

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

- an in-substance share-based payment transaction arises whereby MedAdvisor International Pty Ltd is deemed to have issued shares in exchange for the net liabilities of MedAdvisor Limited (together with the listing status of MedAdvisor Limited). The listing status does not qualify for recognition as an intangible asset. The excess of the value of consideration deemed to have been paid over the fair value of the net liabilities acquired has therefore, been expensed in profit or loss as a share based payment listing expense;
- the equity structure in the consolidated financial statements (the number and type of equity instruments issued) at the date of the acquisition reflects the equity structure of MedAdvisor Limited, including the equity instruments issued by MedAdvisor Limited to effect the acquisition;
- the results for the half-year ended 31 December 2015 comprise the consolidated results for the entire half year of MedAdvisor International Pty Ltd together with the results of MedAdvisor Limited from 12 November 2015; and
- the comparative result represents the consolidated half-year results of MedAdvisor International Pty Ltd only.

7. Acquisition share based payment expense

On 12 November 2015, Exalt Resources Limited acquired 100% of the share capital of the MedAdvisor International Pty Ltd. MedAdvisor Limited (formerly known Exalt Resources Limited) issued 385,064,105 shares to the original shareholders of MedAdvisor International Pty Ltd. The issue of shares resulted in the MedAdvisor International Pty Ltd original shareholders holding a majority share interest in MedAdvisor Limited (formerly known Exalt Resources Limited).

This transaction has been accounted for as a share-based payment in accordance with AASB2 'Share-based payment' and the consolidated financial statements represent a continuation of the financial statements of MedAdvisor International Pty Ltd. The consolidated comparative numbers represent those of the consolidated MedAdvisor International Pty Ltd operations and not those of MedAdvisor Limited (formerly known Exalt Resources Limited) operations.

The following table represents the assets and liabilities of Exalt Resources Limited that were acquired on its acquisition by MedAdvisor International Pty Ltd:

	\$
Net liabilities of Exalt Resources Limited at 12 November 2015 (Adjusted for capital raising costs relating to MedAdvisor Limited capital raising).	(319,767)
Less:	
Assessed fair value of a listed shell in accordance with the mid-point value adopted in the Independent Expert's Report accompanying the notice to shareholders to approve the acquisition of MedAdvisor International Pty Ltd by Exalt Resources Limited.	150,000
Notional value of Exalt Resources Limited at 12 November 2015	(169,767)

The following table represents the share based payment expensed to profit or loss on the acquisition by MedAdvisor International Pty Ltd:

	#
Issued share capital of Exalt Resources Limited as at 12 November 2015:	85,250,406

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(formerly Exalt Resources Limited)
ABN 17 145 327 617

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

Ordinary shares

Number of shares issued as consideration for the acquisition of MedAdvisor International Pty Ltd	385,064,105
Percentage ownership of Exalt Resources Limited by MedAdvisor International Pty Ltd shareholders:	81.87%
	\$
81.87% ownership of the Notional value of Exalt Resources Limited as at 12 November 2015:	(138,995)
Less:	
Net liabilities of Exalt Resources Limited at 12 November 2015 (Adjusted for capital raising costs relating to MedAdvisor Limited capital raising).	(319,767)

Excess of notional consideration over net liabilities acquired – expensed to the income statement as a listing expense	\$ (180,772)
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8. Operating segments

The Board has determined that the Company presently has two reporting segments. The first being the business activities of the MedAdvisor medication management and adherence platform and the second being the corporate function associated with being an ASX listed company . The Board monitors the Company based on actual versus budgeted revenue and expenditure incurred. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Company and its ongoing activities.

	MedAdvisor	Corporate	Total
	\$	\$	\$
2015			
Revenues	968,877	56	968,933
Net Loss before Tax	856,161	250,951	1,107,112
Segment Assets	4,920,692	219,292	5,139,984
Total Assets			5,139,984
Segment Liabilities	792,155	68,813	860,968
Total Liabilities			860,968
2014			
Revenues	808,490	-	808,490
Net Loss before Tax	290,550	-	290,550
Segment Assets	974,750	-	974,750
Total Assets			974,750
Segment Liabilities	685,250	-	685,250
Total Liabilities			685,250

MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
ABN 17 145 327 617

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

The Net Loss of \$250,895 attributed to Corporate includes a charge of \$180,772 that is a non-cash expense which is classified as a Listing Cost and has resulted from the application of AASB 2 'Share-based payments' (refer Note 7 above).

	6 months to 31-Dec-15	6 months to 31-Dec-14
9. Revenue		
From continuing operations		
Sale of services	679,741	349,619
	679,741	349,619
Other Revenue		
Net License Fee - Actavis Agreement (non subscription)	-	450,000
Interest received	7,978	8,870
Sundry income - R&D Tax Concession	281,214	-
	289,192	458,870
10. Expenses		
Profit before income tax includes the following specific expenses:		
Direct Costs:		
Distributions costs under previous GuildLink Agreement	186,129	147,713
Distributions costs under current GuildLink Agreement	50,613	-
Direct transaction costs	5,144	
Managed services costs for the MedAdvisor Platform	28,070	25,425
	269,956	173,138
Employee Benefits Expenses:		
Development	407,633	456,786
Marketing	190,465	2,192
Administration	255,520	51,217
	853,618	510,195
Finance costs:		
AASB 2 Listing cost	180,772	-
Other bank charges	4,866	1,583
	185,638	1,583
	as at 31-Dec-15	as at 30-Jun-15
11. Cash and Cash Equivalents		
Cash on Hand	303	203
Cash at Bank	4,625,704	571,163
Term Deposit	54,472	-
	4,680,479	571,366

MEDADVISOR LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	as at 31-Dec-15	as at 30-Jun-15
12. Trade and Other Receivables		
Trade Debtors	12,731	61,215
Other Debtors	62,613	25,777
	75,344	86,992
13. Other Assets		
Prepayments	115,727	74,864
Exploration Bonds	20,000	-
	135,727	74,864
14. Property, Plant & Equipment		
Leasehold Improvements		
Cost	124,348	-
Accumulated Depreciation	(3,997)	-
Written Down Value	120,351	-
Office Furniture & Equipment		
Cost	58,096	10,747
Accumulated Depreciation	(4,253)	(812)
Written Down Value	53,843	9,935
Total Written Down Value	174,194	9,935
15. Intangible Assets		
Intellectual property		
Cost	96,740	96,740
Accumulated Amortization	(22,500)	(18,000)
Written Down Value	74,240	78,740
16. Trade and Other Payables		
Trade Creditors	197,796	191,442
Other Creditors & Accruals	287,646	68,758
	485,442	260,199
17. Net Income in Advance		
Gross Pharmacy Subscriptions in Advance	313,750	275,367
Less: Costs Applicable thereto		
Distribution Costs	-	(137,683)
Discounts	(15,328)	(7,785)
Handling Fees	-	(3,910)
	298,422	125,989

MEDADVISOR LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	<u>as at</u> <u>31-Dec-15</u>	<u>as at</u> <u>30-Jun-15</u>
18. Borrowings		
Current		
Convertible Notes	-	345,000
	-	345,000
		-
19. Employee Entitlements		
Current		
Accrued Annual Leave	69,868	50,575
	69,868	50,575
Deferred		
Accrued Long Service Leave	7,236	6,238
	7,236	6,238
Total Employee Entitlements	77,104	56,813

20. Contingent Liabilities and Contingent Assets

There have been no changes to contingent liabilities or contingent assets since the last annual reporting date.

21. Events after the reporting date

There are no matters or circumstances that have arisen since the end of the half-year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

MEDADVISOR LIMITED
(formerly Exalt Resources Limited)
ACN 161 366 589

STATEMENT OF COMPREHENSIVE INCOME
FOR HALF YEAR ENDED 31 DECEMBER 2015

The directors of the company declare that:

- 1 The financial statements and notes, as set out on page 5 to 15, are in accordance with the Corporations Act 2001 and:
 - (i) comply with Accounting Standards; and
 - (ii) give a true and fair view of the financial position as at 31 December 2015 and of the performance for the 6 months on that date of the company.
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Robert Read
Director
Camberwell, Victoria.
Dated: 23 February, 2016

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
MEDADVISOR LIMITED

We have reviewed the accompanying half-year financial report of MedAdvisor Limited which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of MedAdvisor Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations act 2001*, which has been given to the directors of MedAdvisor Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of MedAdvisor Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read 'P W Fraser'.

P W FRASER

Partner

Melbourne, VIC
25 February 2016