CRE8TEK LIMITED

ABN 99 000 031 292

ANNUAL REPORT
30 JUNE 2016

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CORPORATE DIRECTORY

Directors
Bryn Hardcastle (Chairman)
Faldi Ismail
Tom Bahen

Company Secretary
Dave Filov

Registered office
108 Outram Street,
West Perth, WA, 6005
Ph: +61 8 9486 7244

Auditor
Ernst & Young
11 Mounts Bay Road
Perth, Western Australia, 6000

Share Registry
Automic Registry Services
Level 1, 7 Ventnor Avenue
West Perth, WA, Australia, 6005

Securities Exchange Listing
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

ASX Code – CR8

DIRECTORS' REPORT

Your Directors present their report, together with the financial statements of Cre8tek Limited (**Company**) and controlled entities (**Group**) for the financial year ended 30 June 2016.

Directors

The names and the particulars of the Directors of the Company during or since the end of the financial year are:

Name	Status	Appointed
Faldi Ismail	Non-executive Director	Appointed 28 October 2015
Tom Bahen	Non-executive Director	Appointed 5 November 2015
Bryn Hardcastle	Non-executive Director	Appointed 5 November 2015

The below named directors held office during the financial year up until the date of their resignation or removal:

Name	Status	Appointed/Resigned
Karel Louman	Executive Director & Chief Financial Officer	Removed 28 October 2015
Stephen Watts	Non-Executive Chairman	Removed 28 October 2015
Jeffrey Clarke	Non-Executive Director	Removed 28 October 2015
Nicholas Stretch	Non-Executive Director & Company Secretary	Removed 28 October 2015
Nicholas Young	Non-executive Director	Appointed 28 October 2015, Resigned 5 November 2015
Steven Bryson Haynes	Non-executive Director	Appointed 28 October 2015, Resigned 5 November 2015

Principal Activities

The principal continuing activities of the Group during the year was technology and software development, whilst seeking to expand its portfolio in technology solutions.

Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year ended 30 June 2016 (2015: Nil).

Operating and financial review

As detailed in 'Significant changes in state of affairs' below, during the financial year ended 30 June 2016:

- the Company's acquisition of Global Agenda Technologies Pty Ltd, an entity developing software as a service, sales conversion and social networking technology platform, was completed;
- the Company entered into an agreement to acquire 100% of Flamingo Customer Experience Inc. (**Flamingo**), the agreement was subject to shareholder approval subsequently granted on the 14 September 2016;
- a Capital raising of $3,600,000 (before costs) was successfully completed;
- the Company's name was changed to Cre8tek Limited, formerly Marion Energy Limited;
- the Company was re-admitted to the Official List of the ASX and re-commenced trading on 5 February 2016; and
- the Company's securities were suspended as at 30 June 2016 until the Flamingo acquisition conditions are complete and ASX is satisfied the Company has re-complied with Chapters 1 and 2 of the Listing Rules.

The financial statements have 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 ordinary course of business. The Group realised a profit for the year of $1,056,283 (2015: $141,469,917 loss).

Operating and financial review

The profit was due to a gain arising from the Deed of Company Arrangement of $3,319,184 being recognised during the year.

The net assets of the Group have increased from a deficit of $3,658,352 at 30 June 2015 to $2,582,570 at 30 June 2016.

As at 30 June 2016, the Group's cash and cash equivalents increased from a balance at 30 June 2015 of $53,208 to a balance of $2,486,501 and had working capital of $2,532,570 (2015: $3,658,352 net working capital deficiency).

Based on a cash flow forecast, the Group has sufficient working capital to fund its mandatory obligations for the period ending 12 months from the date of this report.

Significant changes in the state of affairs

Recapitalisation of the Company

On 6 August 2015, the creditors of the Company (then known as Marion Energy Limited) resolved that the Company vary the Original DOCA. The following day the Company, the Deed Administrator, KM Custodians (the Company's secured creditor) and Otsana Capital (**Otsana**) executed a varied deed of company arrangement (**DOCA**), which embodied a proposal by Otsana for the recapitalisation of the Company (**Recapitalisation Proposal**).

A summary of the material terms of the Recapitalisation Proposal is set out below. Further information appears in sections 3.1 and 3.2 of the Company's notice of meeting lodged with ASX on 28 August 2015.

a) the Company and the Deed Administrator established the Creditors' Trust, with the Deed Administrator acting as trustee;
b) the assets of the Company were transferred to the Creditors' Trust, including an amount of $150,000 to be comprised of:
   i. $10,000 (**Deposit**), paid by Otsana upon execution of the DOCA and receipt of the Deed Administrator of an irrevocable undertaking from KM Custodians for the release and discharge of its security and to vote in favour of the Recapitalisation Resolutions; this payment was made on the 10 August 2015; and
   ii. $140,000 (**Recapitalisation Payment**), paid by the Company upon Shareholder approval of the Recapitalisation Resolutions. If the Company lacks sufficient funds to make the Recapitalisation Payment, Otsana will loan the Company necessary funds, with such funds to be repaid to Otsana upon reinstatement of the Company's securities to the Official List;
c) the Company issued 10,000,000 Creditor Shares to the Creditors' Trust (to be distributed to the admitted creditors pro rata), shareholder approval was obtained on the 30 September 2015 and shares were issued on 28 October 2015;
d) all creditors required to prove debts against the Trustee of the Creditors' Trust;
e) upon completion of the DOCA, the funds in the Creditors' Trust were to be distributed as follows:
   i. first, to the Deed Administrator and Trustee for administering the DOCA and the Creditors' Trust (including fees and disbursements);
   ii. second, to any priority Creditors pro rata according to the amount for which each creditor shall be admitted to proof pursuant to the Creditors' Trust Deed;
   iii. third, to KM Custodians as secured Creditor, up to $2,674,000; and
   iv. fourth, the remainder (if any) to be returned to the Company for distribution to unsecured Creditors;
f) the Deed Administrator cause the then Directors of the Company to be removed and appoint nominees of Otsana Capital as Directors of the Company; the nominee directors were appointed on 28 October 2015;
g) all security over the Company's assets was discharged and released;
h) the Company undertook a capital consolidation on a one (1) for one hundred (100) basis, together with the consolidation of its existing options in the same ratio as existing shares as approved by shareholders on 30 September 2015;
i) the Company raised $650 (before costs) via the following capital raisings, approved by shareholders on 30 September 2015:

DIRECTORS' REPORT

Significant changes in the state of affairs

i. $400 from the issue of 40,000,000 Placement Shares to clients of Otsana, (which were issued on 28 October 2015); and
ii. $250 from the issue of 25,000,000 Placement Options to clients of Otsana, issued on 4 November 2015; and

j) the Company issue such other securities as are required by Otsana (of which there were none).

Key conditions satisfied on the completion of the DOCA included:

- payment of the Deposit and Recapitalisation Payment, on 10 August 2015, the deposit of $10,000 was paid to the Deed Administrators. This amount was paid by Otsana Capital on behalf of the Company in accordance with DOCA;
- discharge and release of all security over the Company's assets;
- all subsidiaries (other than those advised by Otsana) removed from the Company;
- termination or repudiation of existing employment and service contracts; and
- shareholder approval obtained to give effect to the Recapitalisation Proposal.

The conditions precedent were satisfied on 28 October 2015 and DOCA was effectuated.

On 28 October 2015, Mr. Nicholas Young was appointed as Company Secretary. Mr. Young resigned on 5 November 2015 as Non-executive Director and was replaced by Mr. Dave Filov as Company Secretary.

On 5 November 2015 the Company announced it had entered into a heads of agreement (**HOA**) to acquire 100% of Global Agenda Technologies Pty Ltd (**Agenda**), an entity developing a software as a service (**SaaS**), sales conversion and social networking technology platform. The Company sought to re-comply as a technology company on the ASX and be renamed Cre8tek Limited.

As consideration for 100% of the issued capital of Agenda, the Company:

- issued 2,500,000 fully paid ordinary shares at an issue price of $0.02 each (**Initial Consideration Shares**). All consideration shares were subject to ASX escrow provisions;
- gave the vendor the right to 25,000,000 deferred consideration shares (**Deferred Consideration Shares**) (at an issue price of $0.02 per share) upon Agenda achieving 500,000 active registered users on the Agenda Platform within 24 months of listing on the ASX (**Milestone**)

Settlement of the Acquisition was achieved upon satisfaction of the following conditions:

- Shareholder approval for the change of its business from an oil and gas company to a software and technology company;
- Shareholder approval to change the name of the Company from Marion Energy Limited to Cre8tek Limited;
- Completion of due diligence by the Company on Agenda's business and operations, to the sole satisfaction of the Company within 14 days of the HOA being executed;
- The Company obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act or any other law to allow the Company to lawfully complete the matters set out in the HOA;
- Execution by the Agenda shareholder of an ASX restriction agreement for the Initial Consideration Shares and provision of undertakings for the escrow of any Deferred Consideration Shares;
- Establish a performance rights plan and obtain shareholder approval to issue 10 million performance rights to each of Faldi Ismail, Bryn Hardcastle and Tom Bahen, in tranches of 3,333,333 million performance rights each, with Share price vesting hurdles of 3 cents, 4 cents and 5 cents respectively for each tranche (based on 10-day Share VWAP), expiring 3 years after grant and otherwise on terms to be agreed.
- The Company undertaking a capital raising of not less than $3,600,000 through the offer of Shares at a price of not less than $0.02 per Share (**Capital Raising**).

DIRECTORS' REPORT

Significant changes in the state of affairs

The Directors have reviewed the Acquisition and concluded that it does not represent a business combination, and as such, have accounted for the transaction as an asset acquisition.

A General Meeting was held by the Company on 23 December 2015 and all resolutions put to the shareholders were passed. The General Meeting sought and obtained approval for the Agenda acquisition and associated approvals to enable re-compliance with Chapters 1 and 2 of the Listing Rules.

A prospectus dated 8 December 2015 for the offer of 180,000,000 Shares at a price of $0.02 each to raise $3,600,000 before costs closed on 20 January 2016 with the public offer fully subscribed.

On 22 January 2016 the Company completed the acquisition of Global Agenda Technologies Pty Ltd and the Company changed its name from Marion Energy Limited to 'Cre8tek Limited'. The Company's shares re-commenced trading on 5 February 2016.

To assist with funding, the Agenda re-compliance, the Company (as borrower) entered into a loan agreement with the following three lenders:

(a) DXB Holdings Pty Ltd, an entity associated with Mr Bryn Hardcastle;

(b) Romfal Sifat Pty Ltd, an entity associated with Mr Faldi Ismail; and

(c) Seamist Enterprises Pty Ltd (an unrelated entity).

Pursuant to the terms of the loan agreement the lenders agreed (each in equal portions) to make available a loan facility of up to $200,000, with funds drawn down to be used towards the necessary costs of the Company's re-compliance with Chapters 1 and 2 of the Listing Rules. The Company drew down an amount of $195,000, which was subsequently repaid in full just prior to the re-commencement of trading on 5 February 2016.

Flamingo Acquisition

On the 2 June 2016 the Company entered into an agreement to acquire 100% of the issued capital of Flamingo Customer Experience Inc. **(Flamingo)**. Flamingo is an innovative SaaS company which has developed a customer experience automation platform **(Flamingo Platform)** designed for selling Providers' complex financial products online. The Flamingo platform design aims to turn a website's visitors looking for complex financial products into customers by guiding customers online from page view to purchase, on both mobile and desktop devices. Using artificial intelligence software developed by Flamingo, the Flamingo Platform learns how customers and employees of Providers interact, then is able to automate a customer's 'journey' through sales, on-boarding and retention processes. It also delivers insights which facilitate ongoing product development.

The Company will issue Flamingo shareholders, via a newly incorporated US wholly owned subsidiary:

- 272,727,273 fully paid ordinary shares in the Company (**CR8 Shares**) (**Initial Consideration Shares**);
- 90,909,091 Class A Performance Shares will convert into 90,909,091 CR8 Shares if Flamingo executes a legally binding master services agreement (**MSA**) and completes a security audit with a substantial US corporation and either:
    - that MSA remains valid, binding and enforceable for at least 12 months after its executions; or
    - the Flamingo Platform technology is applied in another business vertical of the substantial US corporate outside any business unit where the technology is being trialled;
- 90,909,091 Class B Performance Shares will convert into 90,909,091 CR8 Shares if Flamingo achieves $13,000,000 in revenue in any 12 month period within 36 months of completion of the Acquisition; and
- 90,909,091 Class C Performance Shares will convert into 90,909,091 CR8 Shares if Flamingo achieves $28,000,000 in revenue in any 12 month period within 36 months of completion of the Acquisition.

Significant changes in the state of affairs

(Together, the Class A, Class B and Class C performance shares are the Performance Shares and together with the Initial Consideration Shares, the Consideration Securities).

In addition to the Consideration Securities, the Company proposes to issue facilitators to the transaction 13,286,364 Shares and 7,150,00 Performance Shares comprised of 2,383,334 Class A, 2,383,333 Class B and 2,383,333 Class C Performance Shares (Facilitator Securities).

Pursuant to the agreement the Company has also agreed to provide a loan facility of up to $300,000 to Flamingo for transaction costs and business costs for the period up to completion. The loan funds will be provided as and when required by Flamingo, but not before mid-June 2016. As at the date of this Annual Report, the Company had provided $730,000 in loan funds to Flamingo.

Settlement of the Acquisition is conditional upon satisfaction (or waiver) of the following material conditions precedent on or before 31 October 2016:

- shareholder approval for the issue of the Consideration, capital raising and Facilitator Securities, including an independent expert's report, approved 14 September 2016;
- shareholder approval for the appointment of Ms Cathie Reid and Dr Catriona Wallace as Directors, approved 14 September 2016;
- the Company obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules and Corporations Act;
- execution of ASX restriction agreements to the extent required by ASX;
- the Company obtaining all regulatory approvals (as required), including with respect to Chapter 11 of the ASX Listing Rules;
- the Company entering into employment and/or service agreements (in a form satisfactory to the Company, acting reasonably) with:
    - Ms Cathie Reid, in relation to her appointment as Chair of the Company; and
    - Dr Catriona Wallace, in relation to her appointment as Chief Executive Officer and Executive Director of the Company;
- the Company receiving a reinstatement conditions letter from the ASX, on terms satisfactory to the Company and Flamingo (both acting reasonably); and
- the Company undertaking a capital raising of not less than $2,000,000.

There were no other significant changes to the state of affairs of the Group.

Significant events after the reporting period

On 15 August 2016 the Company announced the date for the 2015 Annual General Meeting where the Company sought approval from shareholders for the Acquisition of Flamingo.

On 14 September 2016 the Company released a prospectus to ASX detailing the Acquisition of Flamingo and seeking to raise $3,000,000 (before costs) via a public offer of 75,000,000 at $0.04 per share.

On 14 September 2016, the Company's shareholders approved at its Annual General Meeting:

- adoption of the remuneration report for 30 June 2015;
- re-election of director Faldi Ismail;
- a change in the scale of the Company's activities as a result of the Acquisition to be undertaken by way of a merger;
- to create the Performance Shares as a new class of shares,
- to issue Founder Consideration securities for issue to the Founder Vendors of up to;

Significant events after the reporting period

- 115,814,391 Initial Consideration Shares; and
- 115,814,391 Performance Shares as follows:
  - 38,604,797 Class A Performance Shares;
  - 38,604,797 Class B Performance Shares; and
  - 38,604,797 Class C Performance Shares,

  and the conversion of such Performance Shares into 115,814,391 Shares

- to issue Non Founder Consideration securities for issue to the Non Founder Vendors of up to;
  - 156,912,882 Initial Consideration Shares; and
  - 156,912,882 Performance Shares as follows:
    - 52,304,294 Class A Performance Shares;
    - 52,304,294 Class B Performance Shares; and
    - 52,304,294 Class C Performance Shares,

    and the conversion of such Performance Shares into 156,912,882 Shares;
- to issue facilitators **(Facilitator Securities)** of the transaction of up to;
  - 7,150,000 Shares; and
  - 7,150,000 Performance Shares as follows:
    - 2,383,333 Class A Performance Shares;
    - 2,383,333 Class B Performance Shares; and
    - 2,383,333 Class C Performance Shares
- to issue up to 75,000,000 Shares through a public offer at $0.04 to raise $3,000,000;
- to issue up to 6,567,382 Employee Options to Flamingo employees, the options are issued in consideration for the cancellation of existing Flamingo employee incentive scheme options held by Flamingo employees and will be issued under a new employee option plan;
- for the adoption of the employee incentive scheme titled "Cre8tek Limited Employee Incentive Scheme" **(Scheme)**;
- upon settlement of the Flamingo acquisition the appointment of the following directors;
  - Dr Catriona Wallace, and
  - Ms Cathie Reid

On 29 September 2016 the Company announced the public offer pursuant to the prospectus released to ASX on 14 September 2016 closed oversubscribed.

Subsequent to year end additional funds of $580,000 were provided to Flamingo Inc., per the terms of the funding agreement.

There were no other significant events after balance date.

DIRECTORS' REPORT

Information on Directors

Mr Bryn Hardcastle	Non-executive Director (Appointed 5 November 2015)
Qualifications	Bachelor of Laws, Bachelor of Arts
Experience	Mr Hardcastle is an experienced corporate lawyer specialising in corporate, commercial and securities law. He is the founder of Bellanhouse Legal which predominantly advises on equity capital markets, re-compliance transactions and takeovers across a variety of industries. Mr Hardcastle has extensive international legal experience and has advised on numerous cross border transactions working in the United Kingdom, Middle East and North America. He also has experience acting as a non-executive director of ASX listed companies.
Interest in Shares and Options at the date of this report	3,333,333 Class A Performance Rights 3,333,333 Class B Performance Rights 3,333,334 Class C Performance Rights
Special Responsibilities	Nil
Directorships held in other listed entities (last 3 years)	Attila Resources Limited (**AYA**)

Mr Faldi Ismail	Non-executive Director (Appointed 28 October 2015)
Qualifications	Bachelor of Business (Accounting & Finance)
Experience	Mr Ismail has significant experience working as a corporate advisor specialising in the restructure and recapitalisation of a wide range of ASX-listed companies. With many years of investment banking experience, his expertise covers a wide range of industry sectors. Mr Ismail is the founder and operator of Otsana Capital, a boutique advisory firm specialising in mergers & acquisitions, capital raisings and Initial Public Offerings (IPO's) and is currently a director of several ASX-Listed companies.
Interest in Shares and Options at the date of this report	4,750,000 Ordinary shares 10,000,000 Options exercisable by payment of $0.03 each, expiring 3 years from date of reinstatements 3,333,333 Class A Performance Rights 3,333,333 Class B Performance Rights 3,333,334 Class C Performance Rights
Special Responsibilities	Nil
Directorships held in other listed entities (last 3 years)	Ookami Limited (current) TV2U International Limited (current) WHL Energy Limited (current) Asiamet Resources Limited (formerly Kalimantan Gold Corporation) (current) BGD Corporation Limited (ceased 6 April 2016) Emergent Resources Limited (ceased 16 November 2015) Style Limited (ceased 10 August 2015)

DIRECTORS' REPORT

Information on Directors

Mr Tom Bahen	Non-Executive Director (Appointed 5 November 2015)
Qualifications	Bachelor of Commerce (Accounting and Finance)
Experience	Mr Bahen is currently a director of Private Clients and Institutional Sales at national stock broking firm Patersons Securities Limited. He has significant experience in capital raisings and corporate advisory for ASX listed companies. He has previously worked in assurance for global accounting firm Deloitte.
Interest in Shares and Options at the date of this report	2,500,000 Ordinary shares 3,333,333 Class A Performance Rights 3,333,333 Class B Performance Rights 3,333,334 Class C Performance Rights
Special Responsibilities	Nil
Directorships held in other listed entities (last 3 years)	Carbine Resources Limited Naracoota Resources Limited

Mr Nicholas Young	Non-Executive Director (Appointed 28 October 2015, Resigned 5 November 2015)
Qualifications	Bachelor of Commerce (Accounting and Finance) and Chartered Accountant
Experience	Mr Young holds a Bachelor of Commerce, majoring in Accounting and Finance and is a Chartered Accountant. Mr Young commenced his career at Pitcher Partners and has gained valuable experience in Australia and Southern Africa in corporate restructuring, across a wide range of industries, including mining and exploration, mining services, renewable energy, professional services, manufacturing and transport. Mr Young has been involved in the recapitalisation of various ASX listed companies.
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities (last 3 years)	BGD Corporation Limited (resigned 1 February 2015)

Mr Stephen Bryson Haynes	Non-Executive Director (Appointed 28 October 2015, Resigned 5 November 2015)
Qualifications	Bachelor of Commerce (Accounting)
Experience	Mr Bryson Haynes has experience in corporate advisory, specializing in due diligence, M&A financial analytics and company restructures and recapitalisations on the ASX. Mr Bryson Haynes' family background in the technology sector has enabled him to build upon and expand his knowledge of science and technology with particular interest in the creation of new products and services. More recently he has worked to bring together the discipline of corporate finance analytics to the evaluation of potential technology projects and their capacity to create shareholder wealth
Interest in Shares and Options	Nil
Special Responsibilities	Nil

DIRECTORS' REPORT

Information on Directors

Directorships held in other listed entities (last 3 years)	Nil

Company secretary

Mr Dave Filov is a corporate lawyer with experience in equity capital markets, IPOs and back door listings, having previously spent time with ASX advising listed entities with ASX listing rules compliance requirements and processing numerous IPOs and back door listing applications.

Meetings of Directors

The number of formal meetings of Directors held during the period and the number of meetings attended by each director was as follows:

	DIRECTORS' MEETINGS	
	Number eligible to attend	**Number Attended**
Faldi Ismail	7	7
Tom Bahen	7	7
Bryn Hardcastle	7	6
Nicholas Young	-	-
Steven Bryson Haynes	-	-
Karel Louman	-	-
Stephen Watts	-	-
Jeffrey Clarke	-	-
Nicholas Stretch	-	-

Options

Unissued shares under option

At the date of this report, the unissued ordinary shares Cre8tek Limited under option are as follows:

Expiry date	Exercise Price	Number under option
22 December 2016	$5.00*	88,705*
5 February 2018	$3.00*	221,056*
5 February 2018	$6.00*	67,692*
5 February 2018	$0.03	50,000,000
4 November 2019	$0.02	25,000,000
		75,377,453

*Exercise price and number of options have been adjusted for the share consolidation completed by the Company on 14 October 2015.

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

No options were exercised during the year (2015: Nil).

Performance Rights

Grant Date	Performance Right	Expiration dates	Number of rights issued
22 January 2016	Class A	21 January 2019	9,999,999
22 January 2016	Class B	21 January 2019	9,999,999
22 January 2016	Class C	21 January 2019	10,000,002
			30,000,000

Class	Milestone
Class A Performance Rights	Upon volume weighted average price (VWAP) for 10 consecutive trading days of shares equals or exceeds 3 cents
Class B Performance Rights	Upon volume weighted average price (VWAP) for 10 consecutive trading days of shares equals or exceeds 4 cents
Class C Performance Rights	Upon volume weighted average price (VWAP) for 10 consecutive trading days of shares equals or exceeds 5 cents

The Performance Rights will vest and become capable of exercise into ordinary shares in the Company upon the satisfaction of vesting conditions that are market based vesting conditions as disclosed above. All Class A Performance Rights are vested before 30 June 2016. To date, none have not been exercised.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

DIRECTORS' REPORT

Indemnifying Officers

The Company indemnifies each of its Directors, officers and company secretary. The Company indemnifies each director or officer to the maximum extent permitted by the Corporations Act 2001 from liability to third parties, except where the liability arises out of conduct involving lack of good faith, and in defending legal and administrative proceedings and applications for such proceedings.

The Company must use its best endeavours to insure a director or officer against any liability, which does not arise out of conduct constituting a wilful breach of duty or a contravention of the Corporations Act 2001. The Company must also use its best endeavours to insure a Director or officer against liability for costs and expenses incurred in defending proceedings whether civil or criminal.

Insurance premiums

During the year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Group. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against and the premium paid cannot be disclosed.

Environmental Regulations

In the normal course of business, there are no environmental regulations or requirements that the Company is subject to.

Future Developments, Prospects and Business Strategies

The Company's principal continuing activity is a technology and software development company. The Company's future developments, prospects and business strategies are to continue to operate as a technology and software development and expand its portfolio in technology solutions.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from their report on the financial report.

Non-audit Services

During the year, Ernst & Young, the Company's auditor did not provide any services other than their statutory audits. Details of their remuneration can be found within the financial statements at Note 6 Auditor's remuneration.

In the event that non-audit services are provided by Ernst & Young, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 21 of the financial report.

Remuneration Report (Audited)

This remuneration report for the year ended 30 June 2016 outlines the remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* (Cth), as amended (**Act**) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report is presented under the following sections:

1. Introduction
2. Remuneration governance
3. Executive remuneration arrangements
4. Non-executive Director fee arrangements
5. Details of remuneration
6. Additional disclosures relating to equity instruments
7. Loans to key management personnel (KMP) and their related parties
8. Other transactions and balances with KMP and their related parties

1. Introduction

Key Management Personnel (**KMP**) have authority and responsibility for planning, directing and controlling the major activities of the Group. KMP comprise the directors of the Company.

Compensation levels for KMP are competitively set to attract and retain appropriately qualified and experienced directors and executives. The Board may seek independent advice on the appropriateness of compensation packages, given trends in comparable companies both locally and internationally and the objectives of the Group's compensation strategy.

2. Remuneration governance

The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of a separate remuneration committee. Accordingly, all matters are considered by the full Board of Directors, in accordance with a remuneration committee charter.

During the financial year, the Company did not engage any remuneration consultants.

3. Executive remuneration arrangements

The compensation structures are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. Compensation packages may include a mix of fixed compensation, equity-based compensation, as well as employer contributions to superannuation funds. Shares and options may only be issued to Directors subject to approval by shareholders in a general meeting.

At the date of this report the Company has no executives appointed.

At this stage the Board does not consider the Group's earnings or earnings related measures to be an appropriate key performance indicator (KPI). In considering the relationship between the Group's remuneration policy and the consequences for the Company's shareholder wealth, changes in share price are analysed as well as measures such as successful completion of business development and corporate activities.

When required the Company will formalise remuneration arrangements with executives in employment agreements.

4. Non-executive Director fee arrangements

The Board policy is to remunerate Non-executive Directors at a level to comparable companies for time, commitment, and responsibilities. Non-executive Directors may receive performance related compensation. Directors' fees cover all main Board activities and membership of any committee. The Board has no established retirement or redundancy schemes in relation to Non-executive Directors.

The Non-executive Directors have been provided with performance rights that are meant to incentivise the Non-executive Directors. These rights do not have any performance conditions attached. The board determines payments to the Non-executive Directors and reviews their remuneration annually based on market practice, duties, and accountability. Independent external advice will be sought when required.

The maximum aggregate amount of fees that can be paid to Non-executive Directors is presently limited to an aggregate of $150,000 per annum and any change is subject to approval by shareholders at the General Meeting. Fees for Non-executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

Total fees for the Non-executive Directors for the financial year were $45,000 (2015: $Nil) and cover main Board activities only. Non-executive Directors may receive additional remuneration for other services provided to the Group.

a) Performance Conditions Linked to Remuneration

The Group has established and maintains Cre8tek Limited Performance Rights Plan **(Plan)** to provide ongoing incentives to any full time or part time employee, consultant or any person nominated by the Board (including Director or Company Secretary of the Company engaged by the Company on a full or part time basis) **(Eligible Participants)** of the Company.

The Board adopted the Plan to allow Eligible Participants to be granted Performance Rights to acquire shares in the Company.

The objective of the Plan is to provide the Company with a remuneration mechanism, through the issue of securities in the capital of the Company, to motivate and reward the performance of Eligible Participants in achieving specified performance milestones within a specified performance period. The Board will ensure that the performance milestones attached to the securities issued pursuant to the Plan are aligned with the successful growth of the Company's business activities, which the company measures with reference to the company's share price. The company's share price at 30 June 2016 was $0.038[1] and its profit after tax was $1,056,283. Details of previous year's share price and profit before tax have not been included in this report given this was prior to the recapitalisation of the company and prior to the company's current business activities and therefore not considered to be comparable.

[1] The Company securities were suspended from trading on 4 May 2016, the share price was $0.038.

5. Details of Remuneration

The Key Management Personnel of Cre8tek Limited include the Directors of the Company. Other than is set out below, there are no other Key Management Personnel as at 30 June 2016.

Directors:	Short Term Salary, Fees & Commissions $	Post-Employment Superannuation $	Other $	Share-based payments[1] $	Total $	Performance based remuneration
Faldi Ismail	15,000	-	-	168,666	183,666	92%
Tom Bahen	15,000	-	-	168,667	183,667	92%
Bryn Hardcastle	15,000	-	-	168,667	183,667	92%
Nicholas Young[2]	-	-	-	-	-	-
Steven Bryson Haynes[3]	-	-	-	-	-	-
***Directors removed 28 October 2015*:**			-			
Karel Louman	-	-	-	-	-	-
Stephen Watts	-	-	-	-	-	-
Jeffrey Clarke	-	-	-	-	-	-
Nicholas Stretch	-	-	-	-	-	-
	45,000	-	-	506,000	551,000	

Year Ended 30 June 2015

The financial report for the year ended 30 June 2015 has been prepared by Directors who were appointed on or after 28 October 2015. As such, the Directors did not have control of the Company until control was transferred to them on the effectuation of the deed of company arrangement **(DOCA)** on 28 October 2015. Accordingly, the company does not have adequate information to enable the remuneration report disclosures required by the *Corporations Act 2001* for the year ended 30 June 2015.

[1] The value of the performance rights granted to key management personnel as part of their remuneration is calculated as at the grant date using the Monte Carlo method. The amounts disclosed as part of remuneration for the financial year were issued and vested within the period.

[2] Appointed 28 October 2015, Resigned 5 November 2015

[3] Appointed 28 October 2015, Resigned 5 November 2015

6. Additional disclosures relating to equity instruments

Options awarded, vested and lapsed during the year

The table below discloses the number of share options granted, vested or lapsed during the year.

Share options do not carry any voting or dividend rights, and can only be exercised once the vesting conditions have been met, until their expiry date.

KMP Options Holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

30 June 2016	Balance at the start of the year	Granted as remuneration during the year	Exercised during the year	Other changes during the year[2]	Balance at the end of the year	Vested and exercisable	Vested and un-exercisable
Faldi Ismail [1]	-	-	-	10,000,000	10,000,000	10,000,000	-
Tom Bahen	-	-	-	-	-	-	-
Bryn Hardcastle	-	-	-	-	-	-	-
Nicholas Young[1]	-	-	-	-	-	-	-
Steven Bryson Haynes[1]	-	-	-	-	-	-	-
Directors removed 28 October 2015:							
Peter Collery	6,639,650	-	-	(6,639,650)	-	-	-
Jeffrey Clarke	4,564,156	-	-	(4,564,156)	-	-	-
Nicholas Stretch	18,651,597	-	-	(18,651,597)	-	-	-
Stephen Watts	1,973,540	-	-	(1,973,540)	-	-	-
Karel Louman	1,430,555	-	-	(1,430,555)	-	-	-
	33,259,498	-	-	(23,259,498)	10,000,000	10,000,000	-

30 June 2015	Balance at the start of the year	Granted as remuneration during the year	Exercised during the year	Other changes[2] during the year	Balance at the end of the year	Vested and exercisable	Unvested
Peter Collery	-	6,639,650	-	-	6,639,650	-	-
Jeffrey Clarke	-	4,564,156	-	-	4,564,156	-	-
Nicholas Stretch	13,578,115	5,073,482	-	-	18,651,597	-	-
Stephen Watts	-	-	-	1,973,540	1,973,540	-	-
Karel Louman	-	1,430,555	-	-	1,430,555	-	-
Total	13,578,115	17,707,843	-	1,973,540	33,259,498	-	-

[1] These were options held indirectly through Otsana Pty Ltd, a company of which Faldi Ismail is a Director.

[2] Refers to shares purchased, consolidated or sold during the financial year or, in the case of resignation/removal of a director, the holding at resignation date

6. Additional disclosures relating to equity instruments

KMP performance rights holdings

The number of performance rights held by each KMP of the Group during the financial year is as follows:

30 June 2016	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Vested and un-exercisable
Faldi Ismail	-	10,000,000	-	-	10,000,000	3,333,333	6,666,666
Tom Bahen	-	10,000,000	-	-	10,000,000	3,333,333	6,666,667
Bryn Hardcastle	-	10,000,000	-	-	10,000,000	3,333,333	6,666,667
Nicholas Young	-	-	-	-	-	-	-
Steven Bryson Haynes	-	-	-	-	-	-	-
Total	-	30,000,000	-	-	30,000,000	10,000,000	20,000,000

No shares were issued during the year on exercise of performance rights (2015: Nil)

Performance Rights granted as remuneration

	Grant Details			Exercised		Lapsed		Balance at End of Year	
	Grant Date	No.	Value[1]	No.	Value	No.	Value	No.	Value
30 June 2016			$		$		$		$
Faldi Ismail	22-Jan-16	10,000,000	168,667	-	-	-	-	10,000,000	168,667
Tom Bahen	22-Jan-16	10,000,000	168,667	-	-	-	-	10,000,000	168,667
Bryn Hardcastle	22-Jan-16	10,000,000	168,667	-	-	-	-	10,000,000	168,667
Nicholas Young	-	-	-	-	-	-	-	-	-
Steven Bryson Haynes	-	-	-	-	-	-	-	-	-
			506,001	-	-	-	-	30,000,000	506,001

Year Ended 30 June 2015

No Performance rights were granted to KMP in the 2015 financial year.

Description of Performance Rights Issued as Remuneration

Grant Date	Performance Right	Expiration dates	Number of rights issued	Value per Right at Grant Date $	Total Value $
22-Jan-16	Class A	22-Jan-19	10,000,000	0.0177	177,000
22-Jan-16	Class B	22-Jan-19	10,000,000	0.0170	170,000
22-Jan-16	Class C	22-Jan-19	10,000,000	0.0159	159,000
			30,000,000		**506,000**

[1] The fair value of performance rights granted as remuneration and as shown in the above table has been determined in accordance with Australian Accounting Standards. The expense for these rights has been recognised in full for the current period given there is no applicable service period.

6. Additional disclosures relating to equity instruments

Class	Milestone
Class A Performance Rights	Upon volume weighted average price (VWAP) for 10 consecutive trading days of shares equals or exceeds 3 cents
Class B Performance Rights	Upon volume weighted average price (VWAP) for 10 consecutive trading days of shares equals or exceeds 4 cents
Class C Performance Rights	Upon volume weighted average price (VWAP) for 10 consecutive trading days of shares equals or exceeds 5 cents

The Performance Rights will vest and become capable of exercise into ordinary shares in the Company upon the satisfaction of vesting conditions that are market based vesting conditions as disclosed above. To date, these have not been exercised.

KMP Shareholdings

The number of ordinary shares in Cre8tek Limited held by each KMP of the Group during the financial year is as follows:

30 June 2016	Balance at the start of the year	Granted as Remuneration during the year	Issued on exercise of options during the year	Other changes during the year[1]	Balance at end of Year
Faldi Ismail	-		-	4,750,000	4,750,000
Tom Bahen	-		-	2,500,000	2,500,000
Bryn Hardcastle	-	-	-	-	-
Nicholas Young	-	-	-	-	-
Steven Bryson Haynes	-	-	-	-	-
Directors removed 28 October 2015:					
Peter Collery	10,044,882	-	-	(10,044,882)	-
Jeffrey Clarke	10,345,382	-	-	(10,345,382)	-
Nicholas Stretch	-	-	-	-	-
Stephen Watts	4,330,142	-	-	(4,330,142)	-
Karel Louman	9,972,615	-	-	(9,972,615)	-
Total	34,693,021	-	-	(34,693,021)	7,250,000

30 June 2015	Balance at the start of the year	Granted as Remuneration during the year	Issued on exercise of options during the year	Other changes during the year[1]	Balance at end of Year
Peter Collery	1,044,882	9,000,000	-	-	10,044,882
Jeffrey Clarke	1,345,382	9,000,000	-	-	10,345,382
Nicholas Stretch	-	-	-	-	-
Stephen Watts	2,650,141	-	-	1,680,001	4,330,142
Karel Louman	972,615	9,000,000	-	-	9,972,615
Total	6,013,020	27,000,000	-	1,680,001	34,693,021

[1] Refers to shares purchased, consolidated or sold during the financial year or, in the case of resignation of a director, the holding at resignation date

7. Loans to key management personnel (KMP) and their related parties

There were no loans made to key management personnel during the financial year.

8. Other transactions and balances with KMP and their related parties

On the 28 October 2015, the DOCA was effectuated. The Directors entered into contracts to each be paid $3,000 per month for the provision of Director services to Cre8tek Limited. The fees were payable from 1 February 2016. The contract remains in place until Directors either resign or are not re-elected at an AGM.

Purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The Group acquired the following services from entities that are controlled by members of the Group's KMP:

Some Directors or former Directors of the Group hold or have held positions in other companies, where it is considered they control or significantly influence the financial or operating policies of those entities. During the year, the following entities provided corporate services and rental to the Group. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Entity	Nature of transactions	Key Management Personnel	Total Transactions 2016 $	Total Transactions 2015 $	Payable Balance 2016 $	Payable Balance 2015 $
Adamantium Holdings Pty Ltd	Rental of office	Faldi Ismail	9,000	-	1,500	-
Otsana Pty Ltd	Capital raising fees[1]	Faldi Ismail	216,000	-	-	-
Otsana Pty Ltd	Management fee	Faldi Ismail	45,000	-	-	-
Bellanhouse Legal	Legal fees	Bryn Hardcastle	119,555	-	34,800	-
Onyx Corporate Pty Ltd	Corporate accounting	Nicholas Young	-[2]	-	-	-

- Rental of office space and registered office paid to Adamantium Holdings Pty Ltd for the year ended 30 June 2016, refer to note 20 for additional details. Adamantium Holdings Pty Ltd is a company controlled by director Faldi Ismail,
- Capital raising and management fee paid to Otsana Pty Ltd as Corporate Advisor for the year ended 30 June 2016. Otsana Pty Ltd is a company controlled by director Faldi Ismail.
- Provision of legal services by Bellanhouse Legal, Mr Bryn Hardcastle is the controlling shareholder
- Provision of accounting services by Onyx Corporate, Mr Nicholas Young is a Director,
- As part of the Corporate Adviser mandate 10,000,000 adviser options were issued to Otsana Pty Ltd. The options had a fair value of $109,412.

REMUNERATION REPORT (END)

[1] Capital raising fees includes amounts paid to Otsana Pty Ltd. It is noted that some of these proceeds were ultimately paid to other AFSL holders who provided brokerage services.

[2] In the case of resignation of a director, the values incurred and owing at resignation date.

Signed in accordance with a resolution of the Board of Directors.

Bryn Hardcastle
Non-Executive Chairman
Dated 30 September 2016

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Auditor's Independence Declaration to the Directors of Cre8tek Limited

As lead auditor for the audit of Cre8tek Limited for the financial year ended 30 June 2016, I declare to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Cre8tek Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

T G Dachs
Partner
30 September 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		$	$
Interest Income	2	15,109	457
Other Income	2	3,319,184	-
Deed administrators expense		-	(45,985)
Director fees		(45,000)	-
Management fee and employee benefits expense	3	(45,000)	(79,167)
Corporate Administration	3	(80,379)	-
Loss on deconsolidation of subsidiaries	3	-	(138,959,347)
Legal and consulting fees		(61,380)	(328,720)
Software expense		(115,000)	-
Audit and accounting fees		(54,328)	(96,300)
Secretarial and listing expense		(80,679)	(103,800)
Finance costs	3	(1,315)	(146,356)
Share based payment expense	15	(1,654,376)	(1,658,942)
Due diligence expense		(126,846)	-
Other expenses		(13,707)	(51,757)
Profit/(Loss) before income tax		1,056,283	(141,469,917)
Income tax expense	4	-	-
Profit/(Loss) for the year		1,056,283	(141,469,917)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		-	18,473,866
Other comprehensive loss for the year, net of tax		-	18,473,866
Total comprehensive income/(loss) for the year		1,056,283	(122,996,051)
Basic earnings/(loss) per share (cents per share)	7	0.93	(7718.15)
Diluted earnings/(loss) per share (cents per share)	7	0.84	(7718.15)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016	2015
		$	$
CURRENT ASSETS			
Cash and cash equivalents	8 a	2,486,501	53,208
Trade and other receivables	9	25,240	-
Other assets		14,723	-
TOTAL CURRENT ASSETS		2,526,464	53,208
NON-CURRENT ASSETS			
Trade and other receivables	9	150,000	-
Intangible assets	10	50,000	-
TOTAL NON-CURRENT ASSETS		200,000	-
TOTAL ASSETS		2,726,464	53,208
CURRENT LIABILITIES			
Trade and other payables	11	132,694	966,716
Borrowings	12	11,200	2,744,844
TOTAL CURRENT LIABILITIES		143,894	3,711,560
TOTAL LIABILITIES		143,894	3,711,560
NET ASSETS/ (LIABILITIES)		2,582,570	(3,658,352)
SHAREHOLDERS' EQUITY/ (DEFICIT)			
Issued capital	13	220,279,667	216,497,117
Reserves	14	3,790,892	20,287,708
Accumulated losses		(221,487,989)	(240,443,177)
SHAREHOLDERS' EQUITY/ (DEFICIT)		2,582,570	(3,658,352)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2016

	Issued Capital	Option Premium Reserve	Capital Profit Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
	$	$	$	$	$	$
Balance at 1 July 2014	**213,084,239**	**17,621,295**	**277,610**	**(18,473,866)**	**(98,973,260)**	**113,536,018**
Loss for the year	-	-	-	-	(141,469,917)	(141,469,917)
Other comprehensive income	-	-	-	18,473,866	-	18,473,866
Total comprehensive loss for the year	-	-	-	18,473,866	(141,469,917)	(122,996,051)
Transactions with owners, recognised directly in equity						
Equity issued during the year	3,412,878	2,388,803	-	-	-	5,801,681
Balance at 30 June 2015	**216,497,117**	**20,010,098**	**277,610**	**-**	**(240,443,177)**	**(3,658,352)**
Balance at 1 July 2015	**216,497,117**	**20,010,098**	**277,610**	**-**	**(240,443,177)**	**(3,658,352)**
Profit for the year	-	-	-	-	1,056,283	1,056,283
Total comprehensive income for the year	-	-	-	-	1,056,283	1,056,283
Transactions with owners, recognised directly in equity						
Reserves transferred to accumulated losses during the period	-	(17,621,295)	(277,610)	-	17,898,905	-
Equity issued during the year	4,600,000	-	-	-	-	4,600,000
Options issued during the year	-	896,089	-	-	-	896,089
Performance rights issued during the year	-	506,000	-	-	-	506,000
Consideration for acquisition of Global Agenda Pty Ltd (Note 22)	50,000	-	-	-	-	50,000
Capital raising costs	(867,450)	-	-	-	-	(867,450)
Balance at 30 June 2016	**220,279,667**	**3,790,892**	**-**	**-**	**(221,487,989)**	**2,582,570**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(450,911)	(622,870)
Payments for software platform		(115,000)	-
Interest received		15,109	457
Payment to Deed Administrator		(146,167)	-
Net cash used in operating activities	8 b	(696,969)	(622,413)
CASH FLOWS FROM INVESTING ACTIVITIES			
Loan to Flamingo Inc.		(150,000)	-
Net cash used in investing activities		(150,000)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		3,600,650	-
Payment of capital raising costs		(320,387)	-
Proceeds from borrowings		195,000	1,392,399
Repayment of borrowings		(195,000)	(949,182)
Net cash from financing activities		3,280,263	443,217
Net increase/ (decrease) in cash and cash equivalents		**2,433,293**	**(179,196)**
Cash and cash equivalents at the beginning of the financial year		53,208	232,404
Cash and cash equivalents at the end of the financial year		2,486,501	53,208

The accompanying notes form part of these financial statements

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

These consolidated financial statements cover Cre8tek Limited (**Company**) and its controlled entities as a consolidated entity (also referred to as **Group**). Cre8tek Limited is a company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity.

The financial statements were issued by the board of directors on 30 September 2016 by the directors of the Company.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial report

a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (**AASBs**) (including Australian interpretations) adopted by the Australian Accounting Standard Board (**AASB**) and the Corporations Act 2001 where possible (refer to note 1(b)). The financial statements have been prepared on an accruals basis and are based on historical costs.

b) Incomplete records

a) The financial report for the year ended 30 June 2016 has been prepared by Directors who were appointed on or after 28 October 2015. As such, the Directors did not have control of the company until control was transferred to them on the effectuation of the deed of company arrangement on 28 October 2015.
b) Prior to 28 October 2015, the current Directors did not have oversight or control over the Company's financial reporting systems including but not limited to being able to obtain access to complete accounting records of the Company. To prepare the financial reports for the year ended 30 June 2016, the Directors have reconstructed the financial records of the Company for the period 1 July 2015 to 28 October 2015 using data extracted from the Company's accounting system. However, there may have been information that the current Directors were not been able to obtain, the impact of which may or may not have been material on the financial performance for the year ended 30 June 2016.
c) The current Directors have not been able to source books and records of the Company's subsidiaries up to 5 October 2015 when the ownership of the subsidiaries was transferred to the creditors' trust. The financial information of the Company's subsidiaries had been deconsolidated in the prior period.

Consequently, although the Directors have prepared this financial report for the year ended 30 June 2016 to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that these financial reports (with the exception of the consolidated statement of financial position) have been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporations Act 2001. The Directors are of the view however that the consolidated statement of financial position has been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporations Act 2001. Furthermore, the Directors are of the opinion that it is not possible to state this financial report gives a true and fair view of the Group's performance for the year ended 30 June 2016 and cannot form a view as to whether the financial statements comply with International Financial Reporting Standards (IFRS).

It should be noted that the matters referred to in items (a) to (c) above were also relevant for the year ended 30 June 2015 which are presented as comparative figures in this report.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2016. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (**OCI**) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investments retained
- Recognises any surplus or deficit in profit and loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d) Business combination

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

e) Income Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (**income**) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

f) Leases

Leases are classified at their inception as either operating or finance leases based on economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating Leases

The minimum lease payments made under operating leases are charged against profits in equal installments over the accounting periods covered by the lease term where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item.

The cost of improvements to or on leased property is capitalized, disclosed as leasehold improvements and amortised.

Finance leases

Leases which effectively transfer substantially all of the risks and rewards incidental to ownership of the leased item to the Company are capitalised at the present value of the minimum lease payments and disclosed as property, plant and equipment under lease. A lease liability of equal value is also recognised.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and recognised directly in net profit.

g) Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.

Derivative instruments

The Group does not trade or hold derivatives.

Financial guarantees

The Group has no material financial guarantees.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

h) Impairment of non-financial assets

At the end of each reporting period, the Directors assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits.

If any such indication exists, an impairment test is carried out on the asset by comparing the asset's recoverable amount, being the higher of its fair value less costs to sell and its value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

i) Intangible assets

Internally developed software

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- The ability to use the intangible asset generated

Costs that are directly attributable include employee costs incurred on software development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. As at 30 June 2016, no intangible assets were considered to be available for use.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the profit or loss with other income or other expenses.

j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks with original maturity of three months or less.

k) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Interest revenue is brought to account on an accruals basis using the effective interest rate method and, if not received at the end of the reporting period, is reflected in the statement of financial position as a receivable

l) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

m) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (**ATO**).

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

n) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within 12 months have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

Equity-settled compensation

The Group operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. The fair value of performance right options is determined using the satisfaction of certain performance criteria (Performance Milestones). The number of shares option and performance rights expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest. The fair value is determined using either a Black Scholes or Monte Carlo simulation model depending on the type of share-based payment.

o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

p) Equity and reserves

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits. The option reserve records the value of share-based payments.

q) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each entity within the Group is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Parent's functional currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Exchange differences arising on the translation of monetary items are recognised in the profit or loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognized other comprehensive Income; otherwise the exchange difference is recognised in profit or loss.

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 year-end exchange rates prevailing at that 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 the profit or loss in the period in which the operation is disposed of.

r) Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments were previously identified by management based on geographical location. The Company's previous operations have ceased as explained in note 2. In respect to the Group's current operations subsequent to the DOCA being executed, the financial information presented to the chief operating decision maker is consistent with that presented in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows.

The Group now only has one segment being, the development of software and the location of the segments assets is in Western Australia. Accordingly, all significant operating disclosures are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

s) Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to member of the parent entity, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year (if any).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

t) Critical Accounting estimates and judgements

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

Significant management judgement

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements

Capitalisation of internally developed software

Distinguishing the research and development phase of a new customized software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Key Estimates and judgements

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them.

The intangible assets of $50,000 as disclosed in note 10 have been assessed for impairment by considering the fair value less cost to sell. The fair value less cost to sell has been determined by the group considering the initial purchase price of the in-process research and development during the period and the additional value that has been added to the platform subsequent to that date through further expenditure. All estimates have been based on information that is currently available. Given the stage of development of the platform, there is still uncertainty associated with future cash flows to be generated by the platform, and this may in turn result in further impact on future financial results.

Share based payments

Share-based payments are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest. The fair value of performance rights is determined using a Monte Carlo simulation model. The corresponding amount for options or performance rights is recorded to the share based payment reserve. Details of share-based payments assumptions are detailed in Note 15.

Consolidation of group's subsidiaries

For the purposes of preparing the financial statements for the year ended 30 June 2016, as detailed in Note 1(b), the Directors have not been able to obtain financial information of the company's subsidiaries and accordingly, the financial information of the company's subsidiaries have been deconsolidated effective from 1 July 2014.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

It should be noted that control of Marion Energy Inc. (**MEI**) was lost when it filed for bankruptcy protection on 31 October 2014. Control of MEI was regained when it left bankruptcy protection following TCS Funding Solutions, LLC (**Castlelake**) purchase of the assets of MEI by way of a credit bid. Accordingly, the financial information of MEI should have been deconsolidated on 31 October 2014 (when it filed for bankruptcy protection) and reconsolidated when it left bankruptcy protection. However, as disclosed above and in note 1 (b), the Directors have not been able to obtain the financial information of the company's subsidiaries (including MEI) and therefore, the financial information of MEI has been deconsolidated effective 1 July 2014.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
NOTE 2: OTHER INCOME		**$**	**$**
Interest income:			
Interest received, non-related parties		15,109	457
		15,109	457
Other Income			
Gain on creditor obligation released		3,665,350	-
Less:			
Net refunds received by Administrator		3,834	-
DOCA payments		(150,000)	-
Creditor shares transferred to the trust		(200,000)	-
Assets transferred to the Creditors Trust		(346,166)	-
Gain arising from Deed of Company Arrangement		3,319,184	-

Other Income – Gain arising from Deed of Company Arrangement

On 2 February 2015, the then Board resolved to place the Company into voluntary administration and appointed Mr James Downey of JP Downey and Co as voluntary administrator of the Company. Following appointment of the administrator, the powers of the Company's officers (including Directors) were suspended and the administrator assumed control of the Company's business, property and affairs.

A deed of company arrangement (**Original DOCA**) was executed on 19 March 2015. On 6 August 2015, the creditors of the Company resolved that the Company vary the Original DOCA. The following day the Company, the Deed Administrator, KM Custodians (the Company's secured creditor) and Otsana executed a varied DOCA, which embodied a proposal by Otsana for the recapitalisation of the Company (**Recapitalisation Proposal**). The DOCA provided for the creation of a Creditors' Trust and an opportunity for the Company to be restructured. Under the DOCA, the claims of the Company's creditors as at 28 October 2015 now reside within the Creditors' Trust. The Voluntary Administrator was appointed as Deed Administrator and Trustee of the Creditors' Trust. The purpose of the DOCA was to facilitate a reconstruction and recapitalisation of the Company with a view to having the Company relisted on the ASX. On effectuation of the DOCA control of the Company reverted back to the Directors on 28 October 2015.

The effectuation of the DOCA on 28 October 2015 had the following financial effect:

- claims of the Company's creditors as at 28 October 2015 now reside within the Creditors' Trust;
- all cash at bank and any other assets at 28 October 2015 were transferred to the Creditors' Trust; and
- the payment of the promoter contribution of $150,000.

This resulted in a debt release gain under the DOCA of $3,319,184 being recognised in the year ended 30 June 2016 as detailed above.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 3: PROFIT/(LOSS) FOR THE YEAR	**Note**	**2016**	**2015**
Profits/(Loss) before income tax from continuing operations includes the following specific expenses:		**$**	**$**
Management fee and employee benefits expense:			
- Management fees	(i)	45,000	-
- Other employee benefits		-	79,167
		45,000	79,167
Corporate Administration:			
- Shareholder printing and postage mail outs		58,102	-
- Insurance expense		13,277	-
- Office rent		9,000	-
		80,379	-
Finance costs:			
- External		1,315	146,356
		1,315	146,356
Loss on deconsolidation of subsidiaries:			
- Loss on deconsolidation of shares in Marion Energy Inc		-	3,771,225
- Loss on deconsolidation of loan to Marion Energy Inc		-	113,184,587
- Loss on deconsolidation of OEL Operating (USA) Inc		-	22,000,000
- Other loss on deconsolidation		-	3,535
		-	138,959,347

3(i). Management fee of $45,000 paid to Otsana for re-compliance management services.

NOTE 4: INCOME TAX	**2016**	**2015**
	$	**$**
(a) Income tax expense	-	-
Current tax	-	-
Deferred tax	-	-
(b) The prima facie tax payable on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Income tax expense/(benefit) on operating loss at 28.5% (2015: 30%)	301,041	(42,440,975)
Non-deductible items		
Non-deductible expenditure	481,365	-
Non-assessable income	(945,967)	-

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 4: INCOME TAX	**2016**	**2015**
	$	**$**
Temporary differences not recognised	163,561	(42,440,975)
Income tax attributable to operating income/(loss)	-	*
The applicable weighted average effective tax rates are as follows:	Nil%	Nil%
Balance of franking account at year end	Nil	Nil
Deferred tax assets		
Tax losses	175,817	*
Accrued expenses	-	*
Black hole expenditure	73,048	*
Unrecognised deferred tax asset	248,865	-
Set-off deferred tax liabilities	-	-
Net deferred tax assets	248,865	*
Less deferred tax assets not recognised	(248,865)	*
Net assets	-	-
Deferred tax liabilities		
Other	-	*
Set-off deferred tax assets	-	*
Net deferred tax liabilities	-	-
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	248,865	*

*As detailed in note 1 (b), the Directors do not have access to sufficient information to enable detailed tax disclosure to be made for the comparative period.

Carry forward losses

Potential future income tax benefits attributable to tax losses carried forward have not been brought to account at 30 June 2016, because the Directors do not believe it is appropriate to regard realisation of the future income tax benefits as probable.

NOTE 5: RELATED PARTY TRANSACTIONS

a) Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2016.

The totals of remuneration paid to KMP during the year are as follows:

	2016 $	2015* $
Short-term salary, fees and commissions	45,000	-
Performance Rights	506,000	-
Total KMP Compensation	551,000	-

Loans to Key Management Personnel

There were no loans made to Key Management Personnel during the financial year.

b) Other related party transactions

On the 28 October 2015, the DOCA was effectuated. The Directors entered into contracts to each be paid $3,000 per month for the provision of Director services to Cre8tek Limited. The fees were payable from 1 February 2016. The contract remains in place until Directors either resign or are not re-elected at an AGM.

Purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The Group acquired the following services from entities that are controlled by members of the Group's KMP:

Some Directors or former Directors of the Group hold or have held positions in other companies, where it is considered they control or significantly influence the financial or operating policies of those entities. During the year, the following entities provided corporate services and rental to the Group. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Entity	Nature of transactions	Key Management Personnel	Total Transactions 2016 $	Total Transactions 2015 $	Payable Balance 2016 $	Payable Balance 2015 $
Adamantium Holdings Pty Ltd	Rental of office	Faldi Ismail	9,000	-	1,500	-
Otsana Pty Ltd	Capital raising fees[1]	Faldi Ismail	216,000	-	-	-
Otsana Pty Ltd	Management fee	Faldi Ismail	45,000	-	-	-
Bellanhouse Legal	Legal fees	Bryn Hardcastle	119,555	-	34,800	-
Onyx Corporate Pty Ltd	Corporate accounting	Nicholas Young	-[2]	-	-	-

- Rental of office space and registered office paid to Adamantium Holdings Pty Ltd for the year ended 30 June 2016, refer to note 20 for additional details. Adamantium Holdings Pty Ltd is a company controlled by director Faldi Ismail,

[1] Capital raising fees includes amounts paid to Otsana Pty Ltd and other AFSL holders who provided brokerage services.

[2] In the case of resignation of a director, the values incurred and owing at resignation date.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

- Capital raising and management fee paid to Otsana Pty Ltd as Corporate Advisor for the year ended 30 June 2016. Otsana Pty Ltd is a company controlled by director Faldi Ismail.
- Provision of legal services by Bellanhouse Legal, Mr Bryn Hardcastle is the controlling shareholder
- Provision of accounting services by Onyx Corporate, Mr Nicholas Young is a Director,
- As part of the Corporate Adviser mandate 10,000,000 adviser options were issued to Otsana Pty Ltd. The options had a fair value of $109,412.

NOTE 6: AUDITOR'S REMUNERATION	Note	2016	2015
		$	$
Remuneration of the auditor of the Group (Ernst & Young) for:			
- Auditing or reviewing the financial reports		23,000	17,500
		23,000	17,500

NOTE 7: EARNINGS/(LOSS) PER SHARE	Note	2016	2015
		$	$
Earnings/ (Loss) per share (EPS)			
a) Profit/(Loss) used in calculation of basic EPS and diluted EPS		1,056,283	(141,469,917)
b) Weighted average number of ordinary shares outstanding during the year used in calculation of basic earnings/ (loss) per share*		114,125,039	1,832,952
Weighted average number of dilutive options outstanding		11,146,789	-
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted earnings/(loss) per share		125,271,828	1,832,952

* The weighted average number of ordinary shares used in the calculation of loss per share has been adjusted for the share consolidation completed by the company on 30 September 2015.

NOTE 8 a : CASH AND CASH EQUIVALENTS	**Note**	**2016**	**2015**
		$	**$**
Cash at bank		2,471,501	53,208
Term deposit		15,000	-
Total cash and cash equivalents in the statement of cash flows		2,486,501	53,208

The effective interest rate on short-term bank deposit was 2.4% (30 June 2015: nil). The deposit has no fixed maturity dates.

NOTE 8 b : CASH FLOW INFORMATION	**Note**	**2016**	**2015**
		$	**$**
Profit / (Loss) after income tax		1,056,283	(141,469,917)
Non-cash flows in loss after income tax			
Loss on deconsolidation		-	138,959,347
Gain under the DOCA		(3,465,350)	-
Share based payment expense		1,654,376	1,658,942
Changes in assets and liabilities			
Decrease/ (increase) in receivables		(25,239)	-
Decrease/ (increase) in prepayments		(14,723)	-
Decrease/ (increase) in other assets		-	277,280
(Decrease)/ increase in payables		97,684	(48,065)
Cash flow (used in) operating activities		(696,969)	(622,413)

Credit Standby Facilities

The Group has no credit standby facilities.

Non-Cash investing and financing activities

Refer to note 15 for non- cash investing and financing activities during the year.

NOTE 9: TRADE AND OTHER RECEIVABLES	**2016**	**2015**
	$	**$**
CURRENT		
GST receivable	25,240	-
	25,240	-
NON CURRENT		
Other receivables*	150,000	-
	150,000	-

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

* Other receivables are funds loaned to Flamingo Customer Experience Inc (“Flamingo”). The funds are to be used by the Flamingo in the ordinary course of business and for transactions costs incurred up to completion of the Share Sale Agreement. The loan is unsecured and interest free. If the Flamingo transaction does not occur for any reason the loan will convert to common stock in the capital of the Borrower.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 10: INTANGIBLE ASSETS	2016	2015
	$	$
NON-CURRENT		
Balance at the beginning of the year	-	-
Acquired through the acquisition of Global Agenda Pty Ltd (Note 22)	50,000	-
Balance at the end of the year	50,000	-

Intangible assets relate to the development of the Agenda platform. The Group has assessed the intangible assets for impairment as at 30 June 2016. The recoverable amount of the intangible asset was determined considering the fair value less cost to sell.

NOTE 11: TRADE AND OTHER PAYABLES	2016	2015
	$	$
CURRENT		
Trade and other payables	92,396	966,716[13]
Accruals	40,298	-
	132,694	966,716

All amounts are short-term. The carrying values of trade payables and other payables are considered to approximate fair value.

The borrowing from Hunter Premium Funding is short-term and bearing an interest of 8.4% per annum.

NOTE 12: BORROWINGS	2016	2015
	$	$
CURRENT		
Borrowings[1]	-	2,744,844
Loan from Hunter Premium Funding	11,200	-
	11,200	2,744,844

NOTE 13: ISSUED CAPITAL		2016	2015
		$	$
(a) Share Capital			
234,426,409 (2015: 192,505,402) fully paid ordinary shares	13 b	221,147,117	216,497,117
Transaction costs relating to share issues for year		(867,450)	-
		220,279,667	216,497,117

(b) Movements in fully paid Ordinary Capital

	Date	Number	$
Balance at beginning of the reporting period	**1 July 2014**	126,753,630	213,084,239
Shares issued in lieu of payment entitlements	18 July 2014	27,000,000	1,620,000
Shares issued for conversion of convertible note	05 August 2014	20,540,831	1,232,450
Shares issued for services	19 September 2014	470,000	28,200

[1] Following effectuation of the DOCA on the 28 October 2015, all liabilities, contingent liabilities, obligations, warranties and long term commitments were transferred to the Creditors Trust.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 13: ISSUED CAPITAL		2016	2015
		$	$
Shares issued for outstanding loans	28 October 2014	17,740,941	532,227
Balance at end of the reporting period	**30 June 2015**	192,505,402	216,497,117

	Date	Number	$
Balance at beginning of the reporting period	**1 July 2015**	192,505,402	216,497,117
Consolidation of existing shares 1:100 nil consolidation	14 October 2015	(190,578,993)	-
Issued Capital – Placement to Creditors' Trust	28 October 2015	10,000,000	200,000
Issued Capital – Placement to Promoters	28 October 2015	40,000,000	800,000
Issued Capital – Pursuant to Prospectus	25 January 2016	180,000,000	3,600,000
Issued Capital – Consideration for acquisition of subsidiary	25 January 2016	2,500,000	50,000
Balance at end of the reporting period	**30 June 2016**	**234,426,409**	**221,147,117**

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll. Shares have no par value.

(c) Capital Management

Due to the nature of the Group's activities, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet due diligence programs and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 14: RESERVES	**2016**	**2015**
	$	**$**
Capital profit reserve	-	277,610
Option reserve (a)	3,790,892	20,010,098
	3,790,892	20,287,708

a) Option Reserve

Movements		
Balance at the beginning of the year	20,010,098	17,621,295
Issued during the year	-	2,388,803
Issued options to promoters – recapitalisation	349,026	-
Issue performance rights	506,000	-
Issue share options to brokers	547,063	-
Options lapsed during the year	(17,621,295)	-
Balance at the end of the year	**3,790,892**	**20,010,098**

b) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary. There were no foreign currency translation reserve movements for the year ended 30 June 2016.

NOTE 15: SHARE BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2016

i. On 18 July 2014, 22,105,541 options were granted to KM Custodians as an incentive fee for finance provided. The issue was approved by shareholders at an Extraordinary General Meeting (**EGM**) held on the 19 June 2014. The services provided had a value of $1,326,331 and was recognised as a share based payment in the profit and loss.

ii. On 18 July 2014, 5,073,482 options were granted to NSL as an incentive fee for finance provided. The issue was approved by shareholders at an EGM held on the 19 June 2014. The services provided had a value of $304,409 and was recognised as a share based payment in the profit and loss.

iii. On 19 September 2014, 470,000 shares were granted to Contractors for services provided. The issue was approved by shareholders at an EGM held on the 19 June 2014. The services provided had a value of $28,200 and was recognised as a share based payment in the profit and loss.

iv. On 19 September 2014, 470,000 shares were granted to Contractors for services provided. The issue was approved by shareholders at an EGM held on the 19 June 2014. The services provided had a value of $28,200 and was recognised as a share based payment in the profit and loss.

v. On 4 November 2015, 25,000,000 Promoter share options were granted to various Promoters for consideration of $0.00001 to acquire 1 share in the Company exercisable at $0.02 on or before 4 November 2019. The options were valued under Black and Scholes and a fair value adjustment was posted as a share based payment for the difference to the consideration received. The options vest immediately and the share based payment recognised in the profit and loss was $348,776. The options hold no dividend or voting rights and are transferrable.

NOTE 15: SHARE BASED PAYMENTS

vi. On 28 October 2015, 40,000,000 shares were issued to various Promoters for consideration of $0.00001 to acquire 1 share in the Company. It was considered these shares had a fair value of $0.02 there was a share based payment recognised in the profit and loss of $799,600.

vii. On 28 October 2015, 10,000,000 shares were issued to the Creditors' Trust under the terms of the DOCA (see note 2 for further details). These shares were valued at $0.02 each which was considered to be the fair value of these shares.

viii. On 23 December 2015 9,999,999 Class A Performance Right (**Rights**) were approved by shareholders at a General Meeting. The grant date was determined to be the date of approval by shareholders. The offer of the Rights was made to Directors on the 21 January 2016, the Directors accepted the offer on 21 January 2016. The Rights convert to ordinary shares when the attaching milestone is met. Class A Performance Right milestone requires the volume weighted average price (**VWAP**) for 10 consecutive trading days of shares equaling or exceeding 3 cents. The Rights vested during the year and are capable of exercise, at election of the right holder. The Rights were valued under Monte Carlo simulation model and a fair value adjustment was posted as a share based payment. The Rights vest immediately as they are market driven the share based payment recognised in the profit and loss was $177,000. The Rights hold no dividend or voting rights and are transferrable and will lapse 3 years from settlement date, 22 January 2019.

ix. On 23 December 2015 9,999,999 Class B Performance Right (**Rights**) were approved by shareholders at a General Meeting. The grant date was determined to be the date of approval by shareholders. The offer of the Rights was made to directors on the 21 January 2016, the directors accepted the offer on the 21 January 2016. The Rights convert to ordinary shares when the attaching milestone is met. Class B Performance Right milestone requires the VWAP for 10 consecutive trading days of shares equaling or exceeding 4 cents. The Rights were valued under Monte Carol simulation model and a fair value adjustment was posted as a share based payment. The Rights vest immediately as they are market driven the share based payment recognised in the profit and loss was $170,000. The Rights hold no dividend or voting rights and are transferrable and will lapse 3 years from settlement date, 22 January 2019.

x. On 23 December 2015 10,000,002 Class C Performance Right (**Rights**) were approved by shareholders at a General Meeting. The grant date was determined to be the date of approval by shareholders. The offer of the Rights was made to directors on 21 January 2016, the directors accepted the offer on the 21 January 2016. The Rights convert to ordinary shares when the attaching milestone is met. Class C Performance Right milestone requires the VWAP for 10 consecutive trading days of shares equaling or exceeding 5 cents. The Rights were valued under Monte Carlo simulation model and a fair value adjustment was posted as a share based payment. The Rights vest immediately as they are market driven the share based payment recognised in the profit and loss was $159,000. The Rights hold no dividend or voting rights and are transferrable and will lapse 3 years from settlement date, 22 January 2019.

xi. On 23 December 2015, 50,000,000 share options (**Adviser Options**) were approved by shareholders at a General Meeting, to be issued to various brokers at the discretion of the Board. The grant date was determined to be the date of approval by shareholders. The directors resolved to proceed with the issue of Adviser Options on 21 January 2016, with 10,000,000 being issued to Otsana Capital, an entity associated with Mr Faldi Ismail. The share options are exercisable at $0.03 on or before 5 February 2019. The options were valued under Black and Scholes and a fair value adjustment was posted as a prepayment. The options vest immediately and the share based payment recognised as a prepayment for brokerage expense was $547,063. The options hold no dividend or voting rights and are transferrable.

xii. As consideration for the acquisition of Global Agenda Pty Ltd on 25 January 2016, the Company agreed and issued, refer to Note 22:

- 2,500,000 fully paid ordinary shares in CR8 at a deemed issue price of $0.02 each

NOTE 15: SHARE BASED PAYMENTS

These instruments vest immediately. The instruments hold no voting or dividend rights. The performance rights and options are unlisted. All options and performance rights were issued and vested in the current year. In respect of all of the above shares and options issued for services provided it was determined that no fair value of the services was able to be determined, as such the fair value of the instruments was used as the fair value recorded.

A summary of the inputs used in the valuation of the options and performance rights is as follows:

Options	**4/11/2015**	**25/1/2016**
Exercise price	$0.02	$0.03
Share price at date of issue	$0.02	$0.02
Grant date	4/11/2015	25/1/2016
Expected volatility (i)	100.46%	100.46%
Expiry date	4/11/2019	5/2/2018
Expected dividends	Nil	Nil
Risk free interest rate	1.9%	1.95%
Value per option	$0.0139	$0.0109
Number of options	25,000,000	50,000,000
Total value of options	**$348,776**	**$547,063**

Performance rights	**Class A**	**Class B**	**Class C**
Share price at date of issue	$0.02	$0.02	$0.02
Grant date	22/1/2016	22/1/2016	22/1/2016
Expected volatility (i)	100.46%	100.46%	100.46%
Expiry date	21/1/2019	21/1/2019	21/1/2019
Expected dividends	Nil	Nil	Nil
Risk free interest rate	2.05%	2.05%	2.05%
Value per right	$0.0177	$0.0170	$0.0159
Number of rights	9,999,999	9,999,999	10,000,002
Total value of rights	**$177,000**	**$170,000**	**$159,000**

(i) Volatility was determined by looking at similar companies for a similar period.

NOTE 16: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments were previously identified by management based on geographical location. The Company's previous operations have ceased. In addition, as detailed in Note 1(d), the financial information of the Group's subsidiaries has been deconsolidated effective 5 October 2015 and accordingly, the financial information presented to the chief operating decision maker is consistent with that presented in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows.

NOTE 17: FINANCIAL INSTRUMENTS

Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, other debtors and accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for Group's operations. The Group does not speculate in the trading of derivative instruments.

Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are market risk (including fair value and interest rate risk) and cash flow interest rate risk, credit risk and liquidity risk.

(a) Interest Rate Risk

From time to time the Group has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below:

	Floating Interest Rate	1 year or less	Non-interest bearing	2016 Total	Floating Interest Rate	Non-interest bearing	2015 Total
	$	$	$	$	$	$	$
Financial assets							
- Within one year							
Cash and cash equivalents	2,486,501	-	-	2,486,501	53,208	-	53,208
Other receivables	-	-	175,240	175,240	-	-	-
Total financial assets	2,486,501	-	175,240	2,661,741	53,208	-	53,208
Weighted average interest rate	1.2%				-		
Financial Liabilities							
- Within one year							
Trade and other Payables	-	-	132,694	132,694	-	966,716	966,716
Borrowings	-	-	-	-	-	2,744,844	2,744,844
Other liabilities	-	11,200	-	11,200	-	-	-
Total financial liabilities	-	11,200	132,694	143,894	-	3,711,560	3,711,560
Weighted average interest rate		8.4%					
Net financial assets	2,486,501	(11,200)	42,546	2,517,847	53,208	(3,711,560)	(3,658,352)

Sensitivity Analysis

The following table illustrates sensitivities to the Consolidated Entity's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

NOTE 17: FINANCIAL INSTRUMENTS

	Movement in Profit	Movement in Equity
Year ended 30 June 2016	**$**	**$**
+/-1% in interest rates	12,698	12,698
Year ended 30 June 2015		
+/-1% in interest rates	-	-

As detailed in note 1 (b), the Directors do not have access to sufficient information to enable detailed disclosure to be made for year ended 30 June 2015.

(b) Credit risk

The maximum exposure to credit risk is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	Note	2016 $	2015 $
Cash and cash equivalents - AA Rated	8a	2,486,501	53,208

(c) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place. The financial liabilities of the Group are confined to trade and other payables as disclosed in the Statement of Financial Position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

2016	Interest rate	Less than 6 months $	6-12 months $	1-2 years $	2-5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount assets/ (liabilities) $
Financial liabilities at amortised cost								
Trade and other payables		(132,694)	-	-	-	-	(132,694)	(132,694)
Borrowings	8.4%	(11,200)	-	-	-	-	(11,200)	(11,200)
		(143,894)	-	-	-	-	(143,894)	(143,894)

NOTE 17: FINANCIAL INSTRUMENTS

No comparative table was disclosed, as detailed in note 1 (b), the Directors do not have access to sufficient information to enable detailed disclosure to be made.

(d) Net fair Value of financial assets and liabilities

Fair value estimation

Due to the short term nature of the receivables and payables the carrying value approximates fair value.

(e) Financial arrangements

The company had no other financial arrangements in place at 30 June 2016 based on the information available to the current board.

NOTE 18: PARENT ENTITY DISCLOSURES

The following information has been executed from the books and records of the legal parent have been prepared in accordance with Australian Accounting Standards and the accounting policies as outlined in note 1.

(a) Financial Position of Cre8tek Limited

	Note	2016	2015
		$	$
ASSETS			
Current assets		2,676,464	53,208
Total assets		2,676,464	53,208
LIABILITIES			
Current liabilities		143,894	3,711,560
Total liabilities		143,894	3,711,560
SHAREHOLDERS' (DEFICIT)/ EQUITY			
Issued capital		220,279,667	216,497,117
Reserves		3,790,892	20,287,708
Accumulated Losses		(221,537,990)	(240,443,177)
SHAREHOLDERS' (DEFICIT)/ EQUITY		2,532,569	(3,658,352)

(b) Statement of profit or loss and other comprehensive income

	2016	2015
Profit / (Loss) for the year	1,006,283	(141,469,917)
Other comprehensive income	-	-
Total comprehensive income/(loss)	1,006,283	(141,469,917)

NOTE 18: PARENT ENTITY DISCLOSURES

(c) Guarantees entered into by Cre8tek Limited for the debts of its subsidiary

There are no guarantees entered into by Cre8tek Limited for the debts of its subsidiary as at 30 June 2016 (2015: $nil).

(d) Contingent liabilities of Cre8tek Limited

There were no known contingent liabilities as at 30 June 2016 (2015: Nil).

(e) Commitments by Cre8tek Limited

Known commitments as at 30 June 2016 are disclosed in the consolidated entities in Note 20 below.

NOTE 19: CONTROLLED ENTITIES

Cre8tek Limited

Controlled entity	Country of Incorporation	Percentage Owned 2016	Percentage Owned 2015
Global Agenda Technologies Pty Ltd	Australia	100%	-
Brisa Pty Limited (Note a)	Australia	-	100%
Marion Energy Inc (Note a)	USA	-	100%
OEL Operating (USA) Inc (Note a)	USA	-	100%

Note (a) – On effectuation of the DOCA all assets, including equity interests in Controlled entities were transferred to the creditors trust.

NOTE 20: COMMITMENTS

	2016 $	2015 $
Operating lease commitments:		
Not longer than 1 year	9,000	-
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	9,000	-

The company signed a twelve-month lease agreement with Adamantium Holdings Pty Ltd (a related entity), on 1 November 2015. Occupancy occurred on 28 October 2015, however rental fees were payable from the date of relisting. From the date of relisting the term of the lease resets to 12 months. Commitments of $9,000 remain at the end of the reporting period.

	2016 $	2015 $
Other expenditure commitments:		
No longer than 1 year	60,000	-
Longer than 1 year and not longer than 5 years	35,000	-
Longer than 5 years	-	-
	95,000	-

The Company signed a 24 months consultancy agreement with Annabel Slade to provide information technology services. The agreement expires on 31 January 2018. Commitments of $95,000 remain at 30 June 2016.

NOTE 21: CONTINGENT LIABILITIES

The Group has no known contingent liabilities as at 30 June 2016.

NOTE 22: ACQUISITION OF GLOBAL AGENDA TECHNOLOGIES

On 22 January 2016, the Company acquired Global Agenda Technologies Pty Ltd **(Agenda)**. The consideration consisted of

- 2,500,000 ordinary shares at $0.02 per share
- 25,000,000 deferred consideration shares at a deemed issue price of $0.02 per CR8 share upon Agenda achieving 500,000 active registered users on the Agenda Platform within 24 months of listing on the ASX

This acquisition has not been accounted for as a business combination under AASB 3: "Business Combination" as the assets of Agenda were considered not to constitute a business. Accordingly the Agenda acquisition has been accounted for as an acquisition of assets, at cost based on the fair value of shares issued on the transaction date. The Company has determined that the 25,000,000 deferred consideration shares have no value.

The purchase price has been allocated to the identifiable assets and liabilities of Agenda as of the date of acquisition as follows:

		$
Purchase consideration:		
Issue of shares		50,000
		50,000
Net assets acquired:		
Cash and cash equivalents		10
Other Intangible assets	10	50,000
Trade and other payables		(10)
		50,000

NOTE 23: EVENTS SUBSEQUENT TO REPORTING DATE

On 15 August 2016 the Company announced the date for 2015 Annual General Meeting where the Company sought approval from shareholders for the acquisition of Flamingo.

On 13 September 2016 the Company released the prospectus detailing the acquisition of Flamingo and for the purpose of re-complying with chapters 1 and 2 of the ASX Listing Rules.

On 14 September 2016, the Company's shareholders approved at its 2015 Annual General Meeting:

- adoption of the remuneration report for 30 June 2015;
- re-election of director Faldi Ismail;
- a change in the scale of the Company's activities as a result of the Acquisition;
- to create the Performance Shares as a new class of shares, which are to be issued to Vendors as part-consideration for the Acquisition;
- to issue Founder Consideration Securities to the Founder Vendors of up to;
  - 115,814,391 Initial Consideration Shares; and
  - 115,814,391 Performance Shares as follows:

NOTE 23: EVENTS SUBSEQUENT TO REPORTING DATE

        - 38,604,797 Class A Performance Shares;
        - 38,604,797 Class B Performance Shares; and
        - 38,604,797 Class C Performance Shares,

    and the conversion of such Performance Shares into 115,814,391 Shares

- to issue Non Founder Consideration Securities to the Non Founder Vendors of up to;
    - 156,912,882 Initial Consideration Shares; and
    - 156,912,882 Performance Shares as follows:
        - 52,304,294 Class A Performance Shares;
        - 52,304,294 Class B Performance Shares; and
        - 52,304,294 Class C Performance Shares,

      and the conversion of such Performance Shares into 156,912,882 Shares
- to issue facilitators of the transaction of up to;
    - 7,150,000 Shares; and
    - 7,150,000 Performance Shares as follows:
        - 2,383,333 Class A Performance Shares;
        - 2,383,333 Class B Performance Shares; and
        - 2,383,333 Class C Performance Shares
- to issue up to 75,000,000 Shares through a public offer at $0.04 to raise $3,000,000;
- to issue up to 6,567,382 Employee Options to Flamingo employees, the options are issued in consideration for the cancellation of existing Flamingo employee incentive scheme options held by Flamingo employees and will be issued under a new employee option plan;
- for the adoption of the employee incentive scheme titled "Cre8tek Limited Employee Incentive Scheme" **(Scheme)**;
- upon settlement of the Flamingo acquisition the appointment of the following directors;
    - Dr Catriona Wallace, and
    - Ms Cathie Reid

On 29 September 2016 the Company announced the public offer pursuant to the prospectus released to ASX on 14 September 2016 closed oversubscribed.

Subsequent to year end additional funds of $580,000 were provided to Flamingo Inc., per the terms of the funding agreement.

There were no other significant events after balance date.

NOTE 24: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

Australian accounting standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 30 June 2016. Relevant Standards and Interpretations are outlined in the table below.

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
AASB 9 Financial Instruments	AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially- reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments. **Classification and measurement** AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. There are also some changes made in relation to financial liabilities. The main changes are described below. **Financial assets** a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise	1 January 2018	1 July 2018

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 24: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
	from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. **Financial liabilities** Changes introduced by AASB 9 in respect of financial liabilities are limited to the measurement of liabilities designated at fair value through profit or loss (FVPL) using the fair value option. Where the fair value option is used for financial liabilities, the change in fair value is to be accounted for as follows: • The change attributable to changes in credit risk are presented in other comprehensive income (OCI) • The remaining change is presented in profit or loss AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains or losses attributable to changes in the entity's own credit risk would be recognised in OCI. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount. **Impairment** The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. **<u>Impact on Cre8tek Limited</u>** The Company have assessed that there is no expected material impact of the above standard.		

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 24: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
AASB 15 Revenue from Contracts with Customers	AASB 15 Revenue from Contracts with Customers replaces the existing revenue recognition standards AASB 111 Construction Contracts, AASB 118 Revenue and related interpretations (Interpretation 13 Customer Loyalty Programmes, Interpretation 15 Agreements for the Construction of Real Estate, Interpretation 18 Transfers of Assets from Customers, Interpretation 131 Revenue – Barter Transactions Involving Advertising Services and Interpretation 1042 Subscriber Acquisition Costs in the Telecommunications Industry). AASB 15 incorporates the requirements of IFRS 15 Revenue from Contracts with Customers issued by the International Accounting Standards Board (IASB) and developed jointly with the US Financial Accounting Standards Board (FASB). **<u>Impact on Cre8tek Limited</u>** The Company have assessed that there is no expected material impact of the above standard given that the company does not yet have any revenue.	1 January 2018	1 July 2018
AASB 16 Leases	The key features of AASB 16 are as follows: **Lessee accounting:** • Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets is of low value. • A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. • Assets and liabilities arising from a lease are initially measured on present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the **lease.** • AASB 16 contains disclosure requirements for lessees.	1 January 2019	1 July 2019

NOTE 24: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
	Lessor accounting: • AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk. **AASB 16 supersedes:** (a) AASB 117 Leases (b) Interpretation 4 Determining whether an Arrangement contains a Lease (c) SIC-15 Operating Leases-Incentives SIC-27 Evaluating the Substance of Transaction Involving the Legal Form of a Lease.		
AASB 2015-1	AASB 7 Financial Instruments: Disclosures: • Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. AASB 134 Interim Financial Reporting:	1 January 2016	1 July 2016

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 24: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
	• Disclosure of information 'elsewhere in the interim financial report' - amends AASB 134 to clarify the meaning of disclosure of information elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.		
AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 July 2016
AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements	AASB 2014-9 amends AASB 127 Separate Financial Statements, and consequentially amends AASB 1 First-time Adoption of Australian Accounting Standards and AASB 128 Investments in Associates and Joint Ventures, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. AASB 2014-9 also makes editorial corrections to AASB 127.	1 January 2016	1 July 2016
AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to	AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that	1 January 2016	1 July 2016

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 24: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
AASB 116 and AASB 138)	includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.		

The Group has decided not to early adopt any of the new and amended pronouncements. The impact of the above standards is yet to be determined unless noted otherwise above.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Cre8tek Limited and its controlled entities ('the Group')

(a) As set out in Note 1(b), although the Directors have prepared the financial statements, notes thereto (except for the statement of financial position, see 1(b) below), and the remuneration disclosures contained in the Remuneration Report in the Directors' Report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that the financial statements, notes thereto (except for the statement of financial position, see 1(b) below), and the remuneration disclosures contained in the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Company's performance for the financial year ended 30 June 2016;

(ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) The statement of financial position and notes thereto give a true and fair view of the Company's financial position as at 30 June 2016 and complies with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. This declaration has been made after receiving the declaration required to be made to the directors in accordance with Section 295A of the Corporation Act 2001 for the financial year ended 30 June 2016.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Bryn Hardcastle
Non-Executive Chairman
Dated 30 September 2016

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Independent auditor's report to the members of Cre8tek Limited

Report on the financial report

We have audited the accompanying financial report of Cre8tek Limited and its controlled entities ('the consolidated entity"), which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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-end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of Cre8tek Limited ("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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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 judgment, 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 controls relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal controls. 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.

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*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

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Basis for qualified opinion

1. As disclosed in note 1(b) to the financial statements, the Directors of Cre8tek Limited have identified that they did not have oversight or control over the consolidated entity's reporting system at any time prior to 28 October 2015 (the date the consolidated entity exited from administration).

   Due to the above, the Directors of Cre8tek Limited have been unable to conclude without qualification, within their directors' declaration, that the financial statements of the consolidated entity for the year ended 30 June 2016 have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards, to give a true and fair view of the consolidated entity's performance for the year ended on that date.

   The representation letter provided to the auditors by the consolidated entity has also been qualified on the basis that the Directors of Cre8tek Limited did not have oversight or control over the reporting system at any time prior to 28 October 2015 and it was not possible to state the financial report gives a true and fair view of the Group's performance for the year ended 30 June 2016.

   As a result of the above matter, we are unable to obtain sufficient appropriate evidence for the transactions undertaken by the consolidated entity for the period 1 July 2015 to 28 October 2015. The transactions undertaken by the consolidated entity during this period impact the determination of the financial performance and cash flows of the consolidated entity for the year ended 30 June 2016.

2. We were engaged to audit the financial statements of the consolidated entity for the financial year ended 30 June 2015, and in our report dated 7 December 2015 we expressed a disclaimer of opinion on that financial report. Since opening balances of assets and liabilities affect the determination of the consolidated entity's financial performance for the year ended 30 June 2016, we were unable to determine whether adjustments to the results of operations for the year ended 30 June 2016 were necessary.

   Further, due to the above, the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, which are presented for the purpose of comparison, are unaudited.

3. The current Board of Cre8tek Limited has not been able to source and provide to ourselves certain books and records of the company for the period 1 July 2015 to 28 October 2015. Without access to this documentation, we are unable to obtain sufficient appropriate audit evidence for the measurement, occurrence, completeness and disclosures relating to the revenues, expenses and cash flows of Cre8tek Limited as reflected in the financial statements for the year ended 30 June 2016.

4. The current Board of Cre8tek Limited has not been able to source and provide to ourselves books and records of the company's subsidiaries for the period from 1 July 2015 to 5 October 2015 (the date the subsidiaries were transferred to the creditors' trust). Under Australian Accounting Standards, the financial information of subsidiaries for the period from 1 July 2015 to 5 October 2015 is required to be consolidated. Had the financial information of the subsidiaries been consolidated, the financial performance and cash flows of the consolidated entity for the year ended 30 June 2016 reflected in the accompanying financial report may have been materially affected. The effects on the financial report of the failure to consolidate the subsidiaries' performance for the period from 1 July 2015 to 5 October 2015 as they impact the consolidated entity for the year ended 30 June 2016 have not been able to be determined.

5. As detailed in note 9 to the financial statements, included in the 30 June 2016 trade and other receivables balance is an amount of $150,000 receivable from Flamingo Customer Experience Inc. We have been unable to obtain sufficient appropriate audit evidence to support the recoverability of this receivable and consequently, we have been unable to determine whether any adjustment to the carrying amount of the receivable is necessary.

Qualified opinion

Because of the significance of the matters described in the basis for qualified opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of Cre8tek Limited for the year ended 30 June 2016. Accordingly, we do not express an opinion on the financial performance and cash flows of Cre8tek Limited for the year ended 30 June 2016.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraphs, the consolidated statement of financial position of Cre8tek Limited gives a true and fair view of the consolidated entity's financial position as at 30 June 2016.

Report on the remuneration report

We were engaged to audit the Remuneration Report included in the directors' report for the year ended 30 June 2016. 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.

Basis for disclaimer of opinion

As disclosed in note 1(b) to the financial statements, the Directors of Cre8tek Limited have identified that they did not have oversight or control over the consolidated entity's reporting system at any time prior to 28 October 2015 (the date the consolidated entity exited from administration).

Due to the above, the Directors of Cre8tek Limited have been unable to conclude without qualification, within their directors' declaration, that the remuneration report of the consolidated entity for the year ended 30 June 2016 has been prepared in accordance with section 300A of the *Corporations Act 2001*.

The representation letter provided to the auditors by the consolidated entity has also been qualified on the basis that the Directors of Cre8tek Limited did not have oversight or control over the reporting system at any time prior to 28 October 2015.

As a result of the above matters, we are unable to determine the completeness and accuracy of the information related to the remuneration report presented to us for audit.

Disclaimer of opinion

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the remuneration report.

Report on other legal and regulatory requirements

Due to the matters described in the basis for qualified opinion paragraphs, we have not been given all information, explanation and assistance necessary for the conduct of the audit; and we are unable to determine whether the company has kept:

a. financial records sufficient to enable the financial report to be prepared and audited; and

b. other records and registers as required by the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

T G Dachs
Partner
Perth
30 September 2016

CORPORATE GOVERNANCE

The Company and the Board of Directors are committed to achieving the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders.

A description of the Group's main corporate governance practices is set out on the Company's website at www.cre8tek.com.au/corporate/. The Company has also lodged an Appendix 4G contemporaneously with this Annual Report.

ADDITIONAL ASX INFORMATION
AS AT 29 SEPTEMBER 2016

Ordinary Share Capital

234,426,409 shares are held by 923 individual holders.

Voting Rights

The voting rights attaching to ordinary shares are that on a show of hands every member present in person or by proxy shall have one vote and upon a poll each share shall have one vote. Options do not carry any voting rights.

Restricted Securities

The Company has the following restricted securities on issue:

Number	Type	Escrow period
40,000,000	Fully paid ordinary shares	24 months from 5 February 2016
2,500,000	Fully paid ordinary shares	12 months from the date of issue, being 22 January 2015
25,000,000	Unquoted options exercisable at $0.02 each on or before 4 November 2019	24 months from 5 February 2016
50,000,000	Unquoted options exercisable at $0.03 each on or before 5 February 2019	24 months from 5 February 2016
9,999,999	Class A Performance rights	24 months from 5 February 2016
9,999,999	Class B Performance rights	24 months from 5 February 2016
10,000,002	Class C Performance rights	24 months from 5 February 2016

Distribution of Holders of Equity Securities

	Fully Paid Ordinary Shares		
	Holders	Total Units	%
1 - 1,000	375	52,295	0.02
1,001 - 5,000	33	76,725	0.03
5,001 - 10,000	12	90,685	0.04
10,001 - 100,000	184	11,725,755	5.00
100,001 and over	296	222,480,949	94.90
Totals	900	234,426,409	100

ADDITIONAL ASX INFORMATION
AS AT 29 SEPTEMBER 2016

Unlisted Options exercisable at $0.02 on or before 4 November 2019

	Holders	Total Units	%
1 - 1,000	0	0	0
1,001 - 5,000	0	0	0
5,001 - 10,000	0	0	0
10,001 - 100,000	0	0	0
100,001 and over	6	25,000,000	100
Totals	6	25,000,000	100

Unlisted Options exercisable at $0.03 on or before 5 February 2019

	Holders	Total Units	%
1 - 1,000	0	0	0
1,001 - 5,000	0	0	0
5,001 - 10,000	0	0	0
10,001 - 100,000	0	0	0
100,001 and over	15	50,000,000	100
Totals	15	50,000,000	100

Unmarketable Parcels

Holdings of less than a marketable parcel of ordinary shares at 29 September 2016:

Holders: 423

Units: 254,219

On-market Buy Back

There is no current on-market buy-back.

Listing rule 4.10.19 statement

The Company has used the cash it had at the time of re-admission to the Official List in February 2016 in a way that is consistent with the business objectives.

Substantial Shareholders

Name	Number of Shares	%
SUBURBAN HOLDINGS PTY LIMITED <SUBURBAN SUPER FUND A/C>	14,653,569	6.25

ADDITIONAL ASX INFORMATION
AS AT 29 SEPTEMBER 2016

Twenty Largest Holders of Quoted Shares

Position	Holder Name	Holding	%
1	SUBURBAN HOLDINGS PTY LIMITED <SUBURBAN SUPER FUND A/C>	14,653,569	6.25%
2	SACCO DEVELOPMENTS AUSTRALIA PTY LIMITED <THE SACCO FAMILY A/C>	8,400,000	3.58%
3	KM CUSTODIANS PTY LTD	7,168,793	3.06%
4	MRS MELISSA PACE	5,315,000	2.27%
5	BUZZ CAPITAL PTY LTD <ZI VESTMENT A/C>	5,006,944	2.14%
6	AH SUPER PTY LTD <THE AH SUPER FUND A/C>	5,000,000	2.13%
6	SHREWSBURY LTD	5,000,000	2.13%
6	SEAMIST ENTERPRISES	5,000,000	2.13%
7	BLU BONE PTY LTD	4,600,000	1.96%
8	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	3,750,681	1.60%
9	SEAMIST ENTERPRISES PTY LTD	3,472,222	1.48%
9	SACCO DEVELOPMENTS AUSTRALIA PTY LIMITED <THE SACCO FAMILY A/C>	3,472,222	1.48%
9	A & J TANNOUS NOMINEES PTY LTD	3,472,222	1.48%
10	MR MARK JOHN BAHEN & MRS MARGARET PATRICIA BAHEN <SUPERANNUATION ACCOUNT>	3,100,000	1.32%
11	BENEFICO PTY LTD	2,750,000	1.17%
12	MC MANAGEMENT GROUP PTY LTD <THE MC MASTER A/C>	2,645,000	1.13%
13	SALTY DROP INVESTMENTS PTY LTD <THE SALTY DROP A/C>	2,500,000	1.07%
13	MR THOMAS CLEMENT BAHEN	2,500,000	1.07%
13	ANNABEL SLADE	2,500,000	1.07%
14	MR NICHOLAS DAVID YOUNG & MR ANDREW STEVEN YOUNG <YOUNG A/C>	2,243,056	0.96%
15	MR BACHRUN BUSTILLO	2,000,000	0.85%
15	ROMFAL SIFAT PTY LTD <THE FIZMAIL FAMILY A/C>	2,000,000	0.85%
15	IBT HOLDINGS PTY LTD <IBT HOLDINGS PTY LTD FAM A/C>	2,000,000	0.85%
16	MEDEK INVESTMENTS PTY LTD <MEDEK SUPER FUND A/C>	1,950,000	0.83%
17	MISS ANGELICA PATRIZIA LONGO	1,736,111	0.74%
18	ASSET GROWTH FUND PTY LTD	1,650,000	0.70%
19	MR BRENDON GREGORY MORTON & MRS SILFIA TJAN MORTON <GONE FISHING SUPER FUND A/C>	1,640,000	0.70%
20	PHEAKES PTY LTD <SENATE A/C>	1,550,000	0.66%
	Totals	**107,075,820**	**45.68%**
	Total Issued Capital	**234,426,409**	**100.00%**