MINT PAYMENTS LIMITED
ABN: 51 122 043 029

APPENDIX 4E
PRELIMINARY FINANCIAL REPORT
30 JUNE 2015

1. Reporting period

The current reporting period is the year ended 30 June 2015 and the previous corresponding period is for the year ended 30 June 2014.

2. Results for announcement to the market

			Year ended 30 June 2015
Revenue from ordinary activities	Up	79%	$3,851,442
Loss from ordinary activities after tax attributable to members	Up	14%	$(7,230,033)
Net loss for the period attributable to members	Up	14%	$(7,230,033)

Commentary on results for the year ended 30 June 2015

Further details of the results for the year ended 30 June 2015 can be found in the 'operating results' section in the attached financial report

Dividends

No dividends have been paid or provided for during the current period or the prior financial period by the Parent Entity.

Earnings per share

	Year ended 30 June 2015	Year ended 30 June 2014
Basic earnings per share (cents)	(1.54)	(1.58)
Diluted earnings per share (cents)	(1.52)	(1.47)

3. Net tangible assets per share

	30 June 2015	30 June 2014
Net tangible assets per share (cents)	(0.25)	1.02

4. Audit qualification or review

The financial report has been subject to an audit and the independent auditor's report is attached.

5. Attachments

The financial report of Mint Payments Limited for the year ended 30 June 2015 is attached.

The remainder of the information requiring disclosure to comply with ASX listing rule 4.3A is contained in the attached financial report.

MINT PAYMENTS LIMITED
ABN: 51 122 043 029

FINANCIAL REPORT
30 JUNE 2015

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CORPORATE DIRECTORY

Directors

Terry Cuthbertson
Non-executive Chairman

William Bartee
Non-executive Director

Anne Weatherston
Non-executive Director

Peter Wright
Non-executive Director

Alex Teoh
Managing Director

Andrew Teoh
Executive Director

Company Secretary

David Owyong

Registered Office

Level 4, 450 Victoria Road
Gladesville NSW 2111

Phone: + 61 2 8752 7888
Fax: + 61 2 8752 7899

Postal Address

PO Box 336
Gladesville NSW 2111

Australian Company Number

122 043 029

Australian Business Number

51 122 043 029

Auditors

Pitcher Partners
Level 22
19 Martin Place
Sydney NSW 2000

Share Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Phone: + 61 2 8280 7511
Fax: + 61 2 9287 0303

www.linkmarketservices.com.au

Website

www.mintpayments.com

ASX Code

MNW

In accordance with a resolution of Directors, the Directors present their Report together with the Financial Report of Mint Payments Limited (Mint) and its controlled entities (together referred to as the Consolidated Entity or Group) for the financial year ended 30 June 2015 and the Independent Audit Report thereon.

Directors

Details regarding the Directors of Mint at any time during or since the end of the financial year are as follows:

- Terry Cuthbertson
- William Bartee (appointed 23 December 2014)
- Anne Weatherston (appointed 08 September 2014)
- Peter Wright (appointed 15 December 2014)
- Alex Teoh
- Andrew Teoh

Current Director's qualifications, experience and special responsibilities are as follows:

Terry Cuthbertson, Non-Executive Chairman
B. Bus, ACA

Terry is Chairman of ASX listed My Net Fone Limited, Montec International Limited, Austpac Resources NL, South American Iron and Steel Corporation Limited and ICU Holding Limited. He is also the Non-Executive Chairman of ASX listed, Malachite Resources Ltd. Terry has extensive corporate finance expertise, having advised several businesses and government organisations in relation to mergers, acquisitions and financing.

Formerly, Terry was a Partner of KPMG Corporate Finance and NSW Partner in Charge of Mergers and Acquisitions, where he coordinated government privatisations, mergers, divestitures and public offerings on the ASX for the New South Wales practice. Terry is the former Group Finance Director of Tech Pacific Holdings Limited, which was one of the largest information technology distributors in Asia with annual turnover in 1999 of approximately $2 billion and is a former Director of Tech Pacific Limited's businesses in Hong Kong, Singapore, India, Philippines, Indonesia and Thailand.

Terry has been on the Board of Mint since 18 October 2007.

Terry is the Non-Executive Chairman effective from 20 October 2014 (previously Non-executive Director). Terry was the Chairperson of both the Remuneration & Nomination Committee and Audit & Risk Management Committee till the 28 January 2015. Terry remains a member of the Audit & Risk Management Committee.

William Bartee, Non-Executive Director
B.Sc, MBA and Juris Doctor

William is the co-founder and Managing Director of Blackbird Ventures and co-founding partner of Southern Cross Venture Partners. He was CEO and co-founder of successful companies including Mantara, a company that makes high performance, content based message routing systems for global trading systems. He also was instrumental in helping start up and launch both Dilithium Networks and Sensory Networks, where he was a founding investor and Board Member of both companies.

William is passionate about working with management teams that are focused on building important and innovative companies. His experience is across a range of companies including software, telecommunications, security and internet businesses.

From 1997 to 2001, William helped build and lead the early stage investing for Macquarie Technology Ventures ("MTV"), a venture fund focused on software, telecommunications, internet and life sciences. At MTV, Bill led investments in several market leaders including Altium (ASX: ALU), LookSmart (NASDAQ: LOOK), Seek (ASX: SEK) and Telera (acquired by Alcatel) and onebox (NASDAQ: OPWV).

Prior to moving to Australia, William had 12 years of research, operational and entrepreneurial experience in the United States and he holds a Bachelor of Science, MBA and Juris Doctorate degree.

William is a member of the Remuneration & Nomination Committee effective from 28 January 2015.

Anne Weatherston, Non-Executive Director
MBA

Anne has over 30 years of experience as a leader of business and technology change. She has operated at senior executive levels for most of her career and most recently was the Chief Information Officer and a member of the Management Board of ANZ Banking Group Limited (ASX: ANZ).

Whilst at ANZ, Anne was responsible for the provision of all technology services across the Bank including the definition and oversight of the Bank's technology strategy to enable the super-regional ambition.

Prior to joining the ANZ in 2010, Anne was Group Chief Information Officer for the Bank of Ireland for four years. Previous senior leadership positions also included Information Technology Director at Abbey / Santander, Direct of UK Business Integration at Gaz de France, as well as Director of Business Strategy, Development and IT for the Student Loans Company in the UK. She has an MBA from the Strathclyde Business School, UK.

Anne is the Chairperson of the Audit & Risk Management Committee effective from 28 January 2015 and a member of the Remuneration & Nomination Committee effective from 28 January 2015.

Peter Wright, Non-Executive Director
MBA

Peter has over 35 years of experience in finance and payments related sector mainly in Australia, and has worked extensively across Asia Pacific, North America and Europe. He has operated at senior leadership positions having spent the past five years as President of Asia Pacific for OmniPay Limited, an Irish domiciled global payments processing company and a wholly owned subsidiary of First Data Corporation ("First Data"), a global technology leader in the financial services industry.

Prior to 2008, Peter was the Managing Director of Australia and New Zealand at First Data. Peter joined First Data in 1994 where he held IT, Business Development and Sales Leadership roles. In 2002 he assumed responsibility for mergers & acquisitions in Asia Pacific and in 2004 led the largest and most successful acquisition outside of the United States in First Data¹s history.

Peter has held various other senior positions including 5 years as the second in charge for a major Australian payments processing company, Cashcard; and prior to that 10 years in the finance industry. He holds a Post Graduate Diploma in Corporate Management from the University of New South Wales and a Master of Business Administration from the University of New England.

Peter is the Chairperson of the Remuneration & Nomination Committee effective from 28 January 2015 and a member of the Audit & Risk Management Committee effective from 28 January 2015.

Alex Teoh, Chief Executive Officer and Managing Director
B. Sc (Business and Information Systems)

Alex has been involved in creating many successful businesses throughout his career. From 2001 to 2005, Alex was the CEO of a local and international supply chain and logistics business, Zoo Logistics Pty Limited. Alex was previously a Principal Consultant at the Hong Kong office of PricewaterhouseCoopers (PwC) Consulting. He was a member of the practice's senior management team responsible for its Customer Relationship Management strategy and solutions offering in East Asia (which includes Hong Kong, Singapore, Thailand, Malaysia and the Philippines). Prior to PwC, Alex worked as a Senior Consultant at Cap Gemini Ernst & Young Consulting, assisting in securing and implementing supply chain and application development contracts.

Alex is one of the founders of the Mint Business and has been on the Board of Mint since 15 November 2006.

Alex is the Chief Executive Officer and Managing Director effective from 20 October 2014 (previously Executive Chairman and Managing Director). Alex is a member of the Remuneration & Nomination Committee and was a member of the Audit & Risk Management Committee till the 28 January 2015.

Andrew Teoh, Executive Director
B. Comm (Accounting and Finance)

Andrew has extensive experience in business operations, sales and marketing sectors. His experience has been within the areas of emerging technologies, billing systems, management of telecommunication switches and client services.

Andrew was previously the Operations Manager for Zoo Telecom Pty Ltd and was involved in the strategic process development, running and maintenance of this medium sized telecommunications Company. Prior to that, Andrew was a Customer Services Manager at One.Tel Limited, where he was involved in the development, training and supervision of client service staff.

Andrew is one of the founders of the Mint Business and has been on the Board of Mint since 15 November 2006.

Andrew was a member of the Remuneration & Nomination Committee and Audit & Risk Management Committee till the 28 January 2015.

David Owyong, Company Secretary
B.Comm (Accounting and Economics), CA

David has over ten years of experience in accounting and finance. David brings experience in working with entrepreneurial companies that have grown both through acquisition and organically.

David was previously Financial Controller at Virgin Money (Australia) and Group Finance Manager at Landis+Gyr, the global leader in electricity smart metering. David began his career with Ernst & Young where he qualified as a Chartered Accountant. At Ernst & Young, David was involved with providing assurance and advisory services to a variety of listed and non-listed companies and funds.

Principal Activities

The principal activities of the consolidated entity during the year were innovative mobile payments and transaction services.

Operating Results

Key financial results for the year ended 30 June 2015 were:

- Operating revenue for the financial year has increased by 79% to $3,851,442 and total operating cash receipts has increased by 38% from the corresponding year to $3,419,365. These figures reflect the increased adoption of our mobile payment solution through its growing base of distribution partners in Australia and New Zealand and active users totally approximately 4,500; and

- Reported loss from ordinary activities after tax attributable to members for the financial year ended 30 June 2015 was $7,230,033 up by 14% from the previous corresponding year. The reported loss reflects the investments made, as announced to the market in May 2014, to capitalise on the growing number of sales opportunities as well as product certifications and product development initiatives to launch complementary products and services, such as "Minternet" as described above, that will bring incremental revenue to Mint.

Review of Operations

The highlights for the year ended 30 June 2015 include:

- In July 2014, the Company announced the launch of its EMV compliant Chip & Pin devices for MYOB's mobile payment solution "MYOB PayDirect".

- Effective from 20 October 2014, Alex Teoh was reappointed as the Company's Chief Executive Officer following the stepping down of Robin Khuda from the role of Chief Executive Officer. Terry Cuthbertson resumed the role of independent, Non-Executive Chairman also effective from 20 October 2014.

- In October 2014, the Company announced that the Australian Payments Clearing Association (APCA) certified the Company's mPOS solution for EFTPOS transactions using Remote Key Injection (RKI), making the Company the first to achieve RKI certification for an mPOS solution in Australia. In addition, the Company also announced that it entered into a three year agreement with AusCabs, a company specialising in the provision of mobile payment solutions targeting the taxi industry in Australia. AusCabs are using the Company's mobile Chip & Pin device to accept Visa, MasterCard, American Express and EFTPOS payments. The solution provides taxi drivers with contactless capability (Visa's PayWave and MasterCard's PayPass), which in a high volume transaction environment such as the taxi industry is crucial.

- In November 2014, the Company executed an agreement with Beyond Bank Australia, one of Australia's largest customer-owned banks, with assets of over $4 billion under management, more than 200,000 customers and 49 branches across Australia, to a deliver a "Beyond Bank" branded mobile payments solution. Under this agreement, the Company will also provide "customer not present" (CNP) services to Beyond Bank. The solution will be offered to Beyond Bank's existing customers allowing them to accept the full spectrum of card payments.

- On 9 December 2014, the Company changed its name from "Mint Wireless Limited" to "Mint Payments Limited" to better reflect the nature of the core business of the Company.

- In September and December 2014, the Company announced the appointment of Anne Weatherston, Peter Wright and William Bartee as Independent Non-Executive Directors to the Board of Mint. These appointments further strengthened Mint's Board, which now consists of six directors, four of which are non-executive, who are independent and highly experienced in the payments and technology sectors. Please refer to the Company's Current Directors' qualifications, experience and special responsibilities for further details.

- In April 2015, the Company entered into an agreement with Rewardle Holdings (Rewardle), to integrate the Company's mobile payments platform with Rewardle's digital customer engagement platform (DCE Platform), providing Rewardle's growing network of 4,000 merchants with the ability to access integrated data analytics, marketing services and through the Company, the additional benefits of accepting card payments that is fully integrated with Rewardle's digital customer loyalty platform.

- Also in April 2015, the Company announced the launch of its newest product "Minternet", a portfolio of online payments solutions to service the CNP sector of the payments market. Minternet targets the CNP based online and back office collections needs of SMEs and large corporates. The incorporation of online payments solutions meets the evolving demands of enterprises seeking to create process efficiencies. By developing and integrating the Minternet product suite to the Company's bank grade payments platform, the Company is tapping into a significant and fast growing market by offering its distribution partners and end customers the full range of payments services all from one service provider. The Company is now able to offer merchants the ability to capture and process payments across multiple payment types and channels, including:
    - Face to face (e.g. EFTPOS, contactless and Chip & Pin);
    - eCommerce and bill payments (e.g. API's and hosted payments pages); and
    - Over the phone payments processing (e.g. operator initiated MOTO, scheduled and/or recurring payments) or system initiated payments (e.g. tokenisation and batch payments).

  The solution comes with an integrated credit card merchant facility or bank account direct debit facility all provided through the Company.

- In May 2015, the Company announced that its partnership with the Bank of New Zealand (BNZ) resulted in the successful deployment and enhancement of BNZ's "PayClip" payments product. The new PayClip product is a significant milestone for BNZ as it looks to position itself to take advantage of the New Zealand electronic payments market which is growing at a rapid pace. To further cement the Company's presence in the New Zealand payments space, the Company entered into an aggregation agreement with Paymark. Paymark is New Zealand's leading electronic payments provider with more than 75,000 merchants and over 110,000 EFTPOS terminals connected to its network.

- In June 2015, the Company announced that it had entered into an agreement with Tappr Pty Ltd (Tappr), to integrate its Point of Sale (POS) application with the Company's Customer Present payment solution. The Tappr solution will consist of a reader, app and dashboard analytics with a view to servicing direct SME customer channels.

Further information about the Consolidated Entity's results of its operations together with the information about the financial position of the Consolidated Entity is in the attached Financial Report.

Significant changes in the state of affairs

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

Events Subsequent to Reporting Date

On 21 July 2015 the Company announced that it signed an agreement with eWAY, a leading online payment provider, whereby eWAY will licence Mint's "card present" capability to distribute their own mobile point of sale (mPOS) solution to eWAY's 20,000+ merchants. Mint's partnership with eWAY will provide an omni-channel payments solution across markets in Australia, New Zealand, Singapore, Hong Kong and Malaysia.

Also on 21 July 2015 the Company announced that it had completed a placement to a strategic investor, Vix Investments Limited (as manager for Utilico Investments Limited LON: UIL). The placement was made pursuant to s708 (11) of the *Corporations Act 2001*, to raise $4,000,000 (65,573,770 shares). Vix Investments Limited is a global Fintech investor specialising in the payments sector. Other current and recent Vix portfolio investments in the payments sector locally include the recently ASX listed Touchcorp (ASX: TCH), on-line identity verification experts Vix Verify, mobile recharge and payments provider Fusion Payments, international student payments specialist Cohort Solutions, virtual card payments processor Optal, and transport ticketing/payments solutions provider Vix Technology.

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

Likely Developments

In addition to the Placement referred to above, the Company will offer eligible shareholders the right to participate in a Share Purchase Plan (SPP) at the same price as the Placement. The amount raised by the SPP will be capped at $1,000,000. The SPP will be subject to the Board's discretion and scale back may apply to applications under the SPP. Funds raised under Placement and the SPP will be combined with existing cash and used to fund and pursue growth opportunities through the execution of Mint's omni-channel payments strategy, entry into select Asia-Pacific markets and general working capital.

The Company will continue to pursue growth in revenues from existing and new distribution customers through its core customer present mobile payment solution. In addition, the Company will also focus on embedding new payment methods and types such as Customer Not Present, which is now available through the Company's latest product "Minternet".

The Company's incorporation of a suite of online payments solutions meets the evolving demands of businesses seeking to create process efficiencies. By developing and integrating the Minternet product suite on the Company's bank grade payments platform, will allow the Company to tap into a significant and fast growing market by offering its distribution partners and end customers a full range of payments services from one service provider and increase the Company's average revenue per user from its existing and new active users on the Company's payments platform; and

The Company will also continue to take advantage of its core, market leading mobile and online payment capabilities and work towards signing a material partnership that will provide the Company with an avenue of entry into select Asia-Pacific markets, which are going through regulatory and structural changes in line with the certifications and payment methods developed by the Company for the Australian and New Zealand market.

Dividends

No dividend was paid, recommended for payment nor declared during the year.

Share Options

Unissued Shares under Option

As at the date of this Report, unissued ordinary shares of Mint under options pursuant to the Mint Payments Limited Employee Option Plan are:

Issuing Authority	Exercise Date	Number of Options	Exercise Price ($)	Expiry Date
Mint Payments Limited	01-Jun-15	2,500,000	0.075	31-Jul-16
Mint Payments Limited	01-Aug-15	7,000,000	0.075	30-Sep-16
Mint Payments Limited	01-Aug-15	2,500,000	0.450	31-Jul-16
Mint Payments Limited	01-Aug-15	1,000,000	0.600	31-Jul-16

For details of options issued to Directors and Executives, refer to the Remuneration Report.

Shares issued on exercise of options

The following ordinary shares of Mint Payments Limited were issued during or since the end of the financial year as a result of the exercise of an option:

Date Issued	Number of Ordinary Shares Issued	Amount Paid per Share ($)
07-Aug-14	19,500,000	0.036
27-Feb-15	1,625,000	0.036
30-Jun-15	1,000,000	0.036
29-Jul-15	5,000,000	0.036

Directors' Meetings

Mint has an Audit and Risk Management Committee and Remuneration and Nomination Committee. The number of Directors' meetings, number of committee meetings and the number of meetings attended by each of the Directors during the financial year under review are:

	Board Meetings		Audit & Risk Management Committee Meetings		Remuneration & Nomination Committee Meetings	
Director	Meetings held during Director's tenure	Meetings Attended	Meetings held during Director's tenure	Meetings Attended	Meetings held during Director's tenure	Meetings Attended
T Cuthbertson (i)	15	15	3	3	1	1
W Bartee (ii) (iii)	6	6	N/A	N/A	1	1
A Weatherston (ii) (iii) (iv)	11	11	2	2	1	1
P Wright (ii) (iii) (iv)	6	6	2	2	1	1
Alex Teoh (v)	15	15	1	1	2	2
Andrew Teoh (i) (v)	15	14	1	1	1	1

(i) T Cuthertson and Andrew Teoh were members of the Remuneration and Nomination Committee till the 28/01/15
(ii) A Weatherston, P Wright and W Bartee were appointed to the Board of Directors on 08/09/14, 15/12/14 and 23/12/14 respectively.
(iii) W Bartee, A Weatherston and P Wright are members of the Remuneration and Nomination Committee effective from the 28/01/15
(iv) A Weatherston and P Wright are members of the Audit and Risk Management Committee effective from the 28/01/15
(v) Alex Teoh and Andrew Teoh were members of the Audit and Risk Management Committee till the 28/01/15

Directors' Interests

Particulars of Directors' interests in securities as at the date of this Report are as follows:

Director	Ordinary Shares	Options over Ordinary Shares
Alex Teoh [(i),(ii)]	83,956,849	-
Andrew Teoh [(i)]	82,760,182	-
T Cuthbertson	9,000,000	-
A Weatherston	263,157	-

(i) 82,760,182 securities are held by TAAJ Corporation Pty Ltd of this 60,731,967 are held on behalf of TAAJ Trust and 22,028,215 securities are held on behalf of Tygon Superannuation Fund. TAAJ Corporation Pty Ltd is the trustee of the TAAJ Trust, of which Alex Teoh and Andrew Teoh are beneficiaries, and of the Tygon Superannuation Fund, of which Alex Teoh and Andrew Teoh are members.
(ii) As at the date of report, Alex Teoh has 366,667 fully paid ordinary shares & Yin-Yin Teoh, the wife of Alex Teoh has 830,000 fully paid ordinary shares.

Other than that stated above in relation to the options, there are no contracts to which the Director is a party or under which the Director is entitled to a benefit that confers a right for the Director to call for shares in Mint.

Indemnification and Insurance of Officers and Auditors

Directors and the Secretary are indemnified by Mint against any liability incurred in their capacity as an officer of Mint or a related body corporate to the maximum extent permitted by law. Mint has Directors and Officers Liability insurance.

Mint has not paid any premiums in respect of any contract insuring its auditor against a liability incurred in that role as an auditor of Mint. Pitcher Partners, Mint's auditor has the benefit of an indemnity to the extent Pitcher Partners reasonably relies on information provided by Mint which is false, misleading or incomplete. No amount has been paid under this indemnity during the financial year ended 30 June 2015 or to the date of this Report.

Non-Audit Services

Details of the amounts paid to Pitcher Partners as the auditor of Mint for audit and non-audit services provided during the year are set out in Note 20 to the financial statements.

The Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* is set out on page 17 and forms a part of the Directors' Report for the period ended 30 June 2015.

Proceedings on behalf of the Consolidated Entity

During the year under review and in the interval between the end of the financial year and the date of the report, no person has applied for leave of Court to bring proceedings on behalf of the Company or the Consolidated Entity under section 237 of the *Corporations Act 2001*.

Environmental Regulation

The consolidated entity's operations are not subject to any significant Commonwealth or State environmental regulations or laws.

REMUNERATION REPORT (AUDITED)

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Mint Payments Limited's key management personnel for the financial year ended 30 June 2015, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

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

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Share-based compensation

A. Principles used to determine the nature and amount of remuneration

Remuneration Policies and Practices

In relation to remuneration issues, the Board has established policies to ensure that Mint remunerates fairly and responsibly. The Remuneration Policy of the Board is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate for the results delivered and to attract and maintain desirable Directors and employees.

The Remuneration and Nomination Committee conducts reviews and provides recommendations to the Board on matters of remuneration policy and specific emolument recommendations in relation to senior management and Directors. The remuneration is structured to reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders.

The remuneration of Directors and the other Key Management Personnel is fixed annually. Further Non-Executive Director fees are determined within an aggregate Directors' fee pool limit, which will be periodically approved by shareholders in general meeting. The current limit is $500,000 per annum. Some of the specified Executives are entitled to a performance bonus based on achievement of targets based on individual Key Performance Indicators ("KPIs"). The KPIs generally include measures relating to the relevant segment, covering financial, sales, and development measures. Ultimately, bonuses and discretionary payments to key management personnel are at the discretion of the Board.

Mint makes statutory employer contributions on behalf of Executives to the superannuation fund of their choice.

Non-Executive Directors' retirement payments are limited to compulsory employer superannuation. There are no retirement and termination benefits for Executive Directors or Executives apart from those that accrue from the relevant laws such as unpaid annual leave, superannuation, long service leave and notice of termination. Mint may consider payments on termination even though legally not required, to protect its rights if it is commercially beneficial to its interests.

Remuneration and other terms of employment of Key Management Personnel are formalised in employment agreements. These agreements may be terminated by either party with between one and six months' notice depending on the circumstance.

Relationship between Remuneration Policy and Mint's Performance (Audited)

i. Remuneration not dependent on satisfaction of performance condition

The non-executives remuneration policy is not directly related to company performance. The board considers a remuneration policy based on short-term returns may not be beneficial to the long-term creation of wealth by the company for shareholders.

ii. Remuneration dependent on satisfaction of performance condition

A portion of Executive Remuneration is based on attainment of performance conditions. Performance-based remuneration includes short-term cash bonus and long-term incentive plan.

Details of the Cash Incentive and Option Plan are set out below which demonstrate Mint's willingness to design a remuneration philosophy for the benefit of its employees and shareholders alike.

Description	Rationale
<u>*Cash Incentive*</u>	*The Cash Incentive is the short term "at risk" component of the Mint remuneration policy.*
As stated above, Executives may receive an individual performance based bonus, measured against Board approved key performance indicators.	The achievement of specific and desirable key performance indicators by employees will drive the growth, and is expected to improve the profitability of the Company.
The key performance indicators are both objective and subjective and examples include: • sales made per quarter (expressed both in a $ and % value) • completion of contracts with key corporate clients of pre-determined size • successful implementation of strategic plan	Good financial and operational performance of the Company will increase shareholder value.
<u>*Employee Option Plan*</u>	*The Option Plan is the longer term "at risk" component of the Mint remuneration policy.*
Are issued to executives and employees subject to a period of employment before participation is permissible. Once exercisable options are converted into ordinary shares on a one-for-one basis. An exercise price is payable upon the conversion of options. Further details about the Plan are set out in note 18 of the Financial Statements.	To support the achievement of the Company's business strategy by linking executive rewards to improvements in the financial performance of the Company and aligning the interests of executives with those of shareholders and to offer employees the opportunity to acquire shares in the Company.

B. Details of remuneration

The Key Management Personnel of Mint Payments Limited for the year ended 30 June 2015 were:

Directors	
Terry Cuthbertson	Non-executive Chairman (effective from 20 October 2014, previously Non-Executive Director)
William Bartee	Non-Executive Director (appointed on 23 December 2014)
Anne Weatherston	Non-Executive Director (appointed on 08 September 2014)
Peter Wright	Non-Executive Director (appointed on 15 December 2014)
Alex Teoh	Chief Executive Officer and Managing Director (effective from 20 October 2014, previously Executive Chairman and Managing Director)
Andrew Teoh	Executive Director

Executives	
David Owyong	Chief Financial Officer and Company Secretary
Bjorn Behrendt	Chief Marketing Officer (effective from 20 December 2014, previously General Manager)
Frederick Yip	Chief Technology Officer
Robin Khuda	Chief Executive Officer (ceased employment 17 October 2014)
Justus Hammer	Chief Marketing Officer (ceased employment 19 December 2014)

The individual details of remuneration of the Key Management Personnel are listed in the tables below:

Remuneration details for the financial year ended 2015

	Short Term			Post Employment	Equity Based Payments	Total	Proportion of Remuneration Performance Related	Value of equity based payments as Proportion of Remuneration
	Salary and fees	Bonus	Total	Super-annuation	Equity-settled			
	$	$	$	$	$	$	%	%
Directors								
T Cuthbertson	60,000	-	**60,000**	-	-	**60,000**	-	-
W Bartee(i)	35,984	-	**35,984**	3,418	-	**39,402**	-	-
A Weatherston(i)	56,040	-	**56,040**	5,324	50,000	**111,364**	-	44.90%
P Wright(i)	40,927	-	**40,927**	-	-	**40,927**	-	-
Alex Teoh	233,904	-	**233,904**	22,221	-	**256,125**	-	-
Andrew Teoh	191,406	-	**191,406**	18,184	-	**209,590**	-	-
Executives								
D Owyong	170,625	-	**170,625**	17,159	65,811	**253,595**	25.95%	25.95%
B Behrendt	163,750	-	**163,750**	16,506	92,612	**272,868**	33.94%	33.94%
F Yip	160,558	-	**160,558**	16,203	30,559	**207,320**	14.74%	14.74%
R Khuda(ii)	307,833	-	**307,833**	26,833	-	**334,666**	-	-
J Hammer(ii)	67,951	-	**67,951**	6,803	-	**74,754**	-	-
TOTAL	**1,488,978**	**-**	**1,488,978**	**132,651**	**238,982**	**1,860,611**	**10.16%**	**12.84%**

(i) A Weatherston, P Wright and W Bartee commenced on 08/09/14, 15/12/14 and 23/12/14 respectively.
(ii) R Khuda and J Hammer ceased employment on 17/10/14 and 19/12/14 respectively.

Remuneration details for the financial year ended 2014

	Short Term			Post Employment	Equity Based Payments	Total	Proportion of Remuneration Performance Related	Value of equity based payments as Proportion of Remuneration
	Salary and fees	Bonus	Total	Super-annuation	Equity-settled			
	$	$	$	$	$	$	%	%
Directors								
Alex Teoh	160,183	-	160,183	14,817	29,804	204,804	14.55%	14.55%
Andrew Teoh	137,684	-	137,684	12,736	29,804	180,224	16.54%	16.54%
T Cuthbertson	60,000	-	60,000	-	29,804	89,804	33.19%	33.19%
Executives								
R Khuda(i)	62,500	-	62,500	4,167	250,520	317,187	78.98%	78.98%
D Owyong	145,000	10,000	155,000	13,413	28,199	196,612	19.43%	14.34%
B Behrendt	134,457	10,000	144,457	12,437	97,084	253,978	42.16%	38.23%
F Yip(ii)	132,500	10,000	142,500	12,256	54,740	209,496	30.90%	26.13%
J Hammer	110,635	10,000	120,635	10,233	97,084	227,952	46.98%	42.59%
TOTAL	**942,959**	**40,000**	**982,959**	**80,059**	**617,039**	**1,680,057**	**39.11%**	**36.73%**

(i) Robin Khuda started on 01/05/14
(ii) Frederick Yip started on 22/07/13

C. Share-based compensation

Details of the entitlement to options over ordinary shares in the Company that were granted as compensation during the reporting period and details on options that vested during the year are as follows:

Analysis of Movement in Options Held by Key Management Personnel

	Balance 1-Jul-14	Granted as Remuneration	Options Exercised	Options Expired/ Forfeited	Balance 30-Jun-15	Total Vested 30-Jun-15	Total Exercisable 30-Jun-15	Total Un-Exercisable 30-Jun-15
Directors								
Alex Teoh	5,000,000	-	(5,000,000)	-	-	-	-	-
Andrew Teoh	5,000,000	-	(5,000,000)	-	-	-	-	-
T Cuthbertson	5,000,000	-	-	-	5,000,000	5,000,000	5,000,000	-
Executives								
D Owyong	2,500,000	-	-	-	2,500,000	2,500,000	2,500,000	-
B Behrendt	5,500,000	-	(3,000,000)	-	2,500,000	-	-	2,500,000
F Yip	7,500,000	-	(2,500,000)	-	5,000,000	-	-	5,000,000
R Khuda[i]	12,000,000	-	-	(12,000,000)	-	-	-	-
J Hammer[ii]	5,500,000	-	(3,000,000)	(2,500,000)	-	-	-	-
Total	**48,000,000**	**-**	**(18,500,000)**	**(14,500,000)**	**15,000,000**	**7,500,000**	**7,500,000**	**7,500,000**

(i) R Khuda and J Hammer ceased employment on 17/10/14 and 19/12/14 respectively.

18,500,000 shares were issued to Directors or Executives on the exercise of options or rights previously granted as compensation, during the year.

Analysis of Options over Equity Instruments Granted as Compensation

Name	Grant Date	Granted Number	Value per Option at Grant Date	% Vested in Year	Financial Year in which Grant Vests	Value Exercised during the Year	Value Lapsed during the Year	% Forfeited in Year	Exercise Price	First Exercise Date	Expiry Date
D Owyong	01-Jun-13	2,500,000	$0.013	100%	30-Jun-15	-	-	-	-	01-Jun-15	31-Jul-16
Alex Teoh	25-Jun-13	5,000,000	$0.006	100%	30-Jun-14	$180,000	-	-	$0.036	25-Jun-14	31-Jul-15
Andrew Teoh	25-Jun-13	5,000,000	$0.006	100%	30-Jun-14	$180,000	-	-	$0.036	25-Jun-14	31-Jul-15
T Cuthbertson	25-Jun-13	5,000,000	$0.006	100%	30-Jun-14	-	-	-	-	25-Jun-14	31-Jul-15
B Behrendt	01-Aug-13	3,000,000	$0.012	100%	30-Jun-15	$108,000	-	-	$0.036	01-Aug-14	30-Sep-15
B Behrendt	01-Aug-13	2,000,000	$0.012	-	30-Jun-16	-	-	-	-	01-Aug-15	30-Sep-16
F Yip	01-Aug-13	2,500,000	$0.012	100%	30-Jun-15	$90,000	-	-	$0.036	01-Aug-14	30-Sep-15
F Yip	01-Aug-13	5,000,000	$0.012	-	30-Jun-16	-	-	-	-	01-Aug-15	30-Sep-16
J Hammer[i]	01-Aug-13	3,000,000	$0.012	100%	30-Jun-15	$108,000	-	-	$0.036	01-Aug-14	30-Sep-15
J Hammer[i]	01-Aug-13	2,000,000	$0.012	-	30-Jun-16	-	($150,000)	100%	-	01-Aug-15	30-Sep-16
B Behrendt	29-Oct-13	500,000	$0.280	-	30-Jun-16	-	-	-	-	01-Aug-15	31-Jul-16
J Hammer[i]	29-Oct-13	500,000	$0.280	-	30-Jun-16	-	($225,000)	100%	-	01-Aug-15	31-Jul-16
R Khuda[i]	01-May-14	12,000,000	$0.254	-	30-Jun-16	-	($5,400,000)	100%	-	30-Apr-16	30-Apr-18

(i) R Khuda and J Hammer ceased employment on 17/10/14 and 19/12/14 respectively.

Shareholding of Key Management Personnel

	Balance 1-Jul-14	Received as Remuneration	Purchased in their capacity as Investors	Options Exercised	Net Change Other	Balance 30-Jun-15
Directors						
Alex Teoh (i) (ii)	73,428,634	-	10,528,215	-	-	83,956,849
Andrew Teoh (i)	72,231,967	-	10,528,215	-	-	82,760,182
T Cuthbertson	4,000,000	-	-	-	-	4,000,000
A Weatherston	-	263,157	-	-	-	263,157
Executives						
D Owyong	3,149,149	-	-	-	-	3,149,149
B Behrendt	250,000	-	-	3,000,000	(50,000)	3,200,000
F Yip	464,348	-	-	2,500,000	-	2,964,348
R Khuda (iii)	750,000	-	1,000,000	-	(1,750,000)	-
J Hammer (iii)	450,000	-	-	3,000,000	(3,450,000)	-
Total	**154,724,098**	**263,157**	**22,056,430**	**8,500,000**	**(5,250,000)**	**180,293,685**

(i) 82,760,182 securities are held by TAAJ Corporation Pty Ltd of this 60,731,967 are held on behalf of TAAJ Trust and 22,028,215 securities are held on behalf of Tygon Superannuation Fund. TAAJ Corporation Pty Ltd is the trustee of the TAAJ Trust, of which Alex Teoh and Andrew Teoh are beneficiaries, and of the Tygon Superannuation Fund, of which Alex Teoh and Andrew Teoh are members.
(ii) As at the date of report, Alex Teoh has 366,667 fully paid ordinary shares & Yin-Yin Teoh, the wife of Alex Teoh has 830,000 fully paid ordinary shares.
(iii) R Khuda and J Hammer ceased employment on 17/10/14 and 19/12/14 respectively.

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

ALEX TEOH
Chief Executive Officer/ Managing Director
Sydney, New South Wales
3rd August 2015

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MINT PAYMENTS LIMITED
AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MINT PAYMENTS LIMITED

In relation to the independent audit for the year ended 30 June 2015, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of any applicable code of professional conduct.

R M Shanley
Partner

PITCHER PARTNERS
Sydney

Date: 3 August 2015

Consolidated Statement of Profit or Loss

For year ended 30 June 2015

	Notes	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Revenue and other income	**7**	3,851,442	2,152,465
Network and service delivery		728,120	511,429
Purchases & changes in inventories of finished goods		1,252,922	236,320
Employee benefits expense (excluding share option expense)		6,060,419	2,928,079
Share payments & option expense		643,933	1,371,841
Depreciation and amortisation expense	**6**	272,457	519,197
Finance costs		350,427	449,219
Professional fees		797,202	552,804
Administration, property & communication expenses		489,360	540,658
Loss on impairment	**13**	-	829,807
Other expenses	**6**	486,635	575,069
Total expenses		**11,081,475**	**8,514,423**
Loss before income tax		**(7,230,033)**	**(6,361,958)**
Income tax (expense)/ credit	**8**	-	-
Net loss for the year		**(7,230,033)**	**(6,361,958)**
Loss attributable to:			
Equity shareholders	**22**	(7,230,033)	(6,361,958)
Loss for the year		**(7,230,033)**	**(6,361,958)**

	Note	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Loss for the year		**(7,230,033)**	**(6,361,958)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		1,088	58,778
Total comprehensive loss for the year		**(7,228,945)**	**(6,303,180)**
Total comprehensive attributable to:			
Equity shareholders		(7,228,945)	(6,303,180)
Earnings per share for loss to equity holders			
Basic earnings per share (cents)	**22**	(1.54)	(1.58)
Diluted earnings per share (cents)	**22**	(1.52)	(1.47)

Consolidated Statement of Financial Position

As at 30 June 2015

	Notes	Consolidated Entity 2015 $	Consolidated Entity 2014 $
CURRENT ASSETS			
Cash and cash equivalents	4	3,404,610	9,456,153
Trade and other receivables	9	2,320,557	1,672,455
Inventories	10	415,627	170,682
Other financial assets	11	461,438	6,442
TOTAL CURRENT ASSETS		**6,602,232**	**11,305,732**
NON-CURRENT ASSETS			
Other financial assets	11	-	72,728
Plant and equipment	12	237,855	214,243
IT development	13	509,785	648,482
TOTAL NON-CURRENT ASSETS		**747,640**	**935,453**
TOTAL ASSETS		**7,349,872**	**12,241,185**
CURRENT LIABILITIES			
Payables	14	2,105,352	1,480,818
Provisions	15	411,594	216,968
TOTAL CURRENT LIABILITIES		**2,516,946**	**1,697,786**
NON-CURRENT LIABILITIES			
Provisions	15	37,949	110,695
Long term borrowings	4	6,000,000	5,842,000
TOTAL NON-CURRENT LIABILITIES		**6,037,949**	**5,952,695**
TOTAL LIABILITIES		**8,554,895**	**7,650,481**
NET ASSETS/ (LIABILITIES)		**(1,205,023)**	**4,590,704**
EQUITY			
Contributed equity	16	30,898,320	30,059,035
Reserves	17	2,344,620	1,749,599
Accumulated losses	17	(34,447,963)	(27,217,930)
TOTAL EQUITY		**(1,205,023)**	**4,590,704**

	Notes	Consolidated Entity 2015 $	Consolidated Entity 2014 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		2,274,436	1,743,739
Operating grant receipts		1,144,929	742,122
Payments to suppliers and employees		(9,564,196)	(5,544,213)
Interest received		132,647	50,375
Interest paid		(314,754)	(508,395)
Net cash used in operating activities	**21**	**(6,326,938)**	**(3,516,372)**
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(107,644)	(132,106)
Payment for IT development		(74,347)	(851,006)
Net cash provided used in investing activities		**(181,991)**	**(983,112)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds for issue of shares		796,500	13,741,000
Cost of share issue		(114,794)	(482,534)
Proceeds from borrowings		158,000	50,000
Payment for other financial assets		(382,320)	-
Net cash provided by financing activities		**457,386**	**13,308,466**
Net (decrease)/increase in cash and cash equivalents		**(6,051,543)**	**8,808,982**
Cash and cash equivalents at beginning of year		9,456,153	647,171
Cash and cash equivalents at end of the year	**4**	**3,404,610**	**9,456,153**

	Share Capital $	Share Based Payment Reserve $	Foreign Exchange Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2013	**17,053,945**	**173,442**	**(32,837)**	**(20,855,972)**	**(3,661,422)**
Loss for the year	-	-	-	(6,361,958)	(6,361,958)
Other comprehensive loss	-	-	58,778	-	58,778
Total comprehensive loss for the year	**-**	**-**	**58,778**	**(6,361,958)**	**(6,303,180)**
Recognition of share based payments	-	1,550,216	-	-	1,550,216
Issue of ordinary shares	13,741,000	-	-	-	13,741,000
Share issue costs	(735,910)	-	-	-	(735,910)
Balance at 30 June 2014	**30,059,035**	**1,723,658**	**25,941**	**(27,217,930)**	**4,590,704**
Balance at 1 July 2014	**30,059,035**	**1,723,658**	**25,941**	**(27,217,930)**	**4,590,704**
Loss for the year	-	-	-	(7,230,033)	(7,230,033)
Other comprehensive loss	-	-	1,088	-	1,088
Total comprehensive loss for the year	**-**	**-**	**1,088**	**(7,230,033)**	**(7,228,945)**
Recognition of share based payments	-	593,933	-	-	593,933
Issue of ordinary shares	846,500	-	-	-	846,500
Share issue costs	(7,215)	-	-	-	(7,215)
Balance at 30 June 2015	**30,898,320**	**2,317,591**	**27,029**	**(34,447,963)**	**(1,205,023)**

NOTE 1: CORPORATE INFORMATION

The financial report of Mint Payments Limited (the Company or "Mint") for the year 30 June 2015 was authorised for issue on the 3rd August 2015.

Mint Payments Limited (the Parent Entity) is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The financial report includes the Consolidated Entity comprised by Mint and its subsidiaries ("Group or Consolidated Entity").

The nature of the operations and principal activities of the Group are described in the Directors' Report.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

Going Concern

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

The Group incurred a net loss of $7,230,033 and a net cash outflow from of operations $6,326,938 for the year ended 30 June 2015. As at 30 June 2015, the Group had cash assets of $3,404,610, current assets of $6,602,232 and current liabilities of $2,516,946.

The financial report has nonetheless been prepared on a going concern basis which the Directors consider to be appropriate based upon the forecast for the year ending 30 June 2016 and subsequent to the end of the financial year, in July 2015, the Company completed a placement to a strategic investor, Vix Investments Limited (as manager for Utilico Investments Limited LON: UIL). The placement was made pursuant to s708 (11) of the *Corporations Act 2001*, to raise $4,000,000 (65,573,770 shares). Vix Investments Limited is a global Fintech investor specialising in the payments sector.

b) Principles of consolidation

The consolidated financial statements are those of the Consolidated Entity comprising the Parent Entity and its controlled entities.

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

The financial statements of subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The balances and effects of transactions, between controlled entities included in the consolidated financial statements have been eliminated.

Investments in controlled entities are carried at cost, as calculated based on the fair value of consideration paid by the Company.

c) Acquisitions of assets

The purchase method of accounting is used for all acquisitions of assets (including business combinations). Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of the acquisition plus incidental costs directly attributable to the acquisition.

Where equity instruments are issued in an acquisition, the value of the instruments is their market price as at the acquisition date, unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

c) Acquisitions of assets (continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised as a gain in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

d) Cash and cash equivalents

Cash on hand and in banks and short-term deposits is stated at nominal value.

For the purposes of the consolidated cash flow statement, cash and cash equivalents includes cash on hand and in banks, and money market investments readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

e) Intangible assets

Intangible assets acquired in a business combination

All potential intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair value can be measured reliably. Amortisation of IT development is charged on a straight line basis over their expected useful lives of 5 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Patents, trademarks and licenses

Patents, trademarks and licenses are recorded at cost less accumulated amortisation and impairment.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Goodwill

Goodwill arises on the acquisition of subsidiaries. Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group’s interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill and intangible assets arising on the acquisition of a foreign operation shall be treated as assets and liabilities of the foreign operation. Thus they shall be expressed in the functional currency of the foreign operation and shall be translated at the closing rate.

For the purpose of impairment testing, goodwill acquired in a business combination, from the acquisition date, is allocated to each of the Group’s cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated includes the cash generating units. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates.

f) Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

g) Revenue recognition

Sale of goods
Revenue from the sale of goods and disposal of other assets is recognised when the Consolidated Entity has transferred to the buyer the significant risks and rewards of ownership of the goods.

Services
Revenue is recognised upon rendering of services and the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of expenses incurred that are recoverable.

Software licence fees
Revenue from the sale of software licences is recognised on an accruals basis in accordance with the substance of the relevant agreement.

Dividend and interest revenue
Dividend revenue is recognised on a receivable basis. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

h) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all conditions complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is deducted from the asset to which it relates, the net value of which is amortised over its expected useful life.

The group is treating its actual and expected receipt of the new R&D Tax Incentive refund as a government grant. Where the expenditure has been expensed, the R&D tax incentive is recognised as revenue. Where the expenditure had been capitalised as an asset, the R&D Tax Incentive attributable to the capitalised expenditure, is deducted from the cost of the asset and released to the profit and loss account as a reduction in amortisation expense over the expected useful life of the asset.

i) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, with the exception of accrued expenses and expense provisions, are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

Cash flows are included in the Consolidated Cash flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO, are classified as operating cash flows.

j) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

(i) except where the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

(ii) in respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

j) Income tax (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

(i) except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

(ii) in respect of deductible temporary difference associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company / Consolidated Entity intends to settle its current tax assets and liabilities on a net basis.

As at the date of this report, deferred tax assets have been recognised only to the extent to which they offset deferred tax liabilities as it is not yet considered sufficiently probable that future taxable profits will be generated in the appropriate jurisdictions to enable these to be utilised.

Tax Consolidation

The parent entity and its controlled entities have formed an income tax consolidated group under the tax consolidation legislation. The parent entity is responsible for recognising the current tax liabilities and deferred tax assets arising in respect of tax losses, for the tax consolidated group. The tax consolidated group will also enter a tax funding agreement whereby each Company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

k) Foreign currency

Foreign currency transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise. The functional currency of Mint Payments Limited and all of its subsidiaries is Australian dollars.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

l) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity. Trade accounts are normally settled within 30-60 days.

Payables to related parties are carried at amortised cost. Interest, when charged by the lender, is recognised using the effective interest rate method.

m) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the group will not be able to collect the debt.

n) Issued capital
Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the proceeds received.

o) Investments and other financial assets
Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

p) Earnings per share
Basic earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share are calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

q) Leased assets
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged as an expense on a straight-line basis over the period of the lease.

r) Plant & equipment
Plant and equipment and fixtures & fittings are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on plant and equipment and is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The following estimated useful lives are used in the calculation of depreciation:

Fixtures and fittings	5 years
Plant and equipment	5 - 15 years

s) Provisions
Provisions are recognised when the Consolidated Entity has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

Provisions are made in respect of the consolidated entity's estimated liability on all products and services under warranty at balance date. The provision is measured as the present value of future cash flows estimated to be required to settle warranty obligations. As the group has limited warranty experience the provision is based on current expectations.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received and the amount of the receivable can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

s) Provisions (continued)
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

An onerous contract is considered to exist where the Consolidated Entity has a contract under which the unavoidable cost of meeting the contractual obligations exceed the economic benefits estimated to be received. Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the economic benefits estimated to be received.

t) Share based payments
Share-based compensation benefits are provided to employees via the Mint Payments Limited Employee Option Plan.

The fair value of options granted under the Mint Payments Limited Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.
The fair value at grant date is independently determined using a 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.

The fair value of the options granted is adjusted to reflected market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of comprehensive income with a corresponding adjustment to equity.

u) Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

v) Employee benefits
Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and these benefits can be measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Consolidated Entity in respect of services provided by employees up to reporting date.

Defined contribution superannuation plans
Contributions to defined contribution superannuation plans are expensed when incurred.

w) Impairment of assets

At each reporting date, the Consolidated Entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of comprehensive income immediately.

x) 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 acquire and the amount of any non-controlling interest in the acquire. 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 it's previously acquired equity interest in the acquired at the acquisition-date fair value, and the difference between the fair value and the previous carrying amount is recognized in profit or loss.

Contingent consideration to be transferred by the acquirer is recognized at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognized 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 acquire is recognized 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 recognized 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 acquire, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognized and also recognizes 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.

y) New standards and interpretations not yet adopted

AASB 15 Revenue from contracts with customers

AASB 15 introduces a five step process for revenue recognition with the core principle being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services. The five step approach is as follows:

- Step 1: Identify the contracts with the customer;
- Step 2: Identify the separate performance obligations;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price; and
- Step 5: Recognise revenue when a performance obligation is satisfied.

AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The effective date is annual reporting periods beginning on or after 1 January 2017.

The changes in revenue recognition requirements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact of AASB 15 has not yet been quantified.

NOTE 3: SEGMENT INFORMATION

The consolidated entity operates in one segment being mobile payments. This is based on the internal reports that are reviewed and used by the Board of Directors (identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources.

The consolidated entity operates predominantly in one geographical region being Australia.

NOTE 4: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

Mint Payments Limited's Audit and Risk Management Committee (Committee) assists the Board of Directors (Board) perform the duties of a risk management committee in identifying and evaluating sources of financial and other risks. The Committee and Board seek to balance the potential adverse effects of financial risks on Mint's financial performance and position with the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various methods available to manage them.

AASB 132 Financial Instruments Presentation and Disclosure requires the disclosure of information to assist users of the financial report in assessing the extent of risks related to financial instruments faced by the Group. These risks include financial risks such as market risks (including currency risk, fair value interest rate risk and commodity price risk), credit risk & liquidity risk. These disclosures are not nor are they intended to be an exhaustive list of risks to which Mint is exposed.

a) Market risk

i) Foreign exchange risk

Mint Payments Limited is based in Australia, its shares are listed on the Australian Securities Exchange and the Consolidated Entity reports its financial performance and position in Australian dollars (A$). The Group operates internationally, with the result being that the Group is to some extent exposed to foreign exchange risk arising from fluctuations predominantly in the British Pounds (GBP), Singapore Dollars (SGD) and unless those exposures are appropriately hedged exchange rate.

As at balance date, the Board's position is to take up forward contracts for all the confirmed orders so as to minimise exposure to adverse foreign exchange fluctuations.

ii) Interest rate risk and fair values

As the Group has certain floating interest rate deposits there is a risk that the economic value of these deposits may fluctuate because of changes in market interest rates. This risk is considered an acceptable by-product of the Group's efforts to manage its cash flow obligations. As at balance date, the fair value of financial assets and liabilities is equivalent to their carrying amount.

NOTE 4: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (continued)

The table below sets out the carrying amount of the financial instruments exposed to interest rate risk (all of which mature within one year):

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Financial Assets		
Cash Assets	3,404,610	9,456,153
Weighted average effective interest rate 1.74% (2014 - 3.38%)		
Financial Liabilities		
Borrowings	6,000,000	5,842,000

The security and expiry for the borrowings facilities are as follows: -

A $2,500,000 working capital facility (2014: $2,500,000 working capital facility) secured through a fixed and floating charge over the assets and undertakings of Mint (Aust) Pty Ltd. In addition, $5,500,000 in working capital facilities (2014: $3,500,000 working capital facility) unsecured is held by Mint (Aust) Pty Ltd. The working capital facilities attract an interest rate equal to the Reserve Bank of Australia cash rate plus 4.5% per annum. Of the total $8,000,000 in working capital facilities, $6,000,000 expire in September 2016 and $2,000,000 expire in September 2017.

b) Capital management policies and procedures

The Group's capital management objectives are:

- To ensure the Group can fund its operations and continue as a going concern
- To provide an adequate return to shareholders

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Group monitors capital on the basis of the carrying amount of equity plus borrowings less cash and cash equivalents as presented on the face of the statement of financial position.

There are no externally imposed capital requirements. There is no covenant on the long term borrowings.

Management effectively manage the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

The gearing ratio for the reporting periods under review is summarised as follows:

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Borrowings	6,000,000	5,842,000
Total debt	6,000,000	5,842,000
Total contributed equity	30,898,320	30,059,035
Debt to equity ratio	**19.4%**	**19.4%**

NOTE 4: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (continued)

c) Credit risk

The Group trades only with recognised, trustworthy third parties and it is the Group's policy to perform credit verification procedures in relation to any customers wishing to trade on credit terms with the Group. The Group's maximum exposure to credit risk arising from potential default of the counter-party is equal to the carrying value of receivables.

d) Liquidity risk

Prudent liquidity management involves the maintenance of sufficient cash, committed credit facilities and access to capital markets. It is the policy of the Board to ensure that the Group is able to meet its financial obligations and maintain the flexibility to pursue attractive investment opportunities through keeping committed credit lines available where possible, ensuring the Group has sufficient working capital.

The group has borrowing facilities of $8,000,000 (2014: $6,000,000) of which $6,000,000 (2014: $5,842,000) was utilised at balance date.

Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets & financial liabilities to interest rate risk, foreign exchange risk & other price risk.

		Interest (AUD)				Foreign Exchange (AUD)			
		- 1% 2015 $		+ 1% 2015 $		- 10% 2015 $		+ 10% 2015 $	
	Carrying Amount	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
Financial Assets									
Cash & cash equivalents	AUD3,135,615	(31,356)	(31,356)	31,356	31,356	n/a	n/a	n/a	n/a
	GBP 1,279	n/a	n/a	n/a	n/a	262	262	(262)	(262)
	NZD 96,840	n/a	n/a	n/a	n/a	8,574	8,574	(8,574)	(8,574)
	USD 133,101	n/a	n/a	n/a	n/a	17,331	17,331	(17,331)	(17,331)
	SGD 7,573	n/a	n/a	n/a	n/a	732	732	(732)	(732)
Accounts receivable		n/a	n/a	n/a	n/a	-	-	-	-
Trade payables	GBP 33,704	n/a	n/a	n/a	n/a	(6,900)	(6,900)	6,900	6,900
	SGD 41,577	n/a	n/a	n/a	n/a	(4,021)	(4,021)	4,021	4,021
Borrowings	AUD 6,000,000	60,000	60,000	(60,000)	(60,000)	n/a	n/a	n/a	n/a

NOTE 5: CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

In preparing this Financial Report the Group has made certain estimates and assumptions concerning future occurrences. There is an inherent risk that the resulting accounting estimates will not equate exactly with actual events and results.

a) Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Capitalisation of IT development expenditure

The Group capitalised IT development expenditure on the basis either that this is expected to be recouped through future successful exploitation of the associated technology or through subsequent sale of the asset.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS (continued)

Deferred tax assets

The Group has carried forward tax losses which have not been recognised as deferred tax assets as it is not yet considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions.

b) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of IT development expenditure

The future recoverability of capitalised IT development expenditure is dependent on a number of factors, including whether the Group decides to continue to exploit the related technology itself or, if not, whether it successfully recovers the related asset through sale. Factors that could impact the future recoverability include the level of market demand, future technological changes, costs of commercialisation, input costs, future legal changes and changes to the pricing structure for credit card payment gateways.

As at 30 June 2015, the carrying value of capitalised IT development is $509,785 after an impairment charge of $Nil for the current year.

NOTE 6: LOSS	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
Loss before income tax has been determined after the following specific expenses:		
Depreciation and amortisation of non-current assets		
Plant and equipment	84,033	49,727
IT Development	188,424	469,470
	272,457	**519,197**
R&D expenses	3,129,256	1,697,902
Loss on impairment of IT development costs	-	829,807
Other expenses		
Movement in stock obsolescence provision	11,568	32,509
Movement in make good provision	-	87,600

NOTE 7: REVENUE	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
Revenues		
Sales Revenue		
Revenue from sale of goods	1,617,502	304,579
Revenue from services	674,491	1,000,692
	2,291,993	**1,305,271**
Other Income		
R&D grant income	1,455,843	764,056
Interest	103,606	83,139
Total revenue	**3,851,442**	**2,152,465**

NOTE 8: INCOME TAX

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
(a) The components of tax (expense)/ credit:		
Current tax	-	-
Total Income tax (expense)/ credit	-	-
(b) The prima facie tax on loss before income tax is reconciled to the income tax as follows:		
Loss before income tax	**(7,230,033)**	**(6,361,958)**
At the statutory income tax rate of 30% (2014: 30%)	(2,169,010)	(1,908,587)
Non-deductible expenses	1,290,249	1,425,353
Non-assessable (income)/expenses	(752,715)	(229,217)
Change in unrecognised temporary differences	(105,519)	429,691
Tax rate differential on foreign income	60,536	158,687
Tax losses not recognised during current period	1,676,459	124,073
Income tax (expense) / credit	**-**	**-**

The Group has not recognised net deferred tax assets of $6,314,690 (2014: $5,404,668) at reporting date as it is not probable that the losses will be recouped in the short to medium term.

NOTE 9: RECEIVABLES

	Note	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Trade receivables		242,613	97,627
Allowance for doubtful debts		-	-
Net trade receivables	(i)	242,613	97,627
Other receivables		119,378	344,262
Prepayments and other assets		463,523	85,637
R&D receivable		1,495,043	1,144,929
		2,320,557	**1,672,455**

(i) Impaired receivables: as at 30 June 2015 current trade receivables of the group with a nominal value of $Nil (2014: $Nil) were impaired. The amount of the allowance for doubtful debt was $Nil (2014: $Nil).

0-3 months		-	-
3-6 months		-	-
Over 6 months		-	-
Allowance for doubtful debts		**-**	**-**
a) Movements in the provision for impairment of receivables.			
At 1 July		**-**	-
Provision for impairment recognised during the year		-	-
At 30 June	(ii)	**-**	**-**

NOTE 9: RECEIVABLES (continued)	Note	Consolidated Entity 2015 $	Consolidated Entity 2014 $
b) Receivables not impaired			
0-3 months		236,118	86,260
3-6 months		4,800	10,544
over 6 months		1,695	823
Net trade receivables	(iii)	**242,613**	**97,627**

(ii) The creation and release of the provision for impaired receivables has been included in 'other expenses' in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

(iii) As of 30 June 2015, trade receivables of $242,613 (2014: $97,627) were due but not impaired.

NOTE 10: INVENTORIES	Consolidated Entity 2015 $	Consolidated Entity 2014 $
CURRENT		
Finished goods		
- at cost	441,769	419,407
- provision for obsolescence	(26,142)	(248,725)
Total inventories	**415,627**	**170,682**

NOTE 11: OTHER FINANCIAL ASSETS	Note	Consolidated Entity 2015 $	Consolidated Entity 2014 $
CURRENT			
Security Deposits	(i)	461,438	6,442
		461,438	**6,442**
NON-CURRENT			
Security Deposits	(i)	-	72,728
		-	**72,728**

(i) Security deposits in relation to the Group's obligations for its Sydney Offices of $79,118 and as security for an indemnity for losses that may arise under a customer contract of $382,320.

a) Wholly–owned Group

Details of interests in wholly-owned controlled entities are set out at part (b) of this note. Details of dealings with controlled entities are as follows:

Inter-Company accounts
Mint Payments Limited provides working capital to its controlled entities. Transactions between Mint Payments Limited and other controlled entities in the wholly-owned Group during the year ended 30 June 2015 consisted of:
(i) Working capital advanced by Mint Payments Limited;
(ii) Provision of services by Mint Payments Limited; and
(iii) Expenses paid by Mint Payments Limited on behalf of its controlled entities.

The above transactions were made interest free with no fixed terms for repayment.

NOTE 11: OTHER FINANCIAL ASSETS (continued)

b) Investments in Controlled Entities

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2015 %	Equity Holding 2014 %
Controlled Entities				
Mint (Aust) Pty Limited	Australia	Ordinary	100	100
Mobile Content Management Pty Limited	Australia	Ordinary	100	100
Mint Wireless International UK Limited	United Kingdom	Ordinary	100	100
Mint Wireless International Limited	Hong Kong	Ordinary	100	100
Mint Payments Asia Pte. Ltd.	Singapore	Ordinary	100	100

c) Ultimate Parent Company

The ultimate parent company in the wholly-owned Group is Mint Payments Limited, a Company incorporated in Australia.

NOTE 12: PLANT AND EQUIPMENT	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
Plant & equipment		
At cost	569,427	476,931
Accumulated depreciation	(331,572)	(262,688)
	237,855	**214,243**
Plant and equipment		
Carrying amount at beginning	214,243	131,865
Additions	108,858	132,105
Disposals	(1,214)	-
Depreciation expense	(84,032)	(49,727)
	237,855	**214,243**

NOTE 13: IT DEVELOPMENT	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
IT Development	2,420,132	3,249,987
Accumulated amortisation change	(1,910,347)	(1,771,698)
Accumulated impairment loss	-	(829,807)
Net carrying amount	**509,785**	**648,482**
Year ended 30 June 2015		
Opening net book amount	648,482	1,186,385
Additions	97,824	1,142,247
R&D Tax Incentive received in respect of expenditure capitalised	(39,199)	(380,873)
Disposals	(8,898)	-
Amortisation charge	(188,424)	(469,470)
Loss on impairment	-	(829,807)
Closing net book value	**509,785**	**648,482**

NOTE 13: IT DEVELOPMENT (continued)

a) Impairment tests for IT development

The recoverable amount of the IT Development is determined based on value-in-use calculations. These calculations utilised cash flow projections for five years based on the FY2016 budget and a detailed five year plan which has been risk adjusted, reviewed and approved by management.

On this basis, the Group determined that the recoverable amount of IT Development of $509,785 (2014: $648,482) exceeded its carrying value and no impairment charge was required in this financial year (2014: $829,807).

The value-in-use calculations are sensitive to discount rates, revenue and cash flow forecasts. The Group has performed detailed sensitivity analysis as part of its impairment testing to ensure that the results of its testing are reasonable.

The Group's new mobile payments (EMV compliant Chip & PIN, bank grade, iOS and Android) platform is newly developed and was only launched at the beginning of the financial year ended 30 June 2014. Therefore there is little historical basis for the forecasts in relation to sales therefore there is more uncertainty with the forecasts used in the impairment models.

b) Key assumptions used for value-in-use calculations

Revenue projections are based on sales for the year ended 30 June 2015 and revenue projections based on the key drivers in the current business. Expenses are based on detailed knowledge of the business, historic activity, and detailed plans for the year ending 30 June 2016. These have been extrapolated in future years based on knowledge and assumptions around the growth in revenue and the level of expense required to support this.

Overhead expenses for the 2016 year have been projected in line with the current business structures and future growth expectations.

The discount rate applied to cash flow projections is 11.50% post-tax. Discount rate applied reflects management's estimate of the time value of money and the consolidated entities weighted average cost of capital, the risk free rate and the volatility of the share price relative to market movements.

There is no terminal value used in the value-in-use calculation due to the nature of the IT development asset.

c) Sensitivity

The directors have made judgements and estimates in respect of impairment testing of IT Development. Should these judgements and estimates not occur, the resulting IT Development may vary in carrying value.

The points noted below are sensitivities of these estimates:

- Revenue would need to decrease by more than 50% over the five year period before IT Development would need to be impaired, with all other assumptions remaining constant.
- The discount rate would be required to increase by more than 50% before IT development would need to be impaired, with all other assumptions remaining constant.

Management believes that any reasonable change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

NOTE 14: PAYABLES	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
CURRENT		
Trade payables	1,106,911	404,093
Other payables, accruals and income in advance	998,441	1,076,725
	2,105,352	**1,480,818**

NOTE 15: PROVISIONS

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
CURRENT		
Employee benefits	323,994	216,968
Make good provision	87,600	-
	411,594	**216,968**
NON-CURRENT		
Employee benefits	37,949	23,095
Make good provision	-	87,600
	37,949	**110,695**
	449,543	**327,663**
Movements in provisions for employee benefit		
Carrying amount at the beginning of the year	240,063	176,456
Additional provision recognised	421,517	260,162
Utilised during the year	(299,637)	(195,555)
Carrying amount at the end of the year	**361,943**	**240,063**

NOTE 16: CONTRIBUTED EQUITY

	2015 No.	2014 No.
a) Issued and paid up capital		
Ordinary Shares	**473,260,552**	**450,872,395**

b) Movements in shares on issue

	Date	No. of Shares	$
Beginning of the financial year	**1-Jul-14**	**450,872,395**	**30,059,035**
Conversion of options to fully paid ordinary shares	07-Aug-14	10,000,000	360,000
Conversion of options to fully paid ordinary shares	07-Aug-14	9,500,000	342,000
Issue of fully paid ordinary shares	22-Dec-14	263,157	50,000
Conversion of options to fully paid ordinary shares	27-Feb-15	1,625,000	58,500
Conversion of options to fully paid ordinary shares	30-Jun-15	1,000,000	36,000
Share issue costs			(7,215)
Closing Balance	**30-Jun-15**	**473,260,552**	**30,898,320**

Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll every holder is entitled to one vote per share held. Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the Company does not have authorised capital, nor par value in respect of its issued shares.

NOTE 17: RESERVES AND ACCUMULATED LOSSES	Consolidated Entity 2015 $	Consolidated Entity 2014 $
a) Share based payment reserve		
Balance at the beginning of year	1,723,658	173,442
Movement during the year	593,933	1,550,216
Balance at end of year	**2,317,591**	**1,723,658**
b) Foreign exchange reserve		
Balance at the beginning of year	25,941	(32,837)
Movement during the year	1,088	58,778
Balance at end of year	**27,029**	**25,941**
	2,344,620	**1,749,599**
c) Accumulated Losses		
Balance at the beginning of year	(27,217,930)	(20,855,972)
Net loss for the year	(7,230,033)	(6,361,958)
Balance at end of year	**(34,447,963)**	**(27,217,930)**

NOTE 18: OPTIONS

As at balance date, the Company had the following class of options on issue:

Description	Number	Exercise Price (cents)	Expiry
Unlisted options	5,000,000	3.6	31/07/2015
Unlisted options	2,500,000	7.5	31/07/2016
Unlisted options	1,500,000	45.0	31/07/2015
Unlisted options	2,500,000	45.0	31/07/2016
Unlisted options	1,000,000	60.0	31/07/2016
Unlisted options	7,000,000	7.5	30/09/2016
Total	**19,500,000**		

Options carry no dividend or voting rights. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company’s existing fully paid ordinary shares.

Mint Payments Limited Employee Share Option Plan
Each option granted under the Mint Payments Limited Employee Option Plan entitles the employee to acquire one ordinary share of Mint Payments Limited. There are no voting or dividend rights attaching to the options until they are exercised by the employee, at which point ordinary shares which rank equally with all other Mint shares are issued and quoted on the ASX. The options cannot be transferred and will not be quoted on the ASX.

All options expire on the earlier of their expiry date or termination of the individual's employment.

Share based payments
During or since the end of the financial year, 25,500,000 ordinary shares have been issued as result of exercise of options granted under the Mint Payments Limited Employee Option Plan and 263,157 ordinary shares have been issued under the Mint Payments Limited Employee Share Plan.

NOTE 18: OPTIONS (continued)

	Weighted Average Exercise Price 2015 Cents	No. of Options 2015	Weighted Average Exercise Price 2014 Cents	No. of Options 2014
Outstanding at the beginning of the year	17.6	56,125,000	4.0	35,500,000
Forfeited during the year		(14,500,000)		(10,000,000)
Expired during the year		-		(1,000,000)
Exercised during the year		(22,125,000)		(10,750,000)
Granted during the year		-		42,375,000
Outstanding at the end of the year	**16.9**	**19,500,000**	**17.6**	**56,125,000**
Exercisable at the end of the year	**11.6**	**9,000,000**	**3.6**	**18,625,000**

The options outstanding at 30 June 2015 have a weight averaged exercise price of 16.9 cents and a weighted average contractual life of 0.8 years.

NOTE 19: KEY MANAGEMENT PERSONNEL DISCLOSURES

The Directors of Mint Payments Limited during the year were:

- **Terry Cuthbertson,** Non-Executive Chairman (effective 20 October 2014, previously Non-Executive Director)
- **William Bartee,** Non-Executive Director (appointed on 23 December 2014)
- **Anne Weatherston,** Non-Executive Director (appointed on 08 September 2014)
- **Peter Wright,** Non-Executive Director (appointed on 15 December 2014)
- **Alex Teoh,** Chief Executive Officer and Managing Director (effective 20 October 2014, previously Executive Chairman and Managing Director)
- **Andrew Teoh,** Executive Director

Other Key Management Personnel in office at any time during the financial year were as follows:

- **David Owyong,** Chief Financial Officer and Company Secretary
- **Bjorn Behrendt,** Chief Marketing Officer (effective 20 December 2014, previously General Manager)
- **Frederick Yip,** Chief Technology Officer
- **Robin Khuda,** Chief Executive Officer (ceased employment on 17 October 2014)
- **Justus Hammer,** Chief Marketing Officer (ceased employment on 19 December 2014)

Other than the above personnel, no other persons had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly during the current financial year.

The details of the remuneration of Directors and Key Management Personnel are disclosed in the Remuneration Report section of the Directors' Report.

a) Loans to Key Management Personnel

There were no loans made to Directors of Mint Payments Limited or other Key Management Personnel of the Group (or their personally related entities) during the current year.

b) Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Short-term employee benefits	1,488,978	982,959
Post-employment benefits	132,651	80,059
Share-based payments	238,982	617,039
	1,860,611	**1,680,057**

NOTE 19: KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

c) Other transactions with Key Management Personnel

Mint (Aust) Pty Ltd. has a $2,000,000 unsecured working capital facility (2014: $Nil) with TAAJ Corporation Pty Ltd, an entity associated with Alex Teoh and Andrew Teoh. The working capital facility attracts an interest rate equal to the Reserve Bank of Australia cash rate plus 4.5% per annum and is due to expire in September 2017.

NOTE 20: AUDITORS REMUNERATION

During the year, the following fees were paid or payable for services provided by the auditor of the Parent Entity, its related practices and non-related audit firms:

	Consolidated Entity 2015 $	**Consolidated Entity 2014 $**
Amounts received or due and receivable by **Pitcher Partners for:**		
(i) Audit and other assurance services		
An audit or review of the financial report of the entity and any other entity in the consolidated entity	47,000	47,000
Total remuneration for audit and other assurance services	**47,000**	**47,000**
(ii) Other non-audit services		
Taxation services	-	-
Total remuneration for non-audit services	**-**	**-**
Total remuneration of Pitcher Partners	**47,000**	**47,000**

NOTE 21: RECONCILIATION OF LOSS AFTER INCOME TAX TO THE NET CASH USED IN OPERATIONS	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
Net loss after income tax	**(7,230,033)**	**(6,361,958)**
Non-cash items		
Depreciation	84,033	49,727
Amortisation of IT development	188,424	469,470
Interest expenses accrued but not paid	24,091	58,236
Provision for obsolescence	11,568	32,509
Provision for make good	-	87,600
Share options expense	643,933	1,371,841
Impairment loss on intangibles	-	829,807
Foreign exchange gain	(148,995)	(6,987)
	(6,426,979)	**(3,469,755)**
Changes in assets and liabilities		
(Increase)/decrease in trade & other receivables	(652,536)	(586,262)
(Increase)/decrease in inventory	(22,362)	(170,260)
(Increase)/decrease in prepayments & other assets	4,434	26,887
(Decrease)/increase in trade & other payables	648,625	619,410
(Decrease)/increase in provisions	121,880	63,607
	100,041	**(46,618)**
Net cash used in operating activities	**(6,326,938)**	**(3,516,373)**

NOTE 22: EARNINGS PER SHARE	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
The following reflects the income and share data used in the calculation of basic and diluted earnings per share:		
Net loss attributed to equity shareholders	(7,230,033)	(6,361,958)
Earnings used in calculating basic and diluted earnings per share	**(7,230,033)**	**(6,361,958)**
	2015 No of shares	**2014 No of shares**
Weighted average number of ordinary shares used in calculating basic earnings per share	469,088,184	401,843,217
Effect of dilutive securities:		
Share options	5,538,178	30,372,216
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	**474,626,362**	**432,215,433**
Basic earning per share to equity holders	(1.54)	(1.58)
Diluted earning per share to equity holders	(1.52)	(1.47)

NOTE 23: SUBSEQUENT EVENTS

On 21 July 2015 the Company announced that it signed an agreement with eWAY, a leading online payment provider, whereby eWAY will licence Mint's "card present" capability to distribute their own mobile point of sale (mPOS) solution to eWAY's 20,000+ merchants. Mint's partnership with eWAY will provide an omni-channel payments solution across markets in Australia, New Zealand, Singapore, Hong Kong and Malaysia.

Also on 21 July 2015 the Company announced that it had completed a placement to a strategic investor, Vix Investments Limited (as manager for Utilico Investments Limited LON: UIL). The placement was made pursuant to s708 (11) of the *Corporations Act 2001*, to raise $4,000,000 (65,573,770 shares). Vix Investments Limited is a global Fintech investor specialising in the payments sector. Other current and recent Vix portfolio investments in the payments sector locally include the recently ASX listed Touchcorp (ASX: TCH), on-line identity verification experts Vix Verify, mobile recharge and payments provider Fusion Payments, international student payments specialist Cohort Solutions, virtual card payments processor Optal, and transport ticketing/payments solutions provider Vix Technology.

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

NOTE 24: COMMITMENTS AND CONTINGENCIES	**Consolidated Entity 2015 $**	**Consolidated Entity 2014 $**
Lease expenditure commitments		
(a) Operating leases (non-cancellable):		
Minimum lease payments (i)		
- Not later than one year	64,172	126,563
- Later than one year and not later than five years	9,706	65,001
- Later than five years	-	-
- Aggregate lease expenditure contracted for at reporting date	**73,878**	**191,564**

(i) Relates predominately to the Sydney office lease for 5 years from December 2010 until November 2015.

NOTE 25: RELATED PARTY TRANSACTIONS

There have been no transactions with related parties during the year ended 30 June 2015 other than as disclosed elsewhere in the financial report.

NOTE 26: PARENT ENTITY DETAILS

Summarised presentation of the parent entity, Mint Payments Limited, financial statements:

		Parent Entity 2015 $	Parent Entity 2014 $
a)	**Summarised statement of financial position**		
	Assets		
	Current assets	4,980,757	10,605,736
	Non-current assets	19,429,097	12,257,925
	Total assets	**24,409,854**	**22,863,661**
	Liabilities		
	Current liabilities	1,077,120	433,497
	Non-current liabilities	87,600	87,600
	Total liabilities	**1,164,720**	**521,097**
	Net assets	**23,245,134**	**22,342,564**
	Equity		
	Share capital	30,898,321	30,059,037
	Reserves	2,255,149	1,661,215
	Accumulated losses	(9,908,336)	(9,377,688)
	Total equity	**23,245,134**	**22,342,564**
b)	**Summarised statement of comprehensive income**		
	Loss for the year	(530,647)	(1,825,229)
	Other comprehensive income for the year	-	-
	Total comprehensive loss for the year	**(530,647)**	**(1,825,229)**

c) **Parent entity guarantees**
The parent entity has not given any guarantee or indemnity in respect of the debt facilities of the controlled entities.

d) **Parent entity contingent liabilities**
The parent entity did not have any contingent liabilities as at 30 Jun 2015 (2014: $Nil).

e) **Parent entity contractual commitments**
As at 30 Jun 2015, the parent entity did not have any contractual commitments for the acquisition of the property, plant and equipment.

1) Mint Payments Limited is a listed public Company, incorporated and operating in Australia.

Registered Office	**Principal place of business**
Level 4, 450 Victoria Road	Level 4, 450 Victoria Road
GLADESVILLE	GLADESVILLE
NSW 2111	NSW 2111
Australia	Australia

2) The entity has a formally constituted audit committee.

In the Directors' opinion:

(a) the financial statements, notes and the additional disclosures included in the Directors' Report designated as audited, of the Company and of the Consolidated Entity are in accordance with the Corporations Act 2001, including:

 (i) giving a true and fair view of Consolidated Entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

 (ii) compliance with Accounting Standards and Corporations Regulations 2001; and

 (iii) compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board; and

(b) 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 s.295A of the *Corporations Act 2001* for the financial year ended 30 June 2015.

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

……………………………………………….

ALEX TEOH
Chief Executive Officer/ Managing Director

Sydney, New South Wales
3rd August 2015

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MINT PAYMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINT PAYMENTS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Mint Payments Limited and controlled entities, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, 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 year's end or from time to time during the financial year.

Directors' Responsibility 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 Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

PITCHER PARTNERS

MINT PAYMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINT PAYMENTS LIMITED

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Opinion

In our opinion:

(a) the financial report of Mint Payments Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

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

(b) the consolidated financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. 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.

Opinion

In our opinion, the Remuneration Report of Mint Payments Limited and controlled entities for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

R M SHANLEY | PITCHER PARTNERS

Partner | Sydney

Date: 3 August 2015

Additional information required by the Australian Stock Exchange Listing Rules and not disclosed elsewhere in this report is set out below:

A) Number of Security Holders and Securities on Issue

Mint has issued 473,260,552 fully paid ordinary shares, of which 473,260,552 are quoted on the ASX and are held by 1,808 shareholders.

B) Voting Rights

The voting rights attached to ordinary shares are that on the show of hands, every member present, in person or proxy has one vote and upon a poll, each share shall have one vote.

C) Distribution of Security Holders

Quoted ordinary fully paid ordinary shares.

Holding	Number of Shareholders	Number of Shares	%
1-1,000	49	4,440	0.00
1,001-5,000	294	894,907	0.19
5,001-10,000	292	2,497,903	0.53
10,001-100,000	848	33,136,833	7.00
100,001 and over	325	436,726,469	92.28
Total	**1,808**	**473,260,552**	**100.00**

D) Unmarketable Parcels of Shares

The number of shareholders holding less than a marketable parcel of ordinary shares of $0.055 (on 30 June 2015) is 482 and they hold 1,876,372 securities.

E) Substantial Shareholders

The number of securities held by the substantial shareholders and their associates are set out below:

Ordinary Fully Paid Shares

Name	Number of Shares	%
TAAJ CORPORATION PTY LTD	82,760,182	17.49
NATIONAL NOMINEES LIMITED	37,880,146	8.00
ROADHOUND ELECTRONICS PTY LTD	30,913,587	6.53
DOBRANI PTY LTD	28,043,025	5.93

F) On-Market- Buy-Back

There is no current on-market buy-back.

G) Statement Regarding Use of Cash and Assets

Mint has used its cash and assets readily convertible to cash that it had at the time of ASX admission in a way consistent with its business objective.

H) Twenty Largest Shareholders

Details of the 20 largest shareholders by registered shareholding are:

Name	Number of Shares	%
TAAJ CORPORATION PTY LTD	82,760,182	17.49
NATIONAL NOMINEES LIMITED	37,880,146	8.00
ROADHOUND ELECTRONICS PTY LTD	30,913,587	6.53
DOBRANI PTY LTD	28,043,025	5.93
J P MORGAN NOMINEES AUSTRALIA LIMITED	19,759,465	4.18
SUN HUNG KAI INVESTMENT SERVICES LTD	17,394,308	3.68
CITICORP NOMINEES PTY LIMITED	14,687,444	3.10
BNP PARIBAS NOMS PTY LTD	11,379,078	2.40
CITICORP NOMINEES PTY LIMITED	11,294,891	2.39
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,766,019	1.85
TRANDARA PTY LTD	7,130,481	1.51
EML INVESTMENTS PTY LIMITED	5,600,000	1.18
UOB KAY HIAN PRIVATE LIMITED	4,623,882	0.98
MR LESLIE KROLL	4,489,000	0.95
GENERAL & PRIVATE FUNDS MANAGEMENT PTY LTD	4,300,000	0.91
AUST EXECUTOR TRUSTEES LTD	4,000,001	0.85
KORE MANAGEMENT SERVICES PTY LTD	4,000,000	0.85
MR NEIL MITCHELL-CLARK & MRS FIONA MITCHELL-CLARK	3,900,000	0.82
FUBUS PTY LTD	3,200,000	0.68
MS SANDRA PUI YEE AU	2,823,448	0.60
Total	**306,944,957**	**64.88**

The Board of Directors (**Board**) is responsible for the corporate governance of Mint Payments Limited (**Company**). The Board guides and monitors the business and affairs of the Company on behalf of the security holders by whom it is elected and to whom it is accountable.

In accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations: 3rd Edition (**the Principles**), the Company's Corporate Governance Statement must contain specific information and also report on the Company's adoption of the Council's best practice recommendations, whereby disclosure is required of any recommendations that have not been adopted by the Company. The Company's corporate governance principles and policies are therefore structured with reference to the Principles, which are as follows:

1: Lay solid foundations for management and oversight
2: Structure the board to add value
3: Act ethically and responsibly
4: Safeguard integrity in corporate reporting
5: Make timely and balanced disclosure
6: Respect the rights of security holders
7: Recognise and manage risk.
8: Remunerate fairly and responsibly.

A number of the Recommendations under the Principles recommend that certain governance documents should be made publicly available, ideally by posting such information on the Company's website. All corporate governance principles and policies regarding the Company as required by the Principles are set out in this Corporate Governance Statement.

Principle 1: Lay Solid Foundations for management and oversight

Recommendation 1.1: A listed entity should disclose: (a) the respective roles and responsibilities of its Board and management; and (b) those matters expressly reserved to the Board and those delegated to management.

The Board is committed to maximising Company and management performance, thereby generating appropriate levels of security holder value and financial return. The Board, therefore, ensures that the Company is properly managed to protect and enhance security holder interests and that the Company, its directors, officers and employees operate in an appropriate environment of corporate governance.

The Board is responsible for, inter alia, development of strategy, oversight of business and Company management, risk management and compliance systems and monitoring performance. The Board has established certain policies and protocols in relation to the Company's operations, some of which are summarised in this Corporate Governance Statement.

For further details regarding the respective roles and responsibilities of the Board and management, please refer to the Board Charter as contained in **Annexure 1** to this Corporate Governance Statement.

Recommendation 1.2: A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The Board, through its Remuneration and Nomination Committee, is responsible for the selection, appointment and induction of directors. It assesses the appropriate mix of skills and experience required and obtains information and assistance from management and external advisers when appropriate. Nominees are assessed against their background, professional skills and experience, personal attributes and availability to commit to Board activities. All Board candidates must then stand for election at the next general meeting of security holders, where all material information is provided to security holders regarding a decision on whether or not to elect or re-elect a director.

Recommendation 1.3: A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

The Company maintains written agreements with each director and senior executive. The written agreements outline all relevant roles and obligations. Further, directors and senior executives are provided with all other information they may require to fulfil their obligations and duties.

Recommendation 1.4: The Company Secretary of a listed entity should be accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

The Company Secretary is accountable to the Board, through the Chairman, and is responsible for the following:

- Advising the Board and its Committees on governance matters;
- Monitoring that Board and Committee policies and procedures are followed;
- Coordinating the timely completion and despatch of Board and Committee papers;
- Ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and
- Helping to organise and facilitate the induction and professional development of directors.

Recommendation 1.5: A listed entity should: (a) have a diversity policy which includes requirements for the Board or relevant Committee of the Board to set measureable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the Board or the relevant Committee of the Board in accordance with the entity's diversity policy and its progress towards achieving them, and either: (1) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined and published under the Act.

The Company has a commitment to diversity and seeks to promote an inclusive culture where people are encouraged to succeed to the best of their ability. The Company's commitment to diversity means that it works to ensure that it has an environment supportive of equal opportunity and with equal access to career development, remuneration and benefits through the implementation of practices, procedures and policies which support, among other matters, diversity. The Company believes that diversity is about recognising and valuing the contribution of people from different backgrounds, with different perspectives and experiences. Diversity includes but is not limited to gender, age, disability, ethnicity, religion and cultural background.

The Company's workforce is split female 25% and male 75%. Since the last reporting period, the Company has appointed 1 female senior executive and 1 female non-executive director. The Company operates in Australia and Singapore, and, to date, diversity initiatives have been focused at the local level, having regard to the legislative requirements of those countries.

For the purposes of this statement, "Senior Executive" is defined as an employee that forms part of the Company's management team, as listed on the Company's website.

The Company's diversity policy provides that the Company will:

- use recruitment and selection processes and the performance management system to draw on the diverse backgrounds and skills of staff and to develop these qualities in the workplace;
- ensure that when employment decisions are made, they are based on merit, not on irrelevant attributes or characteristics that an individual may possess;
- comply with anti-discrimination legislation to prevent and eliminate any employment related disadvantage;
- promote workplace diversity and remain proactive in eliminating all forms of harassment and bullying in the workplace;
- develop and maintain workplace practices that provide flexibility for employees in relation to balancing their work and personal lifestyle commitments; and
- create a work environment which promotes good working relationships.

Recommendation 1.6: A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the Board, its Committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The performance of the Board, its Committees and individual directors is reviewed regularly, and has taken place during this reporting period. The process is to include the assessment of all of the Board's key areas of responsibility. The Board's contribution as a whole is reviewed and areas where improvement can be made are noted. The performance evaluation process is as follows:

- each director will periodically evaluate the effectiveness of the Board and its committees and submit observations to the Chairman;
- the Chairman of the Board will make a presentation incorporating his assessment of such observations to enable the Board to assess, and if necessary, take action;
- the Board will agree on development and actions required to improve performance;
- outcomes and actions will be minuted; and
- the Chairman will assess during the year the progress of the actions to be achieved.

This process aims to ensure that individual directors and the Board as a whole contribute effectively in achieving the duties and responsibilities of the Board.

Recommendation 1.7: A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Company has established a Remuneration and Nomination Committee where the performance of its senior executives is discussed and resolved at Board meetings. A performance evaluation was undertaken during this reporting period as part of the Company's annual review process.

Principle 2: Structure the board to add value

Recommendation 2.1: The Board of a listed entity should: (a) have a Nomination Committee which: (1) has at least 3 members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the Charter of the Committee; (4) the members of the Committee; and (5) as at the end of each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a Nomination Committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The Company has established a Remuneration and Nomination Committee where remuneration and nomination issues are discussed and resolved at Board meetings and accordingly, the Board is responsible for determining and reviewing the remuneration and nomination of directors and senior executives. This process requires consideration of the levels and form of remuneration appropriate to securing, motivating and retaining directors and senior executives with the skills to manage the Company's operations.

The Remuneration and Nomination Committee consists of the following members, the majority of whom are independent directors and is chaired by an independent director:
Chairperson: Peter Wright
Other Members: Anne Weatherston, William Bartee and Alex Teoh

The number of times the Remuneration and Nomination Committee met throughout the period and the individual attendances of the members at those meetings are detailed in the Directors' Report section of the Annual Report

Please refer to the Remuneration and Nomination Committee Charter as contained in **Annexure 2** to this Corporate Governance Statement.

Recommendation 2.2: A listed entity should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

Information relating to the directors of the Company, including whether they are independent, their experience, skills and periods of office is detailed in the Directors' Report section of the Annual Report or in ASX announcements if directors were appointed after the completion of the Annual Report.

Recommendation 2.3: A listed entity should disclose: (a) the names of the directors considered by the Board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation why the Board is of that opinion; and (c) the length of service of each director.

The majority of the Company's Board consists of independent directors. At the date of this statement, the Board comprises of 4 non-executive directors: Terry Cuthbertson, Anne Weatherston, Peter Wright and William Bartee. The Board is of the view that the current ratio of executive to non-executive directors provides a sufficient mix of independence.

Information relating to the directors of the Company, including whether they are independent, their experience, skills and periods of office is detailed in the Directors' Report section of the Annual Report or in ASX announcements if directors were appointed after the completion of the Annual Report.

Recommendation 2.4: A majority of the Board of a listed entity should be independent.

Please refer to 2.3, above.

Recommendation 2.5: The Chairman of the Board of a listed entity should be an independent director, and in particular, should not be the same person as the CEO of the entity.

The Chairman of the Board, Terry Cuthbertson, is an independent, non-executive director.

Recommendation 2.6: A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

The Company has established an induction program for new directors and the Company Secretary is responsible for overseeing directors' ongoing professional development.

Principle 3: Act ethically and responsibly

Recommendation 3.1: A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.

The Board has adopted a Code of Conduct & Ethics that provides a framework in which the Company and its representatives conduct their business and activities in a fiscally efficient and socially responsible manner whilst seeking to maximise security holder returns. The Code of Conduct & Ethics also outlines how the Company expects directors, management and employees to behave and conduct business in a range of circumstances. In particular, the Code of Conduct & Ethics requires awareness of, and compliance with laws and regulations relevant to the Company's operations.

The Code of Conduct & Ethics can be viewed on the Company's website: http://www.mintpayments.com/code-of-conduct-ethics/

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1: The Board of a listed entity should: (a) have an Audit committee which (1) has at least 3 members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the Chairman of the Board, and disclose (3) the charter of the Audit Committee; (4) the relevant qualifications and experience of the members of the Audit Committee; and (5) in relation to each reporting period, the number of times the Audit Committee met throughout the period and individual attendances of the members at those meetings; or (b) if it does not have an Audit Committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Company has established an Audit and Risk Management Committee which meets on a regular basis.

Through the Audit and Risk Management Committee, the Board has maintains an internal control framework to examine the effectiveness and efficiency of the management of the Company and significant business processes such as the safeguarding of assets, the maintenance of proper accounting records and the integrity of financial information, the implementation of quality assurance practices and procedures and ensuring compliance with environmental regulations.

The Audit and Risk Management Committee consists of the following members, all of which are independent directors and is chaired by an independent director:
Chairperson: Anne Weatherston
Other members: Peter Wright and Terry Cuthbertson

The number of times the Audit and Risk Management Committee met throughout the period and the individual attendances of the members at those meetings are detailed in the Directors' Report section of the Annual Report

Please refer to the Audit and Risk Management Committee Charter as contained in **Annexure 3** to this Corporate Governance Statement.

Recommendation 4.2: The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the relevant accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Both the Chief Executive Officer and the Chief Financial Officer have provided declarations in accordance with Section 295A of the Corporations Act. Each of the directors have reviewed the Financial Reports and the Chairman on behalf of the Board has declared that the Financial Reports are founded on a sound system of risk management, internal compliance and control which implements the policies adopted by the Board. The Chairman has also declared that the Company's risk management, internal compliance and control system is operating efficiently and effectively in all material respects.

Recommendation 4.3: A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

The Company's external auditor, Pitcher Partners, attends the Company's AGM and is available to answer questions from security holders relevant to the audit.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1: A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.

The Board and senior executives are aware of the continuous disclosure requirements of the ASX and the Company has written policies and procedures in place to disclose any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities. Furthermore, the directors and senior executives of the Company acknowledge that they each have an obligation to immediately identify and immediately disclose information that may be regarded as material to the price or value of the Company's securities.

The directors are authorised to make statements and representations on the Company's behalf. The Company Secretary is responsible for overseeing and coordinating the disclosure of information to the ASX, analysts, stockbrokers, security holders, the media and the public.

The directors of the Company ensure that the Company Secretary is aware of all information to be presented at briefings with analysts, stockbrokers, security holders, the media and the public. Prior to being presented, information that has not already been the subject of disclosure to the market and is not generally available to the market is the subject of disclosure to the ASX. Only when confirmation of receipt of the disclosure and release to the market by the ASX is received may the information be presented.

If information that would otherwise be disclosed comprises of matters of supposition or is insufficiently definite to warrant disclosure, or if the effect of a disclosure on the value or price of the Company's securities is unknown, the Company may request that the ASX grant a trading halt or suspend the Company's securities from quotation. Management of the Company may consult the Company's external professional advisers and the ASX in relation to whether a trading halt or suspension is required.

Principle 6: Respect the rights of the security holders

Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website.

The Company has implemented a Communications Policy to ensure that investors are informed of relevant major developments affecting the affairs of the Company. Such information is communicated via the Company's website, the annual and half year reports, disclosures made to the ASX, notices of meetings and occasional letters to investors where appropriate. All investors are invited to contact the Company Secretary regarding any queries they may have.
The Communications Policy can be viewed on the Company's website: http://www.mintpayments.com/shareholder-communications-policy/

Recommendation 6.2: A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

Please refer to 6.1, above.

Recommendation 6.3: A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

Security holders are encouraged by the Board to participate in the Annual General Meeting so as to promote transparency and accountability. For further details, please see the Communications Policy which can be viewed on the Company's website: http://www.mintpayments.com/shareholder-communications-policy/

Recommendation 6.4: A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Security holders are given the option to receive communications from, and send communications to, the Company and its security registry Link Market Services, electronically.

Principle 7: Recognise and manage risk

Recommendation 7.1: The Board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least 3 members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

The Company's Board is responsible for providing leadership and direction for the Company, for establishing a context which fosters a risk management culture and for ensuring business, financial and risk management approaches are integrated during the planning, implementation and reporting of major ventures at all levels within the organisation.

The Company has established an Audit and Risk Management Committee as recommended under Recommendation 7.1 and the Audit and Risk Management Committee meets on a regular basis.

The Audit and Risk Management Committee consists of the following members, all of which are independent directors and is chaired by an independent director:
Chairperson: Anne Weatherston
Other members: Peter Wright and Terry Cuthbertson
The number of times the Audit and Risk Management Committee met throughout the period and the individual attendances of the members at those meetings are detailed in the Directors' Report section of the Annual Report

Please refer to the Audit and Risk Management Committee Charter as contained in **Annexure 3** to this Corporate Governance Statement.

The Board, through the Audit and Risk Management Committee, has procedures in place to recognise and manage risk. The risk oversight and management system covers:

- operations risk;
- financial reporting; and
- compliance.

The Company is committed to the proper identification and management of risk. The Company regularly undertakes reviews of its risk management procedures, which include implementation of a system of internal approvals to ensure not only that it complies with its legal obligations, but that the Board and security holders can take comfort that an appropriate system of checks and balances is in place in those areas of the business that present financial or operating risks. As part of this risk management process, the Company's management has reported to the Board in relation to its management of the Company's material business risks.

The Company has also adopted a Code of Conduct which sets out the Company's commitment to maintaining a high level of integrity and ethical standards in all business practices.

Recommendation 7.2: The Board or a committee of the Board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose it, in relation to each reporting period, whether such a review has taken place.

A review of the Company's risk management framework by the Board was conducted this reporting period and is scheduled for review annually.

Recommendation 7.3: A listed entity should disclose: (a) if it has an internal audit function, how that function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Company does not have an internal audit function. The Company's Audit and Risk Management Committee is responsible for carrying out the processes that would be employed by an internal audit function and are detailed in the Audit and Risk Management Committee's Charter.

Recommendation 7.4: A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.

The Company does not have any exposure to economic, environmental and social sustainability risks to disclose during this reporting period.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1: The Board of a listed entity should: (a) have a Remuneration Committee which: (1) has at least 3 members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a Remuneration Committee disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Company has established a Remuneration and Nomination Committee where remuneration and nomination issues are discussed and resolved at Board meetings and accordingly, the Board is responsible for determining and reviewing the remuneration of senior executives. This process requires consideration of the levels and form of remuneration appropriate to securing, motivating and retaining executives with the skills to manage the Company's operations. A performance evaluation was undertaken during this reporting period as part of the Company's annual review process.

The Remuneration and Nomination Committee consists of the following members, the majority of whom are independent directors and is chaired by an independent director:
Chairperson: Peter Wright
Other Members: Anne Weatherston, William Bartee and Alex Teoh

The number of times the Remuneration and Nomination Committee met throughout the period and the individual attendances of the members at those meetings are detailed in the Directors' Report section of the Annual Report

Please refer to the Remuneration and Nomination Committee Charter as contained in **Annexure 2** of this Corporate Governance Statement.

Recommendation 8.2: A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The performance of the Board, individual directors and senior executives is reviewed annually, and has taken place during this reporting period.

The Company has established a Remuneration and Nomination Committee as a subcommittee of the Board. Remuneration and Nomination issues are discussed and resolved at Board meetings and accordingly, the Board is responsible for determining and reviewing the remuneration of the directors and senior executives. This process requires consideration of the levels and form of remuneration appropriate to securing, motivating and retaining directors and senior executives with the skills to manage the Company's operations. In making decisions regarding the appointment of directors, the Board as a whole periodically assesses the appropriate mix of skills and experience represented on the Board. The Board may also obtain information from, and consult with management and external advisers, as it considers appropriate.

It is the Company's objective to provide maximum security holder benefit from the retention of high quality Board members having regard to the Company's level of operations and financial resources. Directors are remunerated with reference to market rates for comparable positions. Remuneration policies for each Executive and Non-Executive Director are disclosed in the Directors' Report.

The remuneration of senior executives is dependent on the terms of the employment agreement with those executives. The remuneration structure of Non-Executive Directors and senior executives is clearly distinguishable.

There are no schemes for retirement benefits, other than statutory superannuation, in existence for the Non-Executive Directors.

Recommendation 8.3: A listed entity which has an equity based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.

Participants in the Company's Employee Share Scheme are prohibited from entering into any transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

Annexure 1 – Board Charter

1. Role of the Board

The Board's key objectives are to:

(a) increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders; and

(b) to ensure the Company is properly managed.

2. Responsibility of the Board

The Board is collectively responsible for promoting the success of the Company by:

(a) supervising the Company's framework of control and accountability systems to enable risk to be assessed and managed which includes but is not limited to (a) to (i);

(b) ensuring the Company is properly managed for example by:

- (i) appointing and removing the managing director (when applicable) of the Company;
- (ii) ratifying the appointment and, where appropriate, the removal of the chief financial officer (when applicable) and the Company secretary;
- (iii) input into and final approval of management's development of corporate strategy and performance objectives;
- (iv) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance;
- (v) monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available;

(c) approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;

(d) approval of the annual budget;

(e) monitoring the financial performance of the Company;

(f) approving and monitoring financial and other reporting;

(g) overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure division of functions remain appropriate to the needs of the Company;

(h) liaising with the Company's external auditors and Audit & Risk Management Committee; and

(i) monitoring, and ensuring compliance with, all of the Company's legal obligations, in particular those obligations relating to the environment and occupational health and safety.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities.

The Board may from time to time, delegate some of its responsibilities listed above to its senior management team (except for paragraphs (a), (b), (f) and (g) and where any matter exceeds the Materiality Threshold as defined below).

3. Materiality Threshold

The Board has agreed on the following guidelines for assessing the materiality of matters:

(a) Materiality – Quantitative

Balance sheet items
Balance sheet items are material if they have a value of more than 10% of net assets.

Profit and loss items
Profit and loss items are material if they will have an impact on the current year operating result of 10% or more.

(b) Materiality – Qualitative

Items are also material if:

(i) they impact on the reputation of the Company;

(ii) they involve a breach of legislation;

(iii) they are outside the ordinary course of business;

(iv) they could affect the Company's rights to its assets;

(v) if accumulated they would trigger the quantitative tests; or

(vi) they involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items.

(vii) they will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

(c) Material Contracts

Contracts will be considered material if:

(i) they are outside the ordinary course of business;

(ii) they contain exceptionally onerous provisions in the opinion of the Board;

(iii) they impact on income or distribution in excess of the quantitative tests

(iv) there is a likelihood that either party will default and the default may trigger any of the quantitative tests;

(v) they are essential to the activities of the Company and cannot be replaced or cannot be replaced without an increase in cost of such a quantum as trigger any of the quantitative tests;

(vi) the contain or trigger change of control provisions;

(vii) they are between or for the benefit of related parties; or

(viii) they otherwise trigger the quantitative tests.

Any matter which falls within the above guidelines is a matter which triggers the materiality threshold ("Materiality Threshold").

4. The Chairperson

The chairperson is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to issues arising at Board meetings. The chairperson is also responsible for shareholder communication and arranging Board performance evaluation.

5. Independent Directors

Where the chairperson is not an independent director, the Company will appoint a lead independent director. The lead independent director will take over the role of the chairperson when the chairperson is unable to act in that capacity as a result of his or her lack of independence.

The independent directors, along with all directors, are responsible for reviewing and challenging executive performance. They are also responsible for contributing to the development of strategy.

6. The Managing Director

The managing director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out his/her responsibilities the managing director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

7. Role and Responsibility of Management

The role of management is to support the managing director (where a managing director has been appointed) and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Management is responsible for reporting all matters which fall within the Materiality Threshold at first instance to the managing director or if the matter concerns the managing director then directly to the chairperson or the lead independent director, as appropriate. Where a managing director has not been appointed, all matters which fall within the Materiality Threshold must be reported by management to the chairperson.

Annexure 2 - Remuneration and Nomination Committee Charter

1. Composition

The Chairperson and members of the Remuneration and Nomination Committee are detailed in the Company's Corporate Governance Statement.

2. Role

The purpose of the Remuneration and Nomination Committee is to discharge the Board's responsibilities in relation to remuneration and nomination of the Company's executives including share and benefit plans.

3. Operations

- The committee shall consider issues of remuneration annually and otherwise as required.
- Minutes of all meetings of the committee are to be kept.
- Committee meetings will be governed by the same rules, as set out in the Company constitution as they apply to the meetings of the Board.

4. Resources

- The Company to provide the committee with sufficient resources to undertake its duties, including provision of educational information on remuneration policies and other topics relevant to the Company and such other relevant materials requested by the committee.

5. Reporting to the Shareholders

- The directors' report to contain a separate section that describes the role of the committee and what action it has taken.

6. Responsibilities

The responsibilities and functions of the Remuneration and Nomination Committee are as follows:

- review the competitiveness of the Company's executive compensation programs to ensure:
  - (a) the attraction and retention of corporate officers;
  - (b) the motivation of corporate officers to achieve the Company's business objectives; and
  - (c) the alignment of the interests of key leadership with the long-term interests of the Company's shareholders.
- review trends in management compensation, oversee the development of new compensation plans and, when necessary, approve the revision of existing plans;
- review the performance of executive management;
- review and approve Chairperson and managing director goals and objectives, evaluate Chairperson and managing director performance in light of these corporate objectives, and set Chairperson and managing director compensation levels consistent with company philosophy;
- approve the salaries, bonus and other compensation for all senior executives, the committee will recommend appropriate salary, bonus and other compensation to the Board for approval;
- review and approve compensation packages for new corporate officers and termination packages for corporate officers as requested by management;
- review and approve the awards made under any executive officer bonus plan, and provide an appropriate report to the Board;
- review and make recommendations concerning long-term incentive compensation plans, including the use of share options and other equity-based plans. Except as otherwise delegated by the Board, the committee will act on behalf of the Board as the "Committee" established to administer equity-based and employee benefit plans, and as such will discharge any responsibilities imposed on the committee under those plans, including making and authorising grants, in accordance with the terms of those plans; and
- review periodic reports from management on matters relating to the Company's personnel appointments and practices.

Annexure 3 – Audit and Risk Management Committee Charter

1. Composition

- The Chairperson and members of the Audit and Risk Management Committee are detailed in the Company's Corporate Governance Statement.
- At least one member to have significant, recent and relevant financial experience.

2. Role

- To monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- to review the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;
- to monitor and review the effectiveness of the Company's internal audit function;
- to consider the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to monitor and review the external auditor's independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements; and
- to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

3. Operations

- The committee meets at least once each half year, with further meetings on an as required basis.
- Minutes of all meetings of the committee are to be kept.
- Committee meetings will be governed by the same rules, as set out in the Company constitution as they apply to the meetings of the Board.

4. Resources

- The Company to provide the committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company and such other relevant materials requested by the committee.

5. Reporting to the Shareholders

- The directors' report to contain a separate section that describes the role of the committee and what action it has taken.
- The chairperson of the Audit and Risk Management Committee to be present at the AGM to answer questions, through the chairperson of the Board.

6. Responsibilities

- Responsibilities of the committee are as set out in the Audit and Risk Management Committee Responsibilities Calendar, which is available upon request.