



**VAULT INTELLIGENCE LIMITED
(FORMERLY CREDO RESOURCES LIMITED)**

ABN 15 145 040 857

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

VAULT INTELLIGENCE LTD

CORPORATE DIRECTORY

DIRECTORS

Mr. Riccardo Vittino (resigned 6 January 2016)

Mr. William Dix (resigned 21 June 2016)

Mr. Robert Kirtlan

Mr. Samuel Smart

Mr David Moylan (appointed 21 June 2016)

Mr Trent Innes (appointed 21 June 2016)

BANKERS

National Australia Bank Limited

Level 1, 88 High Street

Fremantle WA 6160

SECRETARY

Mr. Lloyd Flint

HOME EXCHANGE

Australian Securities Exchange, Perth

Level 40, Central Park,

152–158 St Georges Terrace

PERTH WA 6000

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AUDITORS

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Level 17, 181 William Street

Melbourne VIC 3000

SHARE REGISTER

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SOLICITORS

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VAULT INTELLIGENCE LIMITED
REVIEW OF OPERATIONS
30 JUNE 2016

REVIEW OF OPERATIONS

Operations in General

The last exploration tenement held by Vault Intelligence Ltd (Formerly Credo Resources Limited) was relinquished in August 2015. No detailed exploration work was done during the year.

A Share Purchase Agreement (SPA) was signed with shareholders of NGB Industries Limited (NGBI) on 15 February 2016. The SPA set out the terms and conditions precedent for the acquisition of NGBI by Vault Intelligence which inter alia included:

- A relisting on the ASX as Vault Intelligence Ltd;
- Compliance with listing rules 1 and 2 to achieve the re-quotation on the ASX;
- The issue of 250m vendor shares and 75m contingent rights to vendors of NGBI;
- As part of the compliance work, lodge a prospectus to raise \$4.3m before costs, and
- Other issues of securities to achieve “completion”.

Management Comments

After its successful ASX listing in July 2016, Vault has closed its first reporting period with several valuable business development initiatives in progress. The Company is pleased to report:

- Sales Revenue increased to record levels, rising 19% to \$2.74 million
- Diversification of the Vault customer base continued and now extends beyond 370 corporate clients operating in 22 industry sectors
- The Company added 38 new customers and introduced the system to a number of new sectors during the year including one roll out which covered 214 retail stores
- Healthy progress toward cash flow positivity as Vault has strengthened its conversion of revenue into cash
- Solid foundations set for expansion in multiple markets in Australia and abroad from new Melbourne headquarters

Operational highlights

Although the business is in the early stages of commercialisation, the year to 30 June 2016 brought several operational highlights for Vault including:

- The signing of 38 new customers and completed a major roll out across 214 franchised stores for one client in the retail industry;
- The opening of new distribution channels through partners including Samsung Australia and New Zealand and Spark New Zealand Ltd (ASX: SPK) to assist with growing the business in new and existing markets;
- Expanding the business into new sectors including Health Care, Education, Logistics, Media and Security, bringing the Vault technology suite to end-users covering more than 750,000 employees in 22 different industries
- Maintained customer retention at more than 95%, indicating the maintenance of excellent client relationships and the sustained delivery of value
- Developed and launched a new mobile platform — Vault Business — which the Company expects to drive the next leg of growth as it builds a globally scalable SaaS business supported with dynamic game changing apps.

Outlook

Vault remains excited about its prospects for winning new business and continues to pursue and grow a comprehensive pipeline of client leads.

Over the next financial year, Vault will continue to target the growth of new distribution channels including partnerships, strategic alliances and digital marketing together with the development of its Enterprise business through key hires and support. Vault is also committed to the continued development and improvement of its product suite.

The Vault technology suite provides cloud-based and mobile EHS software across a diverse range of industries. Its software streamlines a company's EHS processes, and is highly scalable. The software is available across all devices and is instantly accessible for many varied user purposes, including non-desk bound users through its apps.

The Vault offering will surpass the limitations of existing systems, enhance the benefits to employers and employees, and simplify the ability of all potential users to implement EHS systems to suit specific needs.

Vault is a transformative cloud-based software technology in a large, fragmented market which often relies on low-tech, spreadsheet-centric solutions.

It provides enhanced services and reporting and is flexible to integrate with numerous ERP and payroll systems. The benefits of Vault software include:

- combining all EHS-related work in one end-to-end enterprise system;
- providing immediate access to audit, inspection and incident reporting at any time from any location;
- the ability to asset manage and integrate with existing enterprise systems;
- mobile applications that can stand alone or work with existing systems; and
- demonstrable increases in productivity, safety and ROI.

Vault Intelligence thanks its employees for their hard work over the last year and welcomes new shareholders with much optimism that the business is well-positioned for future growth and delivery of excellent outcomes for all stakeholders.

Corporate

The following corporate actions took place during the year:

- 10,500,000 performance shares were cancelled;
- Riccardo Vittino resigned as a director;
- 4,500,000 options with an exercise price of \$0.25 expired;
- 1,400,000 options with an exercise price of \$0.30 expired;

The acquisition of NGBI took place and re-compliance with ASX listing rules 1 and 2 was undertaken.

A prospectus dated 10 May 2016 was lodged in this regard and included:

- A Public Offer of 215,000,000 shares issued at \$0.02 per share to raise \$4,300,000 before costs;
- The issue of the 250,000,000 Vendor Shares along with 75,000,000 Contingent Share Rights issued to the Vendors pursuant to the SPA;
- The Directors, Officers and advisors of the company were issued 1,500,000 shares and 2,300,000 new options;
- 20,000,000 KPI Options were issued to directors which had various vesting terms; and
- Lead Managers to the Public Offer were issued 25,000,000 broker options.

VAULT INTELLIGENCE LIMITED

REVIEW OF OPERATIONS

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In addition, the company (the legal parent entity) changed its name from Credo Resources Limited to Vault Intelligence Ltd and David Moylan and Trent Innes were appointed as directors of the parent entity. William Dix resigned as a director and Crowe Howarth were appointed as auditors to the new group.

Cash available as at 30 June 2016 was \$4,170,331 (2015: \$31,884). The company has net assets of \$4,053,308 (2015: \$203,908).

VAULT INTELLIGENCE LIMITED
DIRECTORS' REPORT
30 JUNE 2016

The directors present their report on Vault Intelligence Limited ('the Company') and its subsidiaries ('the Group' or 'the Consolidated Entity') for the year ended 30 June 2016.

The names of the directors in office at any time during, or since the end of, the year are:

NAMES	POSITION	APPOINTED/RESIGNED
Mr Riccardo Vittino	Chairman	Appointed 3 December 2010; resigned 6 January 2016
Mr William Dix	Non-Executive Director	Appointed 3 December 2010; resigned 22 June 2016
Mr Robert Kirtlan	Non-Executive Director	Appointed 30 November 2011
Mr Samuel Smart	Non-Executive Director	Appointed 26 February 2014
Mr David Moylan	Managing Director	Appointed 21 June 2016
Mr Trent Innes	Non-Executive Director	Appointed 21 June 2016

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

During the year the principal continuing activity of the Group was the provision of cloud-based and mobile EHS software.

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

The consolidated (loss)/profit of the Group for the financial year after providing for income tax amounted to (\$2,474,921) (2015: \$205,286).

A detailed review of operations is included at the front of the annual report.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year (2015: Nil). No recommendation for payment of dividends has been made (2015: Nil).

FINANCIAL POSITION

The net assets of the Group at 30 June 2016 are \$4,053,308 (2015: \$203,908).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were significant changes in the state of affairs of the Company during the year. NGB Industries Ltd was acquired by Vault Intelligence Limited (Formerly Credo Resources Ltd). The transaction has treated as a "reverse take-over" for the purposes of these financial statements and is reported accordingly. In this regard NGB Industries has been treated as the "acquirer" and Vault is the "acquiree". Notwithstanding the accounting treatment, 250,000,000 Vendor Shares along with 75,000,000 Contingent Share Rights were issued to the NGBI Vendors pursuant to the SPA, a general meeting held on 31 May 2016 and a Prospectus dated 10 May 2016 to acquire all of the 1,568,759 NGBI ordinary shares on issue.

A Public Offer of 215,000,000 shares was also undertaken at \$0.02 per share to raise \$4,300,000 before costs under the Prospectus.

VAULT INTELLIGENCE LIMITED

DIRECTORS' REPORT

30 JUNE 2016

In addition, The Directors, Officers and advisors of the company were issued 1,500,000 shares and 2,300,000 new options along with 20,000,000 KPI Options issued to directors which had various vesting terms. The Lead Manager to the Public Offer was issued 25,000,000 broker options as part of the fees for acting as lead manager to the Prospectus.

EVENTS SUBSEQUENT TO BALANCE DATE

15,000,000 options with vesting conditions were issued under the Employee Incentive Scheme to officers of the company as follows:

No. of Options	Exercise Price	Vesting Condition
12,000,000	\$0.04	Company achieving audited revenue of \$4 million in a financial year
2,000,000	\$0.06	Company achieving audited revenue of \$6 million in a financial year
1,000,000	\$0.10	Company achieving audited revenue of \$10 million in a financial year

In addition, the term loans from Westpac which the directors believed attracted interest rates in excess of normal commercial terms have been retired. Non-current portions of these loans have therefore been treated as current liabilities as at 30 June 2016.

Other than the above, in the interval between the end of the year and this report nothing has arisen, to affect significantly the operations of the Group, the results of the operations or the state of affairs of the group, in the future financial years.

FUTURE DEVELOPMENTS

Over the next financial year, Vault will continue to target the growth of new distribution channels including partnerships, strategic alliances and digital marketing together with the development of its Enterprise business through key hires and support. Vault is also committed to the continued development and improvement of its product suite.

Likely developments in the operations and strategy of the Group and the expected results of those operations in future financial years are addressed in the detailed operations report and are not expected to change materially in the foreseeable future.

ENVIRONMENTAL ISSUES

The Board believes that the Group has adequate systems in place for the management of its environmental regulations and is not aware of a breach of those environmental requirements as they apply to the Group.

INFORMATION ON DIRECTORS

Mr Riccardo Vittino Non Executive Chairman

(appointed 3 December 2010; resigned 6 January 2016)

Experience Mr Vittino has over 25 years experience in the resources sector with a focus on corporate and financial management.

He graduated from the University of Western Australian with a Bachelor of Commerce degree in 1985 and began his career in the mining industry in 1988 as Company Secretary for Helix Resources Limited. During his 18 year tenure at Helix, Mr Vittino was involved with various IPOs and joint ventures both local and international. He left Helix in 2006 as CEO to pursue a role in South Africa as Finance Director of Central

Rand Gold Ltd. He was responsible for overseeing Central Rand Gold's listing on the Main Board of the LSE and the JSE in 2007 and its subsequent progress to pre-feasibility and commencement of trial mining.

Mr Vittino returned to Perth in 2008 to focus on personal interests. He has held numerous non-executive Director roles including Diamond Ventures NL and Platinum Australia Limited. He is a Fellow of the Australian Institute of Company Directors.

Current Directorships of ASX listed companies:

Fitzroy Resources Ltd – appointed 4 August 2010

Directorships of ASX listed companies held in the last three years:

Nil

Interest in Shares and Options At the time of his resignation Mr Vittino held 525,000 ordinary shares; 500,000 unlisted options exercisable at \$0.25 which expired 16 January 2016.

Mr Robert Kirtlan Non - Executive Director (Audit Committee member)
(appointed 30 November 2011)

Experience Robert came from a background in accounting, finance and management involving public and private companies before working for major investment banks in Sydney and New York. During this period, he was principally involved in arranging debt and equity for junior and major companies across a global resources spectrum. Since 2001, he has been investing in and working with companies at management level in the resources and technology sector.

Current Directorships of listed companies:

RMG Ltd – appointed 29 April 2011

Currie Rose Resources Inc - appointed 25 October 2015

Directorships of ASX listed companies held in the last three years:

Decimal Software Limited – appointed 1 June 2002; resigned 14 June 2016

East Africa Resources Ltd – appointed 20 November 2013, resigned 1 September 2015

Homeland Uranium Inc - appointed 1 February 2012; resigned 30 November 2014.

Interest in Shares and Options 8,451,804 ordinary shares; 3,795,000 unlisted Options each exercisable at \$0.25 on or before 16 December 2016; 500,000 unlisted Options each exercisable at \$0.04 on or before 21 June 2019; and 2,500,000 unlisted Options each exercisable at \$0.04 on or before 21 June 2019 subject to vesting hurdles.

Mr William Dix Non-Executive Director
(appointed 3 December 2010; resigned 22 June 2016)

Experience Mr Dix is a geologist with 20 years' experience in base metal, uranium and gold exploration and mining. He holds a Bsc and Msc (Geology) from Monash University and is a member of AusIMM. He is currently Managing Director of ASX listed Consolidated Zinc Limited. Previously, Mr Dix spent time with a number of ASX listed juniors in a consulting capacity and 8 years with LionOre Mining International where he was a District Supervising Geologist in Western Australia. During his time with LionOre Mining International, Mr Dix was part of the team that discovered the Waterloo Nickel Mine and delineated the 2 million ounce Thunderbox Gold Project. Mr Dix has a proven track record of successful project and team management and also has extensive experience in commercial activities including capital raisings, mergers, acquisitions and divestments.

Current Directorships of listed companies:

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DIRECTORS' REPORT

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BBX Resources Limited, appointed March 2012

Consolidated Zinc Limited, appointed June 2015

Directorships held in the last three years:

Fitzroy Resources Ltd – appointed 4 August 2010, resigned March 2015

Starfield Metals Limited – appointed December 2012, resigned December 2014

Interest in Shares
and Options

At the time of resigning Mr Dix held 525,002 ordinary shares and 1,500,000 unlisted options exercisable at \$0.25 which expired 16 January 2016.

Mr Samuel Smart

Non-Executive Director (appointed 26 February 2014)

Experience

Sam is a corporate lawyer, who has considerable experience advising companies on mergers, acquisitions, joint ventures and capital raisings in a variety of sectors, including mining, telecommunications and hotels. Sam has advised companies in relation to equity offerings on the London Stock Exchange (both main board and AIM), Euronext and ASX. Although the majority of his professional career has been spent working in law firms, including in the London office of global law firm, Linklaters, Sam has also worked in a corporate advisory role, focused on mining and resources companies.

Sam holds a Bachelor of Laws and a Masters of Business Administration.

Current Directorships of ASX listed companies:

Nil

Directorships of ASX listed companies held in the last three years:

Nil

Interest in Shares
and Options

7,904,456 ordinary shares; 500,000 unlisted Options each exercisable at \$0.04 on or before 21 June 2019; and 2,500,000 unlisted Options each exercisable at \$0.04 on or before 21 June 2019 subject to vesting hurdles

Mr David Moylan

Managing Director (appointed 21 June 2016)

Experience

David was an original founder of NGBI, and has over 25 years' industry experience as a risk management specialist. Risk consultancies include senior appointments and high level risk work with Shell Exploration in China, Air New Zealand, Australian Defence Forces and numerous consulting assignments across a variety of industries. Prior to becoming a consultant, David was an officer in the Australian Army, and rose to the rank of Lieutenant Colonel, holding the appointment of Director of Safety and Risk where he developed the safety management system for the Australian Army. David holds a Masters degree in Strategic Management and Bachelor degrees in Social Science (HR Management) and Occupational Hygiene.

Current Directorships of ASX listed companies:

Nil

Directorships of ASX listed companies held in the last three years:

Nil

Interest in Shares
and Options

61,672,953 ordinary shares; 18,501,886 contingent share rights; and 10,000,000 unlisted Options each exercisable at \$0.04 on or before 21 June 2019 subject to vesting hurdles

Mr Trent Innes

Non-executive Director (appointed 21 June 2016)

Mr Innes is currently the Managing Director of Australian operations for Xero Limited, the online provider of accounting software. Previously, he was the Australian Sales

Director for Xero Limited. Prior to his involvement with Xero Limited, Mr Innes was National Sales Manager, Business Solutions for Microsoft (Australia). In his role as National Sales Director of Xero Limited, Trent built and managed multi-channel sales teams through direct, partner and strategic alliance channels. This involved online, inside sales, field sales, sales operations and strategic alliances. Trent's qualifications include being a qualified CPA, with a Bachelor of Business (Accounting) degree.

Current Directorships of companies:

Xero Australia Pty Ltd – appointed 1 April 2016

Directorships of ASX listed companies held in the last three years:

Nil

1,593,616 ordinary shares; 478,085 contingent share rights; and 5,000,000 unlisted Options each exercisable at \$0.04 on or before 21 June 2019 subject to vesting hurdles

Mr Lloyd Flint

Company Secretary

(appointed 8 February 2012)

Lloyd Alan Flint, BAcc, MBA, ICAA, FFin is a Chartered Accountant with over 20 years' experience in the corporate and financial services arena. He has held a number of management and senior administrative positions as well as providing corporate advisory services as a consultant to corporate clients.

MEETINGS OF DIRECTORS

During the financial year, 7 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	DIRECTORS' MEETINGS		AUDIT COMMITTEE MEETINGS	
	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr Riccardo Vittino	3	3	1	1
Mr Robert Kirtlan	7	7	2	2
Mr William Dix	7	4	-	-
Mr Samuel Smart	7	7	-	-
Mr David Moylan	-	-	-	-
Mr Trent Innes	-	-	-	-

There were 9 Circular Resolutions signed off during the year.

INDEMNIFYING OFFICERS OR AUDITORS

The Group has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of the Group, other than conduct involving a wilful breach of duty in relation to the Group. The total premium has not been disclosed since it is prohibited under the terms of the contract.

To the extent permitted by law and professional regulations, the Company has agreed to indemnify its auditors, Crowe Howarth as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Crowe Howarth during or since the financial year.

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DIRECTORS' REPORT
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OPTIONS

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

GRANT DATE	DATE OF EXPIRY	EXERCISE PRICE \$	NUMBER UNDER OPTION
6 December 2011	6 December 2016	0.25	12,000,000
18 April 2012	6 December 2016	0.25	1,000,000
22 June 2016	30 June 2019	0.04	22,300,000 ¹
22 June 2016	30 June 2019	0.025	25,000,000
5 August 2016	5 August 2019	Various ²	15,000,000
Closing Balance			<u>75,300,000</u>

¹ 15m of these options vest if the company achieves \$4.0m in sales within a financial year and a further 5m vest if the company achieves \$6.0m within a financial year.

² Refer the Subsequent Event note for vesting hurdles and exercise prices.

During the year ended 30 June 2016 and to the date of this report, no ordinary shares of Vault Intelligence Limited were issued on the exercise of options granted.

CONTINGENT SHARE RIGHTS

At the date of this report there are 75,000,000 contingent share rights issued as part of the vendor consideration. Further details are laid out in note 9.

PROCEEDINGS ON BEHALF OF COMPANY

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

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

NON-AUDIT SERVICES

The following fees were paid or payable to Crowe Horwath and EY during the year ended 30 June 2016:

	2016	2015
Legal Parent	\$	\$
Audit of the financial reports	45,000	13,000
Audit of the half year financial report	10,350	12,000
NGBI Group		
Audit of the year end financial report	-	19,230
Audit of the half year financial report	24,672	-
Other audit services	4,000	
Non – audit services	44,700	49,733
	<u>128,722</u>	<u>93,963</u>

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 17 of the financial report.

REMUNERATION REPORT (AUDITED)

REMUNERATION POLICY

The remuneration policy of Vault Intelligence Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of Vault Intelligence Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Group is as follows:

- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.
- Incentives paid in the form of options or rights are intended to align the interests of the directors and company with those of the shareholders. In this regard, key management personnel are prohibited from limiting risk attached to those instruments by use of derivatives or other means. Options or performance incentives issued during the year pertain to hurdles for subsequent periods. Refer to Note 9 within the financial statements for vesting conditions of issued securities.

The performance of key management personnel is measured against criteria agreed annually with each director and is based predominantly on workload, responsibility and creation of shareholders' value. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth. Prevailing economic considerations are also a consideration.

Key management personnel in Australia receive a superannuation guarantee contribution (SGC) required by the government, which was: 9.5% (2015: 9.5%) and do not receive any other retirement benefits. Where applicable, KMP's residing in New Zealand are paid in accordance with legislated requirements.

Upon retirement, key management personnel are paid employee benefit entitlements accrued to the date of retirement.

All remuneration paid to key management personnel is valued at the cost to the company and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required (not sought for year ending 30 June 2016). The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. This was set at \$300,000 at a general meeting held 10 September 2010.

Key management personnel are also entitled and encouraged to participate in the employee share and option arrangements to align directors' interests with shareholders' interests.

During the year there were no senior management positions that would have qualified as key management personnel.

Options granted under the arrangement do not carry dividend or voting rights. Each option is entitled to be converted into one ordinary share and is valued using the Black-Scholes methodology.

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PERFORMANCE-BASED REMUNERATION

Performance based remuneration for key management personnel is limited to granting of options.

RELATIONSHIP BETWEEN REMUNERATION POLICY AND COMPANY PERFORMANCE

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The issue of options to the majority of directors and executives is to encourage the alignment of personal and shareholder interests. The company believes this policy will be effective in increasing shareholder wealth and will utilise the Employee Incentive Scheme accordingly.

The Key Management Personnel and relevant Group executives' remuneration to date has not comprised of elements that are related to performance. The performance of the Company in the SaaS and software development industry will need to align itself to performance accordingly:

- Sales, customer numbers and product development;
- Establishment of long term cash flow profitability; and
- Increase in shareholder wealth.

The table below sets out summary information about the Consolidated Entity's earnings and movements in shareholders wealth for the three years to 30 June 2016 and will be utilised in the future for performance incentives. The company was relisted on the ASX on 1 July 2016:

Description	30-Jun-16	30-Jun-15	30-Jun-14
Sales Revenue	2,741,225	2,301,033	2,217,921
Net (loss)/profit before tax	(2,474,921)	277,664	1,290,930
Net (loss)/profit after tax	(2,474,921)	205,286	1,290,930
Share price at end of year	\$0.02	N/a	N/a
Market capitalisation	\$11.3 m	N/a	N/a
Basic loss per share	(9.63) cents	0.082 cents	N/a

Note - The year ended 30 June 2016 is difficult to compare to prior years due mainly to the "costs of listing" associated with achieving a stock exchange listing (in this case the ASX) and affected the profit and loss by \$1.67m.

PERFORMANCE CONDITIONS LINKED TO REMUNERATION

The Group's remuneration of key management personnel includes performance conditions for the year ended 30 June 2016. These relate to the relisting of Credo Resources Ltd as Vault Intelligence Ltd and relates only to the directors/KMPs of the Credo Resources as it was formerly known.

EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL AND OTHER EXECUTIVES

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the Group.

The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options. Incentives for 2016 relate to achieving a listing on the ASX:

VAULT INTELLIGENCE LIMITED
DIRECTORS' REPORT
30 JUNE 2016

2016	POSITION HELD AS AT	CASH-BASED INCENTIVES %	OPTIONS/ RIGHTS	FIXED SALARY/FEEES	TOTAL
KEY MANAGEMENT PERSONNEL	30 JUNE 2016		%	%	%
Mr Robert Kirtlan	Executive Director	68% ¹	9%	23%	100
Mr Samuel Smart	Non-Executive Director	70% ¹	7%	23%	100
Mr David Moylan	Managing Director	-	- ²	100%	100%
Mr Trent Innes	Non-Executive Director	-	- ²	100%	100%

¹ Included herein were \$10,000 worth of cash benefit settled by the issue of shares

² Performance incentives on completing the Vault transaction are tied to future periods. Nothing expensed therefore.

All non-executive directors are remunerated on a monthly basis with no fixed term or termination benefits.

The Managing Director has an executive services agreement whereby the engagement is for a term of three years which period may be extended by mutual agreement; the agreement may be terminated by either party without cause with 12 months' notice and eligibility for a discretionary bonus at the discretion of a majority of Directors (excluding the Managing Director).

Terms of employment require that the relevant group entity provide an executive contracted person with a minimum of 3 months' notice prior to termination of contract. No termination payments are generally payable. A contracted person deemed employed on a permanent basis may terminate their employment at any time.

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2016

The following table shows the benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group.

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DIRECTORS' REPORT
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TABLE OF BENEFITS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2016

	SALARY, FEES AND LEAVE	OTHER	PENSION AND SUPERANN -UATION	OTHER	VESTED PORTION SHARES/ OPTIONS	TOTAL	% OF REMUNERATION AS SHARES/ OPTIONS	% OF PERFORMANCE RELATED
	\$	\$	\$	\$	\$	\$		
MANAGEMENT PERSONNEL¹								
Robert Kirtlan ⁽ⁱ⁾	12,000	35,000	-	-	4,850	51,850	9%	76%
Samuel Smart ⁽ⁱⁱ⁾	10,959	50,228	5,812	-	4,850	71,849	7%	83%
David Moylan ⁽ⁱⁱⁱ⁾	246,014	-	-	-	-	246,014	0%	0%
Trent Innes ^(iv)	7,000	-	-	-	-	7,000	0%	0%
David Lightfoot ^(v)	116,055	-	-	-	-	116,055	0%	0%
Andrew Lucena	-	-	-	-	10,000	10,000	100%	0%
Total	392,028	85,228	5,812	0	19,700	502,768	4%	21%

At 30 June 2016 the following balances were owing to KMP:

- (i) Mr Robert Kirtlan - \$28,500 (2015: nil);
- (ii) Mr Samuel Smart - \$45,000 (2015: \$260 for superannuation payment);
- (iii) D Moylan – annual leave entitlements of \$67,783 (2015: \$31,743);
- (iv) Mr Trent Innes - \$6,600 (2015 – \$4,400);
- (v) Mr David Lightfoot - \$125,900 (2015 – \$24,000).

Table of Benefits and Payments for the Year Ended 30 June 2015

	SALARY, FEES AND LEAVE	OTHER	PENSION AND SUPERANN -UATION	OTHER	VESTED PORTION SHARES/ OPTIONS	TOTAL	% OF REMUNERATION AS SHARES/ OPTIONS	% OF PERFORMANCE RELATED
	\$	\$	\$	\$	\$	\$		
MANAGEMENT PERSONNEL¹								
Mr David Moylan	143,330	-	-	-	-	143,330	0%	0%
Mr Trent Innes	4,000	-	-	-	10,000	14,000	71%	0%
David Lightfoot	55,150	-	-	-	10,000	65,150	15.3%	0%
Andrew Lucena	-	-	-	-	-	-	0%	0%
Total	202,480	-	-	-	20,000	222,480	9%	0%

¹ The nature of the benefits table is pursuant to the "Vault" transaction being that of a reverse takeover and therefore this reflects the Directors holdings in NGB Industries (deemed "acquirer" and not the legal parent). The benefits table for 2016 reflects the change of directors on 22 June 2016 whereby Messrs Lightfoot and Lucena resigned from NGBI and contemporaneously Messrs Moylan and Innes became directors of the legal parent.

VAULT INTELLIGENCE LIMITED
DIRECTORS' REPORT
30 JUNE 2016

KEY MANAGEMENT PERSONNEL OPTIONS AND RIGHTS HOLDINGS

The number of options over ordinary shares held by each key management person of the Group during the year is as follows:

30-JUN-16	BALANCE AT BEGINNING OF YEAR¹	GRANTED AS REMUNERATION DURING THE YEAR	EXERCISED DURING THE YEAR	OTHER CHANGES DURING THE YEAR²	BALANCE AT END OF YEAR	VESTED DURING THE YEAR	VESTED AND EXERCISABLE	VESTED AND UN-EXERCISABLE
Mr Robert Kirtlan	-	3,000,000	-	3,795,000	6,795,000	500,000	3,795,000	500,000
Mr Samuel Smart	-	3,000,000	-	-	3,000,000	500,000	-	500,000
Mr David Moylan	-	10,000,000	-	-	10,000,000	-	-	-
Mr Trent Innes	-	5,000,000	-	-	5,000,000	-	-	-

¹ The number of options over ordinary shares held by each key management person of NGB Industries Ltd was nil.

² This reflects the “reverse acquisition” of Vault Intelligence Limited (formerly Credo Resources Ltd) by NGB Industries Ltd. Mr Kirtlan had options in Credo Resources prior to the “Vault transaction”.

KEY MANAGEMENT PERSONNEL SHAREHOLDING

The number of ordinary shares in Vault Intelligence Limited held by each key management person of the Group during the year is as follows:

30 JUNE 2016	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	OTHER CHANGES DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	BALANCE AT END OF YEAR
Mr David Moylan	387,000	-	61,285,953 ¹	-	61,672,953
Mr Trent Innes	10,000	-	1,583,616 ¹	-	1,593,616
Andrew Lucena	40,000	10,000	(50,000) ²	-	-
David Lightfoot	40,000	-	(40,000) ²	-	-
Mr Robert Kirtlan ³	-	500,000	7,951,804 ¹	-	8,451,804
Mr Samuel Smart ³	-	500,000	7,404,456 ¹	-	7,904,456

¹ The legal parent issued shares to Vendors of NGB Industries Limited. This reflects the “reverse acquisition” of Vault Intelligence Limited (formerly Credo Resources Ltd) by NGB Industries Ltd and the “scrip for scrip” process undertaken on completion.

² NGB Industries Ltd shares held as directors at resignation pursuant to the “Vault transaction”.

³ Messrs Kirtlan and Smart had no shares in NGB Industries prior to the Vault transaction but were and remain directors of Vault Intelligence Limited (formerly Credo Resources Ltd).

30 JUNE 2015	BALANCE AT BEGINNING OF YEAR⁴	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF YEAR
Mr David Moylan	287,000	-	-	100,000	387,000
Mr Trent Innes	-	-	-	10,000	10,000
Andrew Lucena	40,000	-	-	-	40,000
David Lightfoot	30,000	-	-	10,000	40,000

⁴ The nature of the transaction is that of a reverse takeover and therefore this reflects the Directors holdings in NGB Industries (deemed “acquirer” and not the legal parent).

The number of contingent share rights in Vault Intelligence Limited held by each key management person of the Group during the year (2015: Nil) is as follows:

VAULT INTELLIGENCE LIMITED
DIRECTORS' REPORT
30 JUNE 2016

	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF YEAR
30 June 2016					
Mr Robert Kirtlan	-	-	-	-	-
Mr Samuel Smart	-	-	-	-	-
Mr David Moylan ¹	-	-	-	18,501,886	18,501,886
Mr Trent Innes ¹	-	-	-	478,085	478,085

¹ Part of the vendor agreement but subject to performance criteria.

SECURITIES RECEIVED THAT ARE NOT PERFORMANCE RELATED

Some member of key management personnel received securities as part of their remuneration during the year that were not performance related. Those securities are listed above and generally form part of the Vendor's Securities issued by Vault Intelligence Ltd (formerly Credo Resources Ltd) pursuant to the transaction with the shareholders of NGB Industries Limited (the "Vault transaction").

CASH BONUSES AND PERFORMANCE-RELATED BONUSES

No bonuses were granted as remuneration to key management personnel during the year ended 30 June 2016 (2015: Nil).

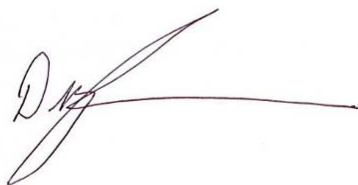
No options issued as remuneration options to key management personnel have been exercised during the 2016 financial year and no options have vested or lapsed.

There have not been any alterations to the terms or conditions of any grants since grant date.

The remuneration report (of Vault Intelligence Limited – formerly Credo Resources Ltd) received greater than 75% positive vote last year.

END OF REMUNERATION REPORT

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



Mr David Moylan
 Director
 Dated 30 September 2016

Auditor Independence Declaration Under S307C of the *Corporations Act 2001* to the Directors of Vault Intelligence Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been no contraventions of

- I. The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- II. Any applicable code of professional conduct in relation to the audit.



CROWE HORWATH MELBOURNE



DAVID MUNDAY
Partner

Melbourne, Victoria
30 September 2016

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

	NOTE	2016 \$	2015 \$
Sales Income		2,741,225	2,301,033
Other Income		440,359	701,674
		<u>3,181,584</u>	<u>3,002,707</u>
Direct Expenses		(281,373)	(107,767)
Gross profit		<u>2,900,211</u>	<u>2,894,940</u>
Employee benefit expense		(1,614,821)	(854,592)
Depreciation and Amortisation		(310,991)	(176,594)
Bad Debts expense		(365)	(797,532)
Occupancy expenses		(110,333)	(90,273)
Interest expense		(95,706)	(64,315)
Loss on disposal of assets		(12,672)	-
Share based Payments		(312,135)	-
Cost of listing		(1,667,172)	-
Other expenses		(1,162,729)	(623,963)
Foreign exchange (loss)		(88,208)	(10,007)
(Loss)/Gain before income taxes		<u>(2,474,921)</u>	<u>277,664</u>
Income tax expense	3	-	(72,378)
Net loss for the year		<u>(2,474,921)</u>	<u>205,286</u>
Other comprehensive income for the year			
<i>Items that may be reclassified to profit and loss</i>			
Foreign currency translation differences		11,766	35,242
Total comprehensive loss for the year		<u>11,766</u>	<u>35,242</u>
Loss attributable to members of the parent entity		<u>(2,463,155)</u>	<u>240,528</u>
Total comprehensive loss attributable to members of the parent entity		<u>(2,463,155)</u>	<u>240,528</u>
Loss per share			
Basic and diluted (loss)/profit per share (cents)	11	(0.963)	0.082

These financial statements should be read in conjunction with the accompanying notes.

VAULT INTELLIGENCE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As At 30 JUNE 2016

	NOTE	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,170,331	31,884
Trade and other receivables	5	444,034	247,338
Stock on hand		41,409	
TOTAL CURRENT ASSETS		4,655,774	279,222
NON-CURRENT ASSETS			
Intangible assets	6	1,346,101	1,225,212
Plant and equipment	7	80,750	34,741
TOTAL NON-CURRENT ASSETS		1,426,851	1,259,953
TOTAL ASSETS		6,082,625	1,539,175
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	744,302	513,294
Bank Overdraft	8	267,760	265,516
Borrowings	8	678,144	60,040
Taxes Payable	8	148,064	72,378
Employee entitlements	8	124,817	77,804
Other	8	28,107	9,897
TOTAL CURRENT LIABILITIES		1,991,194	998,929
NON-CURRENT LIABILITIES			
Loans		-	139,824
Borrowings		38,123	196,514
TOTAL NON-CURRENT LIABILITIES		38,123	336,338
TOTAL LIABILITIES		2,029,317	1,335,267
NET ASSETS		4,053,308	203,908
EQUITY			
Contributed Equity	9	12,164,245	6,141,516
Reserves	10	79,314	(222,278)
Accumulated losses		(8,190,251)	(5,715,330)
TOTAL EQUITY		4,053,308	203,908

These financial statements should be read in conjunction with the accompanying notes.

VAULT INTELLIGENCE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

2016

	ORDINARY SHARES \$	CONTINGENT SHARES RIGHTS \$	OPTION RESERVE \$	ACCUMULATED LOSSES \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	TOTAL \$
Balance at 30 June 2015	6,141,516	-	-	(5,715,330)	(222,278)	203,908
Loss for the year	-	-	-	(2,474,921)	-	(2,474,921)
Other comprehensive income	-	-	-	-	11,766	11,766
Total comprehensive loss for the year	-	-	-	(2,474,921)	11,766	(2,463,154)
Issue of Securities	4,382,600	-	289,826	-	-	4,672,425
Vendor shares -listing expense	2,004,521	-	-	-	-	2,004,521
Capital raising costs	(364,392)	-	-	-	-	(364,392)
Sub-total	6,022,729	-	289,826	(2,474,921)	11,766	3,849,400
Balance at 30 June 2016	12,164,245	-	289,826	(8,190,251)	(210,512)	4,053,308

2015

	ORDINARY SHARES \$	CONTINGENT SHARES RIGHTS \$	OPTION RESERVE \$	ACCUMULATED LOSSES \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	TOTAL \$
Balance at 30 June 2014	5,877,516	-	-	5,920,617	(257,520)	(300,621)
(Loss)/profit for the year	-	-	-	205,287	-	205,287
Other comprehensive income	-	-	-	-	35,242	35,242
Total comprehensive loss for the year	-	-	-	205,287	35,242	240,529
Shares issued net of transaction costs	264,000	-	-	-	-	264,000
Sub-total	264,000	-	-	205,287	35,242	504,529
Balance at 30 June 2015	6,141,516	-	-	(5,715,330)	(222,278)	203,908

These financial statements should be read in conjunction with the accompanying notes.

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

	NOTE	2016 \$	2015 \$
CASH FROM OPERATING ACTIVITIES:			
Receipts from customers		2,984,079	2,300,242
Interest received		445	3,500
Payments to suppliers and employees		(2,913,312)	(1,751,870)
Interest expense		(95,706)	(64,315)
Net cash used in operating activities	20	24,494	487,558
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for fixed assets		(89,817)	(19,996)
Purchase of intangible assets		(402,621)	(591,427)
Net cash used in investing activities		(492,438)	(611,423)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the issue of securities		4,375,100	-
Proceeds from borrowings		539,289	235,885
Repayment of borrowings		(219,400)	(161,572)
Cash acquired from acquisition		132,885	-
Capital raising costs		(174,739)	-
Net cash from financing activities		4,653,135	74,313
Net increase/(decrease) in cash and cash equivalents held		4,136,203	(49,552)
Cash and cash equivalents at beginning of the year		(233,632)	(191,889)
Movements in exchange rates		-	7,809
Cash and cash equivalents at end of the year		3,902,571	(233,632)
<i>Comprised of:</i>			
Cash and Cash equivalents	4	4,170,331	31,884
Bank overdraft		(267,760)	(265,516)
TOTAL		3,902,571	(233,632)

These financial statements should be read in conjunction with the accompanying notes

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Vault Intelligence Limited and its controlled entities ("the Group").

Vault Intelligence Limited is a company limited by shares, incorporated and domiciled in Australia.

Due to the change in nature of the operations and reverse accounting implications of the acquisition of Vault Intelligence Limited (formerly Credo Resources Limited - refer Note 1(n)) the accounting policies of the group have been detailed below.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Corporations Act 2001* and that for the purposes of preparing the financial statements the entity is a for-profit entity.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial report was approved on 30 September 2016.

The financial report has been prepared on a historical cost basis.

Going Concern

The Financial Statements have been prepared on a going concern basis as the directors are satisfied that the Group's working capital at 30 June 2016 of \$2,664,579 with Group cash of \$4,170,331 is adequate to enable the group to meet its committed operational expenditure beyond 30 September 2017. The Group's committed operational expenditure does not include any significant committed expenditure over this period. Should the group commit to any significant expenditure on software or business development in excess of that budgeted immediately, they may need to raise additional working capital prior to doing so.

These financial statements are presented in Australian dollars, rounded to the nearest dollar.

(A) 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

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(A) PRINCIPLES OF CONSOLIDATION (CONTINUED)

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.

(B) REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

All revenue is stated net of the amount of goods and services tax (GST).

(C) INCOME TAX

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) INCOME TAX (CONTINUED)

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 the end of the reporting period. 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 as unused tax losses.

Current and deferred 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 the end of the reporting period. 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.

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 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.

The company and its wholly-owned Australian subsidiaries have implemented the tax consolidation legislation.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(D) 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 one year have been measured at the amounts expected to be paid when the liability is settled.

(E) FOREIGN CURRENCY TRANSACTIONS AND BALANCES

The functional currency of each of the Group's entities 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 entity's functional and presentation currency. All other companies within the Group except for Vault GRC NZ Pty Ltd, which is incorporated in New Zealand, have Australian dollars as their functional currency.

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 period-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.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the profit or loss.

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

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

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and transferred to the Group's foreign currency translation reserve in the consolidated statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(F) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(G) FINANCIAL INSTRUMENTS

INITIAL RECOGNITION AND MEASUREMENT

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the Group commits itself to either the purchase or sale of an asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT

Financial instruments are subsequently measured at amortised cost using the effective interest rate method.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(G) FINANCIAL INSTRUMENTS (CONTINUED)

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(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, which are classified as non-current assets.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

DERECOGNITION

Financial assets are derecognised where the contractual rights to receipt of cash flows 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) PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation and impairment losses.

PLANT AND EQUIPMENT

Plant and equipment are measured on the cost basis.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(H) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

DEPRECIATION

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The estimated useful lives used for each class of depreciable assets are:

CLASS OF FIXED ASSET	USEFUL LIFE
Plant and Equipment	3 - 15 years
Motor Vehicles	3 – 5 years
Computer Equipment	1 – 2 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

Property, plant and equipment is derecognised and removed from the consolidated statement of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the net disposal proceeds, if any, and the carrying amount and are recognised in profit or loss.

Subsequent costs are included in the property, plant and equipment's carrying value or recognised as a separate asset when it is probable that future economic benefits associated with the item will be realised and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss.

(I) Intangible assets

Software development asset :

Other Development costs are capitalised only when:

- the technical feasibility and commercial viability of the project is demonstrated;
- the company/Consolidated Entity has an intention and ability to complete the project and use it or sell it; and
- the costs can be measured reliably.

Such costs include payments to external contractors to develop the software, any purchase of materials and equipment and personnel costs of employees directly involved in the project.

The software development asset is amortised at the rate of 20% straight line per annum.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(J) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information including, dividends received from subsidiaries. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Non-financial assets, other than inventories, deferred tax assets, assets from employee benefits, and deferred acquisition costs, are assessed for any indication of impairment at the end of each reporting period. Any indication of impairment requires formal testing of impairment by comparing the carrying amount of the asset to an estimate of the recoverable amount of the asset. An impairment loss is calculated as the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

The recoverable amount is the higher of its fair value less costs of disposal and its value in use. The asset's value in use is calculated as the estimated future cash flows discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks associated with the asset. Assets that cannot be tested individually for impairment are grouped together into the smallest group of assets that generates cash inflows (the asset's cash-generating unit).

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(J) IMPAIRMENT OF NON-FINANCIAL ASSETS (CONTINUED)

Impairment losses are recognised in profit or loss. Impairment losses are allocated first, to reduce the carrying amount of any goodwill allocated to cash-generating units, and then to other assets of the group on a pro rata basis.

Assets other than goodwill are assessed at the end of each reporting period to determine whether previously recognised impairment losses may no longer exist or may have decreased. Impairment losses recognised in prior periods for assets other than goodwill are reversed up to the carrying amounts that would have been determined had no impairment loss been recognised in prior periods.

(K) TRADE AND OTHER PAYABLES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(L) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the consolidated statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are presented on a gross basis.

(M) LEASES

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expense on a straight line basis over the lease term.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(N) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to ready for its intended use are capitalised as part of the cost of the asset.

Other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of finance charges and interest expenses calculated using the effective interest method, and include exchange differences arising from foreign currency borrowings to the extent that they are regarded as interest cost adjustments.

(O) SHARE-BASED PAYMENT TRANSACTIONS

Employees of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

When the goods or services acquired in a share-based payment transaction do not qualify for recognition as assets, they are recognised as expenses.

The cost of equity-settled transactions and the corresponding increase in equity is measured at the fair value of the goods or services acquired. Where the fair value of the goods or services received cannot be reliably estimated, the fair value is determined indirectly by the fair value of the equity instruments using the Black Scholes option valuation technique on the grant date.

Equity-settled transactions that vest after employees complete a specified period of service are recognised as services are received during the vesting period with a corresponding increase in equity.

(P) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The directors make estimates and assumptions in relation to the carrying amounts of assets and liabilities recognised in 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.

KEY ESTIMATES - IMPAIRMENT

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using fair value less cost to sell or value-in-use calculations which incorporate various key assumptions.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(P) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

KEY ESTIMATE – SHARE-BASED PAYMENT TRANSACTIONS

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes method. The related assumptions are detailed in note 21. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

(Q) ACQUISITION OF NGBI GROUP

The merger will be recorded under the reverse acquisition principals which results in the Legal Parent (in this case, Vault intelligence Limited (formerly Credo Resources Ltd)) being accounted for as the subsidiary, while the Legal Acquiree (in this case, NGBI group), being accounted for as the parent. Under the reverse acquisition principals, the consideration to be provided by NGBI was determined to be \$2,004,521 (based on the 2 cents post consolidated market price), which is the fair value of the 100,266,065, shares owned by the former Credo shareholders as at the date of acquisition (in the absence of being able to ascribe a fair value to the shares in NGBI).

The excess of fair value of the shares owned by the former Credo shareholders and the fair value of the identifiable net assets of Credo immediately prior to the completion of the merger is to be accounted for under "AASB 2: Share-based Payment" (AASB 2) as an expense described as Listing Expenses (the cost of going public) and is expensed to the statement of profit or loss and other comprehensive income. The net assets of Credo will be recorded at fair value at the completion of the merger. No adjustments are expected to be required to the historical book values.

The implications of the acquisition by NGBI group on the financial statements are as follows:

i) Statement of profit or loss and other comprehensive income :

- The 2016 statement of profit or loss and other comprehensive income comprises the total comprehensive income for the year.
- The Statement of profit or loss and other comprehensive income comparatives for the year 2015 comprises the year for NGBI Group only.

ii) Statement of financial position :

- The 2016 Statement of financial position as at 30 June 2016 represents the combination of NGBI Group and Vault Intelligence Ltd (Credo).
- The Statement of financial position comparative represents NGBI Group only as at 30 June 2015.

iii) Statement of changes in equity :

- The 2016 Statement of changes in equity comprises:
 - o The equity balance of NGBI Group as at the beginning of the financial year (1 July 2015).
 - o The total comprehensive income for the financial year and transactions with equity holders, being the 12 months from NGBI Group for the period ended 30 June 2016 and the period from 22 June 2016 to 30 June 2016 for Vault Intelligence Ltd (Credo).
 - o The equity balance of the combined NGBI Group and Vault Intelligence Ltd (Credo) at the end of the financial year (30 June 2016).

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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- The Statement of changes in equity comparatives comprises the full year to 30 June 2015 for NGBI Group only.

iv) Statement of cash flows

- The 2016 Statement of cash flows comprises:
 - o The cash balance of NGBI Group at the beginning of the financial year (1 July 2015).
 - o The transactions for the financial year for the 12 months from NGBI Group for the period ended 30 June 2016 and the period from 22 June 2016 until 30 June 2016 for Vault intelligence Ltd (Credo).
 - o The cash balance of the combined NGBI Group and Vault Intelligence Ltd (Credo) at the end of the period (30 June 2016).
- The Statement of cash flows comparatives comprises the full financial year of NGBI Group for the year ended 30 June 2015.

(R) ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The following standards and interpretations would have been applied for the first time for entities with years ending 30 June 2016 (unless early adopted). The application of the Standards and Interpretations below did not have any material impact on the financial position or performance of the Group :

Revisions to accounting policies :

Reference	Title	Application date of standard	Application date for Group
AASB 2013-9	<i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i> The Standard contains three main parts and makes amendments to a number of Standards and Interpretations. Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1. Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards. Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 <i>Hedge Accounting</i> into AASB 9 <i>Financial Instruments</i>.	1 January 2015	1 July 2015
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 <i>Materiality</i> The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 July 2015
AASB 2015-4	Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent The amendment aligns the relief available in AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> in respect of the financial reporting requirements for Australian groups with a foreign parent.	1 July 2015	1 July 2015

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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The impact of the following new accounting standards and interpretations is yet to be determined.

At the date of the authorization of the financial statements, the standards and Interpretations listed below were in issue but not yet effective.

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 9	<i>Financial Instruments</i>	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 - 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. - 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. - 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 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	1 January 2018	1 July 2018

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Reference	Title	Summary	Application date of standard	Application date for Group
		recognise full lifetime expected losses on a more timely basis. Hedge accounting Amendments to AASB 9 (December 2009 & 2010 editions and AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E. AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014. AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.		
AASB 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	AASB 2014-3 amends AASB 11 <i>Joint Arrangements</i> to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require: (a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 <i>Business Combinations</i>, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11 (b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations This Standard also makes an editorial correction to AASB 11.	1 January 2016	1 July 2016
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 <i>Property Plant and Equipment</i> and AASB 138 <i>Intangible Assets</i> 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 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.	1 January 2016	1 July 2016
AASB 2014-6	<i>Amendments to Australian Accounting Standards – Agriculture: Bearer Plants</i> [AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141]	The amendments require that bearer plants such as grape vines, rubber trees and oil palms, should be accounted for in the same way as property, plant and equipment in AASB 116, because their operation is similar to that of manufacturing. The produce growing on bearer plants will remain within the scope of AASB 141 <i>Agriculture</i>. This Standard also makes various editorial corrections to other Australian Accounting Standards.	1 January 2016	1 July 2016

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Reference	Title	Summary	Application date of standard	Application date for Group
AASB 15	Revenue from Contracts with Customers	AASB 15 <i>Revenue from Contracts with Customers</i> replaces the existing revenue recognition standards AASB 111 <i>Construction Contracts</i>, AASB 118 <i>Revenue</i> and related Interpretations (Interpretation 13 <i>Customer Loyalty Programmes</i>, Interpretation 15 <i>Agreements for the Construction of Real Estate</i>, Interpretation 18 <i>Transfers of Assets from Customers</i>, Interpretation 131 <i>Revenue—Barter Transactions Involving Advertising Services</i> and Interpretation 1042 <i>Subscriber Acquisition Costs in the Telecommunications Industry</i>). AASB 15 incorporates the requirements of IFRS 15 <i>Revenue from Contracts with Customers</i> issued by the International Accounting Standards Board (IASB) and developed jointly with the US Financial Accounting Standards Board (FASB). AASB 15 specifies the accounting treatment for revenue arising from contracts with customers (except for contracts within the scope of other accounting standards such as leases or financial instruments). The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation AASB 2015-8 amended the AASB 15 effective date so it is now effective for annual reporting periods commencing on or after 1 January 2018. Early application is permitted. AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.	1 January 2018	1 July 2018
AASB 1057	Application of Australian Accounting Standards	This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. Accordingly, paragraphs 5 and 22 respectively specify the application paragraphs for Standards and Interpretations in general. Differing application paragraphs are set out for individual Standards and Interpretations or grouped where possible. The application paragraphs do not affect requirements in other Standards that specify that certain paragraphs apply only to certain types of entities.	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 <i>Separate Financial Statements</i>, and consequentially amends AASB 1 <i>First-time Adoption of Australian Accounting Standards</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i>, 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. AASB 2014-9 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted.	1 January 2016	1 July 2016

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Reference	Title	Summary	Application date of standard	Application date for Group
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	AASB 2014-10 amends AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require: (a) A full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not) (b) A partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2014-10 also makes an editorial correction to AASB 10. AASB 2015-10 defers the mandatory effective date (application date) of AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016.	1 January 2018	1 July 2018
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	The subjects of the principal amendments to the Standards are set out below: AASB 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>: • Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change. AASB 7 <i>Financial Instruments: Disclosures</i>: • Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is ‘continuing involvement’ for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. • Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 <i>Disclosure–Offsetting Financial Assets and Financial Liabilities</i> 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 <i>Interim Financial Reporting</i> when its inclusion would be required by the requirements of AASB 134. AASB 119 <i>Employee Benefits</i>: • Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 <i>Interim Financial Reporting</i>: • 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.	1 January 2016	1 July 2016

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Reference	Title	Summary	Application date of standard	Application date for Group
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 <i>Presentation of Financial Statements</i> 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 2015-5	Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception	This makes amendments to AASB 10, AASB 12 <i>Disclosure of Interests in Other Entities</i> and AASB 128 arising from the IASB's narrow scope amendments associated with Investment Entities.	1 January 2016	1 July 2016
AASB 2015-6	Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]	This Standard makes amendments to AASB 124 <i>Related Party Disclosures</i> to extend the scope of that Standard to include not-for-profit public sector entities.	1 July 2016	1 July 2016
AASB 2015-7	Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities [AASB 13]	This Standard makes amendments to AASB 13 <i>Fair Value Measurement</i> to exempt not-for-profit public sector entities from certain requirements of the Standard.	1 July 2016	1 July 2016
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 asset 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 a 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.	1 January 2019	1 July 2019

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Reference	Title	Summary	Application date of standard	Application date for Group
		- AASB 16 contains disclosure requirements for lessees. 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 (d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 Revenue from Contracts with Customers, has been applied, or is applied at the same date as AASB 16.		
2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	This Standard amends AASB 112 <i>Income Taxes</i> (July 2004) and AASB 112 <i>Income Taxes</i> (August 2015) to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.	1 January 2017	1 July 2017
2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	This Standard amends AASB 107 <i>Statement of Cash Flows</i> (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.	1 January 2017	1 July 2017
IFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)	This standard amends to IFRS 2 <i>Share-based Payment</i> , clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for: ▶ The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments ▶ Share-based payment transactions with a net settlement feature for withholding tax obligations ▶ A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled	1 January 2018	1 July 2018

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2: SHARE BASED PAYMENT ACQUISITION

On 22 June 2016 Vault Intelligence Limited (formerly Credo Resources Limited) completed the acquisition of NGB Industries Ltd and its subsidiaries ("NGBI Group"). Under the Australian Accounting Standards NGBI Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which NGBI Group acquires the net assets and listing status of Vault Intelligence Limited (formerly Credo Resources Limited).

Note 2(a) : Deemed Consideration for reverse acquisition

The deemed consideration was the issue of 250,000,000 shares and 75,000,000 contingent share rights in Vault Intelligence Ltd (legal parent) to the shareholders of NGBI Group and is deemed to have a value of \$2,004,521. In addition, 25,000,000 Brokers Options fair valued at issue price of \$0.0001 have been included as a cost of the transaction. The listing expense is set out below.

Note 2(b): Vault Intelligence Limited Reserves Pre-completion

	\$
Returned losses 30 June 2015	(7,743,118)
Losses from 1 July 2015 to 22 June 2016	(527,807)
Elimination of Vault Intelligence Limited retained losses	<u>8,270,925</u>
Reserves to 30 June 2015	1,262,584
Movements from 1 July 2015 to 22 June 2016	-
Elimination of Vault Intelligence Limited reserves	<u>(1,262,584)</u>
Historical issued capital balance 30 June 2015	7,360,742
Movements from 1 July 2015 to 22 June 2016	-
Elimination of Vault Intelligence Limited issued capital	<u>(7,360,742)</u>
Elimination of goodwill arising on NGBI investment in its subsidiaries	15,052
Deemed consideration on acquisition (note 2a)	<u>2,004,521</u>
Cost of Listing	<u>1,667,172</u>

Note 2(c): Assets and liabilities acquired (at fair value at the date of acquisition)

	\$
Cash and cash equivalents	132,885
Secured Loans	250,000
Current Liabilities	<u>(45,536)</u>
Net identifiable assets acquired	<u>337,349</u>

75,000,000 Contingent Share rights issued to vendors on the completion of the acquisition :

Each contingent share right is convertible to one (1) fully paid ordinary share in the Capital of Vault Intelligence upon the Company's auditors confirming that the Company has achieved Recurring Revenue of at least \$1,400,000 (excluding GST) during the financial year ending 30 June 2016 (Performance Milestone). For this purpose, Recurring Revenue comprises all monthly, quarterly or annual licence or other fees paid or payable for the use of the Company's software solutions whether invoiced monthly, quarterly, annually or on any other periodic basis. Revenue is to be recognised at the date of invoicing and includes any periodic payment for the use or licence to use the Company's software solutions including the first payment for any monthly or periodic contracts. However, Recurring Revenue does not include revenue received in connection with:

1. implementation or installation of the Company's software solutions;
2. training provided to customers or clients in relation to the Company's software solutions; or
3. other services which are not related to the use or licencing of the Company's software solutions.

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3 INCOME TAX EXPENSE

(A) THE COMPONENTS OF TAX EXPENSE COMPRISE:

	2016	2015
	\$	\$
Current tax	-	72,378
Deferred tax	-	-
	<u>-</u>	<u>72,378</u>

(B) THE PRIMA FACIE TAX ON PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX IS RECONCILED TO THE INCOME TAX AS FOLLOWS:

	2016	2015
	\$	\$
(Loss)/Profit from continuing operations before income tax expense	(2,474,921)	277,664
Tax at the Australian tax rate of 30% ¹	(742,476)	83,299
Add:		
- Tax effect of amounts not deductible/(assessable) in calculating taxable income	655,116	(10,921)
- Deferred tax asset not brought to account on tax losses and temporary differences	87,360	-
Income tax attributable to entity	<u>-</u>	<u>72,378</u>

¹ Income tax attributable to the New Zealand subsidiary has been calculated at the tax rate of 28% (2015 : 28%)

(c) UNRECOGNISED DEFERRED TAX ASSETS

	2016	2015
	\$	\$
Temporary differences	49,445	28,543
Tax losses – revenue - Australian	99,943	39,892
Tax losses – revenue – Overseas	56,620	-
Offset against deferred tax liabilities	(180,203)	(68,435)
Deferred tax assets not brought to account	<u>25,805</u>	<u>-</u>

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

4 CASH AND CASH EQUIVALENTS

	2016	2015
	\$	\$
Cash at bank	4,170,331	31,884
	<u>4,170,331</u>	<u>31,884</u>

5 TRADE AND OTHER RECEIVABLES

	2016	2015
	\$	\$
CURRENT		
Trade receivables	424,232	247,337
Other receivables	19,802	-
	<u>444,034</u>	<u>247,337</u>

No receivables are impaired.

6 INTANGIBLE ASSETS

	Intellectual			
At 30 June 2016	Software	Property	Website	Total
Cost	-	2,074,424	6,947	2,081,
Accumulated depreciation	-	(730,783)	4,487	(735,270)
Net book amount	-	1,343,641	2,460	1,346,101
Year ended 30 June 2016				
Opening net book amount	5,120	1,215,500	4,592	1,225,212
Additions	-	405,426	-	405,426
Disposal/Written off	(5,120)	-	-	(5,120)
Depreciation charge for the year	-	(275,795)	(2,460)	(278,255)
Foreign exchange difference	-	(1,490)	328	(1,162)
Closing net book amount	-	1,343,641	2,460	1,346,101
	Intellectual			
At 30 June 2015	Software	Property	Website	Total
Cost	8,319	1,669,038	6,483	1,683,840
Accumulated depreciation	(3,199)	(453,538)	(1,891)	(458,628)
Net book amount	5,120	1,215,500	4,592	1,225,212
Year ended 30 June 2015				
Opening net book amount	960	791,447	-	792,407
Additions	6,084	582,675	6,483	595,242
Disposal/Written off	(157)	-	-	(157)
Depreciation charge for the year	(1,767)	(158,622)	(1,891)	(162,280)
Foreign exchange difference	-	-	-	(46,449)
Closing net book amount	5,120	1,215,500	4,592	1,225,212

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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7 PLANT AND EQUIPMENT

At 30 June 2016	Vehicles	Computer Equipment	Plant	Office Furniture	Leasehold improvement	Total
Cost	112,783	26,867	5,735	18,992	2,448	166,826
Accumulated depreciation	52,292	15,559	5,569	12,476	180	86,076
Net book amount	60,491	11,308	166	6,516	2,269	80,750
Year ended 30 June 2016						
Opening net book amount	11,818	14,349	218	7,230	1,126	34,741
Additions	82,953	4,416	-	-	2,448	89,817
Disposal/Written off	(12,115)	(234)	-	-	(1,207)	(13,555)
Depreciation charge for the year	(23,009)	(8,249)	(68)	(1,230)	(180)	(32,737)
Foreign exchange	845	1,026	16	516	82	2,485
Closing net book amount	60,492	11,308	166	6,516	2,269	80,750
At 30 June 2015	Vehicles	Computer Equipment	Plant	Office Furniture	Leasehold improvement	Total
Cost	74,298	24,780	5,352	17,725	2,402	124,737
Accumulated depreciation	(63,110)	(10,431)	(5,134)	(10,495)	(1,276)	(90,446)
Net book amount	11,818	14,349	218	7,230	1,126	34,741
Year ended 30 June 2015						
Opening net book amount	17,661	4,190	339	8,961	1,564	32,715
Additions	-	18,147	-	-	-	18,147
Disposal/Written off	-	(1,385)	-	-	-	(1,385)
Depreciation charge for the year	(5,843)	(6,603)	(121)	(1,731)	(438)	(14,736)
Closing net book amount	11,818	14,349	218	7,230	1,126	34,741

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

8 TRADE AND OTHER PAYABLES AND BORROWINGS

	2016	2015
	\$	\$
TRADE AND OTHER PAYABLES		
Trade and other payables	744,302	513,294
Bank Overdraft	267,760	265,516
Borrowings	678,144	60,040
Taxes Payable	148,064	72,378
Employee entitlements	124,817	77,804
Other	28,107	9,897
Total current Liabilities	1,991,194	998,929
NON CURRENT TRADE AND OTHER PAYABLES		
Loans	-	139,824
Borrowings	38,123	196,514
Total non-current Liabilities	38,123	336,338

As at 30 June 2016, the Company intended to repay its borrowings before due dates to reduce interest expense and hence they have classified as current liabilities. Remaining non-current borrowings consist of lease repayments.

9 CONTRIBUTED EQUITY

	2016	2016	2015	2015
	\$	No.	\$	No.
Ordinary shares	12,164,245	565,226,065	6,141,516	1,323,336
Contingent share rights	-	75,000,000	-	-
	12,164,245	640,226,065	6,141,516	1,323,336

ORDINARY SHARES

Shares issued during the year

	2016	2016	2015	2015
	\$	No.	\$	No.
July 1 Opening Balance	6,141,516	1,323,336	5,877,516	1,179,336
Share Issues 31/12/15	82,600	28,150	264,000	144,000
Completion shares	-	217,273	-	-
Sale of shares	-	(1,568,759)	-	-
Vault Intelligence residual shares	-	98,726,065	-	-
Public offer share issue	4,300,000	215,000,000	-	-
Vendor Shares	1,974,521	250,000,000	-	-
Officer shares	30,000	1,500,000	-	-
Cost of Issue	(364,392)	-	-	-
June 30 Closing Balance	12,164,245	565,226,065	6,141,516	1,323,336

CONTINGENT SHARE RIGHTS

	2016	2016	2015	2015
	\$	No.	\$	No.
July 1 Opening Balance	-	-	-	-
Vendor consideration	-	75,000,000	-	-
June 30 Closing Balance ⁽ⁱ⁾	-	75,000,000	-	-

(i) The Contingent share rights issued 22 June 2016 as part consideration for the acquisition of the NGBI Group issued during the period.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

9 CONTRIBUTED EQUITY (CONTINUED)

The ordinary shares participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held. Ordinary shares entitle shareholders to a vote at general meetings.

The Contingent share rights shares do not participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held nor do they entitle shareholders to a vote at general meetings.

Each contingent share right is convertible to one (1) fully paid ordinary share in the Capital of Vault Intelligence upon the Company's auditors confirming that the Company has achieved Recurring Revenue of at least \$1,400,000 (excluding GST) during the financial year ending 30 June 2016 (Performance Milestone). For this purpose, Recurring Revenue comprises all monthly, quarterly or annual licence or other fees paid or payable for the use of the Company's software solutions whether invoiced monthly, quarterly, annually or on any other periodic basis. Revenue is to be recognised at the date of invoicing and includes any periodic payment for the use or licence to use the Company's software solutions including the first payment for any monthly or periodic contracts. However, Recurring Revenue does not include revenue received in connection with:

1. implementation or installation of the Company's software solutions;
2. training provided to customers or clients in relation to the Company's software solutions; or
3. other services which are not related to the use or licencing of the Company's software solutions.

CAPITAL MANAGEMENT

When managing capital, management's objective is to ensure the entity continues as a going concern as well as maintain optimal return to shareholders and benefits to other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity commensurate with the business risk. Given the nature of the Group's operations, capital is normally raised through the issue of new shares to provide for future exploration and business opportunities. Management has current plans to issue further shares and provide funds for existing programs and business opportunities. The issued Contingent share rights Shares will not achieve milestones and expire and will be cancelled with the effluxion of time and by due process.

OPTIONS

- (i) For information relating to Vault Intelligence Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 21.
- (ii) For information relating to options issued to key management personnel during the year, refer to Note 21.

The total number of options outstanding at 30 June 2016 is 60,300,000 (30 June 2015: Nil)

10 RESERVE

	2016	2015
	\$	\$
Option Reserves	289,826	-
Translation Reserves	(210,512)	(222,278)
	<u>79,314</u>	<u>(222,278)</u>

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

10 RESERVE (CONTINUED)

OPTION RESERVE

	2016	2016	2015	2015
	\$	No.	\$	No.
July 1 Opening Balance	-	-	-	-
Vault Intelligence residual options ¹	-	13,000,000	-	-
Officers Issue ²	-	2,300,000	-	-
KPI Options ³	-	20,000,000	-	-
Broker options ⁴	289,826	25,000,000	-	-
	<u>289,286</u>	<u>60,300,000</u>	<u>-</u>	<u>-</u>

- 1) The amount payable upon exercise of each Option is \$0.25 (Exercise Price) and each Option will expire at 5.00pm (WST) on 6 December 2016 (Expiry Date). An Option not exercised before the relevant Expiry Date will automatically lapse on that Expiry Date.
- 2) The New Options have an exercise price of \$0.04 (**Exercise Price**) and an expiry date of three years from the date on which the New Options are issued (**Expiry Date**). They were issued on 22 June 2016.
- 3) The KPI Options have an exercise price of \$0.04 (**Exercise Price**) and an expiry date of three years from the date on which the KPI Options are issued (**Expiry Date**). Subject to satisfaction of the Vesting Conditions, the KPI Options are exercisable at any time on or prior to the Expiry Date. They were issued on 22 June 2016. The KPI Options shall be subject to the following vesting conditions (**Vesting Conditions**):

Recipient	No. of KPI Options	Vesting Condition
David Moylan	5,000,000	Company achieving audited revenue of \$4 million in a financial year
Trent Innes	5,000,000	Company achieving audited revenue of \$4 million in a financial year
Robert Kirtlan	2,500,000	Company achieving audited revenue of \$4 million in a financial year
Samuel Smart	2,500,000	Company achieving audited revenue of \$4 million in a financial year
David Moylan	5,000,000	Company achieving audited revenue of \$6 million in a financial year

- 4) The Broker Options have an exercise price of \$0.025 (Exercise Price) and an expiry date of three years from the date on which the Broker Options are issued (Expiry Date). They were issued at an issue price of \$0.0001 each on 22 June 2016.

The option reserve records items recognised as expenses over the vesting period on valuation of employee share options. Officer options vested on grant and have been expensed. The KPI Options have not been expensed. The expense will be recorded over the time/period they take to vest. As the grant took place at year end nothing has been expensed due to no effluxion of time.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
TRANSLATION RESERVE		
July 1 Opening balance	(222,278)	(257,520)
Movements on translation of foreign subsidiary operations during and at period end	11,766	35,242
	<u>(210,512)</u>	<u>(222,278)</u>

Foreign currency translation reserve is used to record foreign exchange difference that was raised by transferring fund from the New Zealand office to fund the operations in Australia which mainly relates to the intercompany loan account.

11 LOSS PER SHARE

	2016	2015
	\$	\$
(Loss)/Profit used to calculate basic EPS	(2,474,921)	205,286

Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2016	2015
	No.	No.
Weighted average number of ordinary shares outstanding during the year - No. used in calculating basic and diluted EPS	256,890,187	250,000,000

Diluted earnings per share is the same as basic earnings per share as the Group incurred a loss for the year and therefore is not considered dilutive. A dilutive EPS has not been calculated for 2015 as NGBI did not have options or performance shares on issue. If the contingent rights are deemed to be issued a fully diluted EPS would be 0.063 cents per share using 325,000,000 shares deemed outstanding during the year.

There are 60,300,000 options and 75,000,000 contingent share rights shares on issue that may result in a dilutive effect in future periods.

12 COMMITMENTS

OPERATING LEASE COMMITMENTS

	2016	2015
	\$	\$
- not later than 12 months	117,955	21,000
- later than one year and not later than five years	471,820	-
- Later than 5 years	19,660	
	<u>609,435</u>	<u>21,000</u>

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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13 FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of cash at banks, receivables. Payables and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	2016 \$	2015 \$
FINANCIAL ASSETS			
Cash and cash equivalents	4	4,170,331	31,884
Trade and other receivables	5	444,034	247,337
Total Financial Assets		<u>4,614,365</u>	<u>279,222</u>
FINANCIAL LIABILITIES			
Trade and other payables	8	699,302	513,294
Bank Overdraft	8	267,760	265,516
Borrowings	8	678,144	60,040
Taxes Payable	8	148,064	72,378
Other	8	28,108	9,897
Total Current Financial Liabilities		<u>1,821,378</u>	<u>921,125</u>
Loans			139,824
Borrowings		<u>38,123</u>	<u>196,514</u>
Total Non Current Financial Liabilities		<u>38,123</u>	<u>336,338</u>
Total Financial Liabilities		<u>1,859,501</u>	<u>1,257,463</u>

The carrying amounts of these financial instruments approximate their fair values. The current financial assets and liabilities fair value approximates to fair value due to their short term maturities. Given the very low risk free rates the present values of the longer term financial liabilities approximate to fair value.

FINANCIAL RISK MANAGEMENT POLICIES

Exposure to key financial risks is managed in accordance with the Group's risk management policy with the objective to ensure that the financial risks inherent in its activities are identified and then managed or kept as low as reasonably practicable.

The main financial risks that arise in the normal course of business are market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Different methods are used to measure and manage these risk exposures. Liquidity risk is monitored through the ongoing review of available cash and future commitments for marketing and development expenditure. Exposure to liquidity risk is limited by anticipating liquidity shortages and ensure capital can be raised in advance of shortages. It is the Board's policy that, as far as possible, no speculative trading in financial instruments be undertaken so as to limit exposure to price risk.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Primary responsibility for identification and control of financial risks rests with the Chief Financial Officer, under the authority of the Board. The Board is apprised of these risks from time to time and agrees any policies that may be undertaken to manage any of the risks identified.

Details of the significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each financial instrument are disclosed in Note 1 to the financial statements. The carrying values of payables and receivables are assumed to approximate fair values due to their shorter term nature. Cash and cash equivalents are subject to variable interest rates.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

(A) CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Group.

The Group trades only with recognised, creditworthy third parties.

The Group has a very good track record in respect of bad debts (almost nil) and terms of payment with customers. Consequently, its only significant exposure to credit risks is in relation to cash balances.

With respect to credit risk arising from financial assets, which comprise cash and cash equivalents and receivables, the exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. At balance date, material cash and deposits were held with National Australia Bank (which has an AA- Standard and Poor credit quality rating).

(B) 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.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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13 FINANCIAL RISK MANAGEMENT (continued)

(B) LIQUIDITY RISK (CONTINUED)

Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the Group's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the Group monitors its ongoing working capital requirements and has the potential to raise equity funding as and when appropriate to meet planned requirements. Currently the Group has adequate cash to meet contractual cash flows and in addition, has undrawn financing facilities. Trade and other payables are due within 3 months. The term loans run from three to five years and it is anticipated that they will run their full term.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and reflects management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis

	WITHIN 1 YEAR		1 TO 5 YEARS		TOTAL CONTRACTUAL CASH FLOW	
	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$
FINANCIAL LIABILITIES DUE FOR PAYMENT						
Trade and other payables	699,302	513,294			699,302	513,294
Bank Overdraft	267,760	265,516			267,760	265,516
Borrowings	678,144	60,040			678,144	60,040
Taxes Payable	148,064	72,378			148,064	72,378
Other	28,108	87,701			28,108	87,701
Loans	-	-	-	139,824	-	139,824
Borrowings	-	-	38,123	196,514	38,123	196,514
Total contractual outflows	1,821,378	998,929	38,123	336,338	1,859,501	1,335,267
FINANCIAL ASSETS - CASH FLOWS REALISABLE						
Cash and cash equivalents	4,170,331	31,884	-	-	4,170,331	31,884
Trade and other receivables	444,034	247,337	-	-	444,034	247,337
Total anticipated inflows	4,614,365	279,222	-	-	4,614,365	279,222

The financial assets and liabilities noted above are interest free other than for the bank overdraft and the term borrowings and are continuously monitored to limit risk with respect to liquidity risk versus early repayment subject to economies of early settlement.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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(c) MARKET RISK

(i) Interest rate risk

The Group's cash-flow interest rate risk primarily arises from cash at bank and deposits subject to market bank rates.. The Group does not enter into hedges. An increase/(decrease) in interest rates by 0.5% during the whole of the respective periods would have led to an increase/(decrease) in both equity and losses of less than \$20,850. 0.5% was thought to be appropriate because it represents two 0.25 basis point rate rises/falls, which is appropriate in the recent economic climate. The majority of cash is held in cash management accounts earning interest income at a rate of 2.1% p.a.

(ii) Foreign exchange risk

Foreign exchange risk arises from commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group seeks to mitigate the effect of its foreign currency exposure by seeking the best foreign exchange rate when transferring Australian dollars to New Zealand.

The Group's exposure to foreign exchange risk at the reporting date is limited to the transfer of funding from Australian head office to fund the New Zealand operations, which mainly related to the intercompany loan account. Translation risk arises out of the translation of the intercompany balance. Over the period funds have been transferred, the NZD has fluctuated 1% to 2% above and below the average rate for the period and the opening and closing rate has changed very little. A movement of 2% in the AUD/NZD rate would translate to a movement of AUD\$5,000 to the translation reserve (+ and/or -).

The New Zealand subsidiary is not exposed to foreign exchange risk as all transactions are denominated in its functional currency being NZD.

14 OPERATING SEGMENTS

IDENTIFICATION OF REPORTABLE SEGMENTS

The Group operates in one operating segment being the provision of cloud-based and mobile EHS software.

15 INTERESTS OF KEY MANAGEMENT PERSONNEL

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 for the year ended 30 June 2016.

The totals of remuneration paid to key management personnel of the company and the Group during the year are as follows :

	2016	2015
	\$	\$
Short-term employee benefits	496,956	212,480
Retirement benefits (refer to comments in the remuneration report)	5,812	-
	<u>502,768</u>	<u>212,480</u>

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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15 INTERESTS OF KEY MANAGEMENT PERSONNEL (CONTINUED)

KEY MANAGEMENT PERSONNEL EQUITY HOLDINGS

Refer to the remuneration report contained in the directors' report for details of the equity holding to key management personnel.

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

There have been no other transactions involving equity instruments other than those described in the remuneration report. For details of other transactions with key management personnel, refer to Note 19 : Related Party Transactions.

16 AUDITOR'S REMUNERATION

	2016	2015
	\$	\$
Remuneration of the auditor of the legal parent entity for:		
- Audit and review services	45,000	25,000
	<u>45,000</u>	<u>25,000</u>

17 CONTROLLED ENTITIES

NAME	COUNTRY OF INCORPORATION	PERCENTAGE OWNED (%)* 2016	PERCENTAGE OWNED (%)* 2015
Parent Entity:			
Vault Intelligence Limited (formerly Credo Resources Limited)	Australia		
Subsidiaries of legal parent entity:			
NGB Industries Pty Ltd	Australia	100	-
Vault GRC AU Pty Ltd	Australia	100	-
Vault GRC NZ Limited	New Zealand	100	-
Platinum Safety Pty Ltd	Australia	100	-
Ora Banda Gold Pty Ltd	Australia	100	100

* Percentage of voting power is in proportion to ownership

18 CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 30 June 2016.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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19 RELATED PARTY TRANSACTIONS

Transactions with key management personnel are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Related party Loans

	2016	2015
	\$	\$
Watchdog Holdings Ltd ¹	86,250	80,493
David Moylan	-	59,331
	86,250	139,824
Current	86,250	
Non-Current	-	139,824
	86,250	139,824

¹ David Moylan is a director and shareholder of Watchdog Holdings Ltd

Other than for the table above there were no other transactions with related parties

DIRECTORS' REMUNERATION

For information relating to related party transactions with key management personnel during the financial year, refer to the remuneration report.

TRANSACTIONS WITH OTHER RELATED PARTIES

At 30 June 2016 the following balances were owing to associated companies or companies associated with directors as follow:

- (i) ARK Securities & Investments Pty Ltd, a company related to Mr R Kirtlan - \$28,500 (2015: \$nil) for fees in relation to the listing of Vault Intelligence on the ASX;
- (ii) Mr Samuel Smart - \$45,000 (2015: \$260) for fees in relation to the listing of Vault Intelligence on the ASX.
- (iii) T Innes - \$6,600 (2015 - \$4,400) for directors fees
- (iv) Toorong Corporate Finance Pty Ltd, a company associated with Mr David Lightfoot - \$89,000 (2015 - \$24,600) for services as a director and consultant;
- (v) Toorong Management Pty Ltd, a company associated with Mr David Lightfoot - \$36,900 (2015 - nil)

Except for the above, there have been no other transactions with other related parties for the year ended 30 June 2016.

OPTIONS HOLDINGS

Interests held by KMP to purchase ordinary shares have the following expiry dates and exercise prices:

ISSUE DATE	EXPIRY DATE	EXERCISE PRICE	2016	2015
			Number outstanding	Number outstanding
6 December 2011	6 December 2016	\$0.25	3,795,000	-
22 June 2016	22 June 2019	\$0.04	21,000,000	-
Total			24,795,000	-

VAULT INTELLIGENCE LIMITED
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20 CASH FLOW INFORMATION

(A) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX

	2016	2015
	\$	\$
Net (Loss)/profit for the year	(2,474,921)	205,286
Add back : Proceeds from sale of assets	-	-
	<u>(2,474,921)</u>	<u>205,286</u>
Non-Cash Items :		
Depreciation and Amortisation of non-current assets	310,991	176,594
Listing expenses	1,667,172	-
Director loan forgiven		(500,000)
Share based payments	312,135	20,000
Loss on sale of assets	12,672	11,290
Foreign exchange movements	13,645	27,434
<i>Change in operating assets and liabilities:</i>		
(Increase)/Decrease in stock on hand	(41,409)	-
(Increase)/Decrease in trade and other receivables	(196,696)	796,742
Increase/(Decrease) in trade and other payables	371,917	(238,497)
Net cash outflow from operating activities	<u>24,494</u>	<u>487,558</u>

21 SHARE-BASED PAYMENTS

A summary of the movements of all company options issued is as follows:

	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Options outstanding as at 1 July 2015	18,900,000	\$0.25
Options expired during the year	(5,900,000)	\$0.26
Residual options at date of the "Vault" transaction :	13,000,000	\$0.25
Options issued pursuant to the "Vault" transaction	47,300,000	\$0.032
Options outstanding as at 30 June 2016	<u>60,300,000</u>	<u>\$0.079</u>

VAULT INTELLIGENCE LIMITED
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FOR THE YEAR ENDED 30 JUNE 2016

21 SHARE-BASED PAYMENTS (CONTINUED)

The weighted average remaining contractual life of options outstanding at year end was 2.43 years (2015: nil). Share based payments expensed during the period was \$22,310 (2015: nil) which pertains to options issued to officers and advisers. They vested on issue. The KPI options only vest on certain hurdles being met and since issued right at the year end with no effluxion of time, no cost recognised during the period.

The options were valued under the Black Scholes option valuation model using the following inputs.

Date	Number of options	Exercise price	Expiring date	Risk free interest rate	Stock Price	Expected volatility	Discount Price	Value per option
6/12/2011	5,000,000 ⁽ⁱ⁾	\$ 0.25	6-Dec-16	3.38%	\$ 0.14	75%	-	\$0.0719
6/12/2011	6,000,000 ⁽ⁱ⁾	\$ 0.25	6-Dec-16	3.38%	\$ 0.14	75%	-	\$0.0719
6/12/2011	1,000,000 ⁽ⁱ⁾	\$ 0.25	6-Dec-16	3.38%	\$ 0.14	75%	-	\$0.0719
18/04/2012	1,000,000 ⁽ⁱ⁾	\$ 0.25	6-Dec-16	3.38%	\$ 0.11	71.47%	20%	\$0.0360
22/06/2016	2,300,000 ⁽ⁱⁱ⁾	\$ 0.04	22-Jun-19	1.68%	\$ 0.02	100%	-	\$0.0097
22/06/2016	20,000,000 ⁽ⁱⁱ⁾	\$ 0.04	22-Jun-19	1.68%	\$ 0.02	100%	-	\$0.0097
22/06/2016	25,000,000 ⁽ⁱⁱⁱ⁾	\$ 0.025	22-Jun-19	1.68%	\$ 0.02	100%	-	\$0.0159

(i) Granted to the vendors and Introducers as part consideration for acquisition of Burkina Faso projects whereby mineral exploration was the main activity of Vault Intelligence Limited (formerly Credo Resources Ltd);

(ii) Pursuant to the "Vault" transaction;

(iii) Broker options issued at \$0.0001 each and expensed in the cost of listing.

22 EVENTS AFTER THE END OF THE REPORTING PERIOD

15,000,000 options with vesting conditions were issued under the Employee Incentive Scheme to officers of the company as follows :

No. of Options	Exercise Price	Vesting Condition
12,000,000	\$0.04	Company achieving audited revenue of \$4 million in a financial year
2,000,000	\$0.06	Company achieving audited revenue of \$6 million in a financial year
1,000,000	\$0.10	Company achieving audited revenue of \$10 million in a financial year

In addition, the term loans from Westpac which the directors believed attracted interest rates in excess of normal commercial terms have been retired. Non-current portions of these loans have therefore been treated as current liabilities as at 30 June 2016.

Other than the above, in the interval between the end of the year and this report nothing has arisen, to affect significantly the operations of the Group, the results of the operations or the state of affairs of the group, in the future financial years.

23 PARENT ENTITY

The following information has been extracted from the books and records of the legal parent, Vault Intelligence Limited and has been prepared in accordance with Australian Accounting Standards.

The financial information for the parent entity, Vault Intelligence Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

VAULT INTELLIGENCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Assets		
Current assets	4,207,439	728,708
Total Assets	<u>4,207,439</u>	<u>729,123</u>
Liabilities		
Current liabilities	215,945	19,691
Total Liabilities	<u>215,945</u>	<u>19,691</u>
Equity		
Contributed Equity	17,796,350	7,330,742
Accumulated losses	(15,067,440)	(7,859,084)
Share based payment reserve	1,262,584	1,237,774
Total Equity	<u>3,991,494</u>	<u>709,432</u>
Total loss for the year	<u>(7,208,356)</u>	<u>(278,993)</u>
Total comprehensive income	<u>(7,208,356)</u>	<u>(278,993)</u>

CONTINGENT LIABILITIES

The parent entity has no contingent liability as at 30 June 2016 as disclosed in note 18.

CONTRACTUAL COMMITMENTS

The parent entity has no commitments as at 30 June 2016 other than to fund the commitments of its subsidiaries that are disclosed in note 12.

23 COMPANY DETAILS

The registered office and principal place of business of the company is:

Vault Intelligence Limited
Suite 14, Level 2, 23 Railway Road
Subiaco WA 6008

VAULT INTELLIGENCE LIMITED
DIRECTORS' DECLARATION

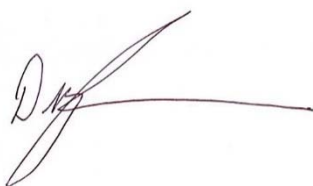
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 18 to 56, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the consolidated group;
2. The Chief Executive Officer and Chief Financial Officer have each declared that:
 - (a) the financial records of the company for the year ended 30 June 2016 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (b) the financial statements and notes for the year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the year give a true and fair view.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.
3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors acting in the capacity of Chief Executive Officer and Chief Financial Officer have given the declarations required by section 295(A) of Corporations Act 2001.

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

A handwritten signature in dark ink, appearing to read 'D Moylan', with a long horizontal stroke extending to the right.

Mr David Moylan
Managing Director

Dated 30 September 2016

Independent Auditor's Report to the Members of Vault Intelligence Limited

Report on the financial report

We have audited the accompanying financial report of Vault Intelligence Limited, 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's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards (IFRS).

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 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 control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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*.

Auditor's opinion

In our opinion:

- a) the financial report of the company is in accordance with the *Corporations Act 2001*, including:
 - I. giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - II. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included on pages 11 to 16 of 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 s300A 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.

Auditor's opinion

In our opinion the remuneration report of Vault Intelligence Limited for the year ended 30 June 2016 complies with s300A of the *Corporations Act 2001*.



CROWE HORWATH MELBOURNE



DAVID MUNDAY
Partner

Melbourne, Victoria
30 September 2016

ADDITIONAL SHAREHOLDER INFORMATION

Corporate governance statement

Under ASX Listing Rule 4.10.3 the Company's Corporate Governance Statement can be located at the URL on the Company's website : <http://www.vaultintel.com/about-us/investors/#governance>

The additional information is current at 30 September 2016

TOP 20 SHAREHOLDERS

Rank	Name	Holding	%
1	MR DAVID MOYLAN	61,672,953	10.91
2	MR WAYNE ACKERS	49,561,468	8.77
3	BLUESPIRE CAPITAL PTY LTD	34,624,981	6.13
4	NEW FRUGALITAS FUND LIMITED	15,936,164	2.82
5	MR CRAIG MEACLEM	14,661,270	2.59
6	MR GRANT MICHAEL ROBERTS	14,450,000	2.56
7	MR JAN MICHAEL GEESINK	14,296,345	2.53
8	WALLIS-MANCE PTY LIMITED	13,898,497	2.46
9	MRS PATRICIA MOYLAN	12,828,612	2.27
10	WILFORD INVESTMENT TRUST LIMITED	12,828,612	2.27
11	UBS NOMINEES PTY LTD	12,371,405	2.19
12	PERSHING AUSTRALIA NOMINEES PTY LTD	10,851,739	1.92
13	MR DAVID KELLY & KYLIE LITTLE	7,968,082	1.41
14	MR ANDREW LUCENA	7,968,081	1.41
15	BONEYARD INVESTMENTS PTY LTD	7,472,856	1.32
16	MUEL MINERAL INVESTMENTS PTY LTD	7,404,456	1.31
17	MRS SERNG YEE LIEW	6,700,000	1.19
18	MR GEOFFREY NORMAN BARNESBY-JOHNSON & MS CATHERINE JANE HALVORSEN	5,500,000	0.97
19	FORSYTH BARR CUSTODIANS LTD	5,408,000	0.96
20	TOORONGA CORPORATE FINANCE PTY LIMITED	4,780,849	0.85
20	MR PETER MACARTHY & MS HELEN MCDERMOTT	4,780,849	0.85
TOTAL		325,965,219	57.67
Balance of Register		239,260,846	42.33
Grand TOTAL		565,226,065	100.00

HOLDINGS DISTRIBUTION

Range	Securities	%	No of Holders	%
100,001 and Over	551,877,135	97.64	358	48.51
10,001 to 100,000	12,293,219	2.17	217	29.40
5,001 to 10,000	1,040,000	0.18	104	14.09
1,001 to 5,000	8,781	0.01	2	0.27
1 to 1,000	6,930	0.00	57	7.72
Total	565,226,065	100.00	738	100.00

UNMARKETABLE PARCELS	1,087,912	0.19%	166	22.5%
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ADDITIONAL SHAREHOLDER INFORMATION

SUBSTANTIAL SHAREHOLDERS

Shareholder Name	Votes	%
MR DAVID MOYLAN	61,672,953	10.91
MR WAYNE ACKERS	49,561,468	8.77
BLUESPIRE CAPITAL PTY LTD	34,624,981	6.13

RESTRICTED SECURITIES

Securities	Escrow period	Number of security holders	Escrowed Securities	Total Securities
Ordinary Shares	12 months from the date of re-quotation	3	14,342,547	14,342,547
Ordinary Shares	24 months from the date of re-quotation	15	203,560,941	203,560,941
Unlisted contingent rights	12 months from the date of re-quotation	13	12,788,102	12,788,102
Unlisted contingent rights	24 months from the date of re-quotation	12	62,211,898	62,211,898
Unlisted officer and adviser options	24 months from the date of re-quotation	5	2,300,000	2,300,000
Unlisted KPI Options	24 months from the date of re-quotation	4	20,000,000	20,000,000
Unlisted Broker options	24 months from the date of re-quotation	9	25,000,000	25,000,000

UNQUOTED SECURITIES

There are 8 holders of 13,000,000 unlisted options exercisable at \$0.25c expiring 6 December 2016.

Holders of more than 20% :

Name	Holding	%
ARK SECURITIES & INVESTMENTS PTY LTD	2,750,000	21.15
ALCHINA MAHAMADOU	2,750,000	21.15

There are 18 holders of 217,903,488 escrowed fully paid ordinary shares.

Holders of more than 20% :

Name	Holding	%
MR DAVID MOYLAN	61,672,953	30.30
MR WAYNE ACKERS	49,561,468	24.35

There are 25 holders of 75,000,000 unlisted contingent rights

Holders of more than 20%

Name	Holding	%
MR DAVID MOYLAN	18,501,886	24.67
MR WAYNE ACKERS	14,868,441	19.82

There are 9 holders of 22,300,000 unlisted 4c Options expiring 22 June 2019.

Holders of more than 20%

Name	Holding	%
MR DAVID MOYLAN	10,000,000	44.84
MR TRENT INNES	5,000,000	22.42

ADDITIONAL SHAREHOLDER INFORMATION

There are 9 holders of 25,000,000 unlisted 2.5c Options expiring 22 June 2019.

Holders of more than 20%

	Holding	%
ARGONAUT INVESTMENTS PTY LTD	23,920,000	95.68

Employee Incentive Scheme

There 5 holders of 15,000,000 options with vesting conditions were issued to officers of the company:

No. of Options	Exercise Price	Vesting Condition
12,000,000	\$0.04	Company achieving audited revenue of \$4 million in a financial year
2,000,000	\$0.06	Company achieving audited revenue of \$6 million in a financial year
1,000,000	\$0.10	Company achieving audited revenue of \$10 million in a financial year

VOTING RIGHTS

Each fully paid ordinary share carries voting rights of one vote per share along with rights to dividends.

The unlisted contingent rights and unlisted options do not have voting rights and do not participate in dividends.

MARKET BUY BACK

There is no current on market buy-back

USE OF FUNDS

Cash and assets readily convertible to cash held at the time of re-admission have been used in a manner consistent with the business objectives of the company.