YONDER & BEYOND

ABN 76 149 278 759

ANNUAL REPORT

30 June 2016

Corporate Directory

Current Directors

Jay Stephenson	*Chairman*
Shashi Fernando	*Executive Director, Chief Executive Officer (**CEO**)*
John Bell	*Executive Director, Chief Financial Officer (**CFO**)*

Company Secretary

Jay Stephenson

Registered Office

Street:	Suite 12, Level 1, 11 Ventnor Avenue
	WEST PERTH WA 6005
Postal:	PO Box 52
	WEST PERTH WA 6872
Telephone:	+61 (0)8 6141 3500
Facsimile:	+61 (0)8 6141 3599
Email:	info@yonderbeyond.com
Website:	www.yonderbeyond.com

Securities Exchange

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

Telephone:	131 ASX (131 279) (within Australia)
Telephone:	+61 (0)2 9338 0000
Facsimile:	+61 (0)2 9227 0885
Website:	www.asx.com.au
ASX Code	YNB

Auditors

Bentleys
London House
Level 3, 216 St Georges Terrace
Perth WA 6000

Telephone:	+61 (0)8 9226 4500
Facsimile:	+61 (0)8 9226 4300
Website:	www.bentleys.com.au

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000

Telephone:	1300 850 505 (investors within Australia)
Telephone:	+61 (0)3 9415 4000
Email:	web.queries@computershare.com.au
Website:	www.investorcentre.com

Solicitors to the Company

Steinepreis Paganin
Level 4, The Read Buildings, 16 Milligan Street
PERTH WA 6000

Corporate Adviser

Wolfstar Group Pty Ltd
Suite 12, L1, 11 Ventnor Avenue
WEST PERTH WA 6005

Telephone:	+61 8 6141 3500
Facsimile:	+61 2 9227 0885
Website:	www.wolftstargroup.com.au

CONTENTS

Operations review

1. Highlights

- **Yonder & Beyond launches Beyond Media, an advanced virtual reality and content platform**
- **Subsequent to year end Beyond Media secures agreement with Lenovo, the world's largest PC manufacturer**
- **Beyond Media is developing a 3D/2D movie platform for Lenovo**
- **The Beyond Media platform for Lenovo will be on Windows devices in the US**
- **The Beyond Media platform will be compatible with Mobile Virtual Reality devices**
- **Lenovo is the largest PC vendor in the world**
- **Gophr sales revenue increased 340% from January to June 2016 when compared to previous 6 months**
- **Gophr monthly deliveries increased more than 200% from January to June 2016 when compared to previous 6 months**
- **Gophr revenue growth exceeds all targets with an average 36% month-on-month increase**
- **Gophr secures partnership with Beats by Dr Dre, and Drayson Technologies and Inmarsat for the Clean Space project**
- **Boppl orders increased 481% across Australia, the USA and UK from January to June 2016 when compared to previous 6 months**
- **Boppl transaction volume increased 312% from January to June 2016 when compared to previous 6 months**
- **Boppl launches in USA with leading sandwich chain, Larry's Giant Subs**
- **More than 9 out of 10 customers order more than once with Boppl**
- **Prism Digital recorded a 77% increase in revenue this year when compared to 2015**
- **Prism Digital has become the go-to recruitment consultancy within the highly competitive and sought after DevOps market**
- **Prism Digital nominated at the Recruiter Awards in the Best New Agency 2016 category**
- **Prism Digital maintains a high profile client list including Condé Nast Publications, Euromoney, GLH Hotels and John Lewis Partnership**

Yonder & Beyond Group Ltd (ASX:YNB) (**Y&B** or the **Company**) is pleased to provide an update to its operations for the year end 30 June 2016. Its portfolio of businesses, with a focus on technology and mobile, has performed strongly throughout the year recording growth in transactions and revenue across the portfolio.

The group had total revenue of $3,477,011 (2015: $1,538,198) for the year over double that reported in 2015.

2. Portfolio Companies

2.1. BEYOND MEDIA

BEYOND MEDIA

In June, Yonder & Beyond announced the launch of Beyond Media, an advanced virtual reality and content delivery platform. Beyond Media has developed the Y-Hub platform, which allows for the ubiquitous use of any content from 2D/AR and specifically VR content on most of the available VR devices in market. The platform also meets and exceeds the digital rights management (**DRM**) requirements of premium content partners in delivering high definition content via its robust and secure platform. Beyond Media has signed its first agreement with a major PC manufacturer and is working with content providers and other partners to deliver the world's best content delivery platform.

Operations review

Y&B internally developed the Y-Hub platform in the 2016 financial year and expects Beyond Media will generate its first revenues in the 2017 financial year.

2.2. GOPHR

In the 2016 financial year, Gophr has expanded from allowing customers to have small parcels delivered via bicycle couriers in the city of London, to allowing consumers to book bicycles, cars and vans to deliver parcels anywhere in the UK. New API and desktop features now make Gophr the most advanced technology platform in the same-day courier industry, with many more new and exciting features to come.

Gophr experienced excellent growth in deliveries and revenues in the 2016 financial year. With revenue in June 2016 10 times the revenue from the month of July 2015. The company has focused on increasing all key metrics with growth in business, partnerships, customer satisfaction and technology development.

During the year Gophr formed a number of key partnerships, including with Beats by Dre, and Drayson Technologies and Inmarsat for the Clean Space project, to help create the world's most advanced air pollution map of a city. It has also launched Shopify and WooCommerce apps to provide same-day delivery eCommerce for any merchants in London using those platforms

In addition, Gophr has now released a new series of features that enable customers to get more transparency and oversight over every single one of their deliveries. It provides up to the second updates on where the customer's courier is, what other jobs the courier may be performing and ETAs for every single stop.

Gophr is currently in the process of closing a funding round with strategic partners which it will use to further accelerate the company's growth.

2.3. BOPPL

Boppl has increased momentum over the last few months with record transaction growth to finish the 2016 financial year. Continued success comes as the company announces entry into new markets and exciting revenue growth in Australia in the June quarter. Customer transactions on the mobile ordering platform were up 314.57% in Brisbane and 87.50% in newly launched Sydney. The company is well poised to expand its service to Melbourne following key venue subscriptions and organic conversions from local, non-integrated ordering platform technologies in comparison to Boppl's robust platform.

This exciting growth has continued with repeat customer transactions up over 310% from the March to June quarter, resulting in a customer retention rate of more than 90% or 9 out of 10 customers using Boppl consistently to order and pay for food and drink at great nearby venues. With a refocused deployment strategy across key hospitality segments, Boppl continues to attract deployment with popular, fast-growing chains and franchises.

Boppl has launched with USA chain, Larry's Giant Subs, which is only the beginning of a long-term strategy for a larger footprint and rollout of Boppl in the USA.

Due to increased transactional volume, Boppl has been able to reduce its payment processing costs. As the company continues to grow, Yonder & Beyond and Boppl will work closely with its global partners and continue to maximize opportunities for its network of venues where value can be added.

Operations review

Boppl aims to more than double its transaction volume in 2017.

2.4. PRISM DIGITAL

Prism Digital's successful involvement in the London WinOps and DevOps conferences have helped the company record its best year to date and has furthered its identity as the go-to recruitment consultancy within the highly competitive and sought after DevOps market. Prism Digital's 2016 revenue represents a 77% increase in revenue when compared to 2015.

Events, such as WinOps, have expanded the company's network and relationships with top talent in the industry, enabling them to make placements at leading technology companies. Prism Digital has generated revenue from clients, including Condé Nast Publications, Euromoney, GLH Hotels and John Lewis Partnership, and has provided these and other clients with high quality IT candidates in very specific and demanding technology niches.

Prism Digital's excellent year was acknowledged when the company was nominated at the Recruiter Awards in the Best New Agency 2016 category. The event was great for establishing the company as a recognised consultancy amongst its peers within the recruitment sector.

Prism Digital's clients are continuing to expand, and there is an ever more aggressive marketplace which the company and the recruitment sector can look forward to leveraging in the next 12 months and expect to continue to grow.

Directors' report

Your directors present their report on the Group, consisting of Yonder & Beyond Group Limited (**Y&B** or **the Company**) and its controlled entities (collectively **the Group**), for the financial year ended 30 June 2016.

1. Directors

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

Mr Jay Stephenson	Chairman and Company Secretary
Mr Shashi Fernando	Executive Director and CEO
Mr John Bell	Executive Director and CFO

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors including details of the qualifications of Directors please refer to paragraph 4 Information Relating to the Directors and Company Secretary of this Directors Report.

2. Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2016.

3. Operating and financial Review

3.1. Significant Changes in the state of affairs

On 30 April 2016, Yonder and Beyond Limited (**Yonder**), acquired an additional 22.53% of the ordinary share capital and voting rights in its associate MeU Mobile Pty Ltd (**MeU**) as described in Note 2a.

3.2. Nature of Operations and Principal Activities

Y&B is a portfolio of synergistic technology assets with a focus on mobile businesses. Y&B's strategy is to identify and develop disruptive applications with high commercialisation and scalability potential.

Y&B equip start-ups with vital capabilities beyond capital. Y&B's philosophy is to invest in people, as well as invest in their business, so they can both grow and succeed. The Group is dedicated to contributing to the development of businesses through our resources, experience and relationships

Y&B has developed Beyond Media. Beyond Media is a state of the art virtual reality and multimedia solution, delivering entertainment and virtual reality experience platforms. Beyond Media processes, meets and exceeds the digital rights management (**DRM**) requirements of premium content partners in delivering high definition content via its robust and secure platform. With its compression technologies it is able to deliver the highest quality 2D/3D/360 and VR content with the least amount of strain to network and hardware.

3.3. Operations Review (refer Operations review of page 1)

3.4. Financial Review

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss for the year of $4,962,366 (2015: $4,836,284 loss).

The net assets of the Group have decreased by $4,095,236 to $(1,860,846) net asset deficiency at 30 June 2016 (2015: $2,234,390 net assets).

As at 30 June 2016, the Group's cash and cash equivalents decreased by $724,434 to $363,871 (2015: $1,088,305) and had a working capital deficit of $1,846,945 (2015: $770,933 working capital deficit), as disclosed in note 19c of the Issued capital note on page 50.

Directors' report

Based on a cash flow forecast, the Group has sufficient working capital to fund its mandatory obligations for the period ending twelve months from the date of this report. Should the Group be unable to raise sufficient funds, the planned technology incubation may have to be amended. The Board is confident in securing sufficient additional funding to fund the Group's operations. The company has a convertible note with the CEO which it can draw down while completing the capital raising process which it anticipates will be finalised in October. This will provide sufficient capital while the company completes partnership deals which it anticipates will bring positive cash flow to the Company. The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds.

3.5. Events Subsequent to Reporting Date

There are no other significant after balance date events that are not covered in this Directors' Report section Operations review on page 1 or within the financial statements at Note 25 Events subsequent to reporting date.

3.6. Future Developments, Prospects and Business Strategies

It is envisaged that the Company will focus on developing the existing Y&B investee companies.

Y&B is focused on the deployment of the state of the art virtual reality and multimedia content delivery platform through Beyond Media. Having already signed an agreement with the world's largest PC manufacturer, Beyond Media is workjng with content providers, and pursuing other strategic partnerships.

No other likely developments, future prospects and business strategies of the operations of the Company and the expected results of those operations have been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

3.7. Environmental Regulations

The Group's operations are not subject to significant environmental regulations in the jurisdictions it operates in, namely the United Kingdom, United States of America, and Australia.

The Directors have considered the enacted *National Greenhouse and Energy Reporting Act 2007* (the NGER Act) which introduced a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act has no effect on the Company for the current, nor subsequent, financial year. The Directors will reassess this position as and when the need arises.

4. Information Relating to the Directors and Company Secretary

Mr Jay Stephenson	Chairman and Company Secretary
Qualifications	MBA, FCPA, CMA, FCIS, MAICD
Experience	Mr Stephenson has been involved in business development for over 25 years, including approximately 21 years as Director, Chief Executive Officer, and Company Secretary of various listed and unlisted entities in resources, manufacturing, wine, hotels and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, and business restructuring, as well as managing all areas of finance for companies.
Special responsibilities	Chairman and Company Secretary
Interest in Shares and Options	169,859 Fully Paid Ordinary Shares 500,000 Unlisted Options, 20 cents expiring 19 February 2018
Directorships held in other listed entities	Mr Stephenson is currently Non-Executive Director of Condor Blanco Mines Limited, Doray Minerals NL, Drake Resources Limited, Hillcrest Litigation Services Limited, Nickelore Limited, and Strategic Minerals Corporation NL, and is company secretary of a number of ASX listed companies.

Mr Shashi Fernando	Chief executive officer and Executive director
Qualifications	B Laws, B Comm, ACA

Directors' report

Experience	As a former board member of HTC Corporation, one of the world's leading smartphone manufacturers, and the founder and former CEO of Saffron Digital Ltd which raised £2 million in 2007 and was acquired by HTC in 2011 for £30 million, Mr Fernando is a proven performer in the delivery of world-class mobile solutions. Mr Fernando delivered Saffron into the heart of the mobile and entertainment industry by securing clients such as Vodafone, T-Mobile, Samsung USA, Paramount and Disney to name but a few of the 40 plus global relationships that were established over his time there. Having been named twice in the top 50 in Mobile Entertainment, Mr Fernando led Saffron to multiple industry accolades over the period, delivering a profitable business and 100% growth for three years. Following Saffron Digital, Mr Fernando was appointed to the board of HTC Corporation where he served as the Chief Content Officer responsible for delivering all media related technologies for HTC. Since his time at HTC, Mr Fernando has been an angel investor and moved to bring to market three new digital start-ups that he has now contributed to Y&B. While CEO of Y&B, Mr Fernando co-founded Beyond Media, the state of the art virtual reality and multimedia platform.
Special responsibilities	Chief executive officer
Interest in Shares and Options	20,471,379 Fully Paid Ordinary Shares 4,725,000 Performance Class A Options 3,150,000 Performance Class B Options 3,150,000 Performance Class C Options
Directorships held in other listed entities	None
Mr John Bell	Chief financial officer and Executive director
Qualifications	B Comm, CA, CTA
Experience	Mr Bell is a Chartered Accountant and business professional with international business and financial management expertise and a record of creating value and managing business. Mr Bell's experience ranges from corporate advisory, as director corporate of PKF Lawler, to executive management, where as CFO of Saffron Digital (ranked in the Deloitte Fast 50 in 2010 as one of Europe's fastest growing technology companies), he was part of the management team responsible for the transformation and growth from small start up to multinational, and for managing the sale to HTC, one of the world's leading mobile handset manufacturers, in 2011. Mr Bell combines technical and commercial understanding with experience in operations, financial management, corporate transition and capital raising. He has negotiated contracts with major handset manufacturers and digital content licenses with all major film studios.
Special responsibilities	Chief financial officer
Interest in Shares and Options	2,251,017 Fully Paid Ordinary Shares 2,250,000 Performance Class A Options 1,500,000 Performance Class B Options 1,500,000 Performance Class C Options
Directorships held in other listed entities	None

Directors' report

5. Meetings of Directors and committees

During the financial year seven meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table.

<table>
<tr><th></th><th colspan="2">DIRECTORS' MEETINGS</th><th colspan="2">AUDIT COMMITTEE</th><th colspan="2">NOMINATION COMMITTEE</th><th colspan="2">REMUNERATION COMMITTEE</th><th colspan="2">FINANCE AND OPERATIONS COMMITTEE</th></tr>
<tr><th></th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th></tr>
<tr><td>Jay Stephenson</td><td>7</td><td>7</td><td colspan="8" rowspan="3">At the date of this report, the Remuneration, Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</td></tr>
<tr><td>Shashi Fernando</td><td>7</td><td>7</td></tr>
<tr><td>John Bell</td><td>7</td><td>7</td></tr>
</table>

6. Indemnifying officers or auditor

6.1. Indemnification

The Company has entered an Indemnity, Insurance and Access Deed with each Director. Pursuant to the Deed:

> *The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.*

The Company must keep a complete set of company documents until the later of:

a. The date which is seven years after the Director ceases to be an officer of the Company; and

b. The date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (Relevant Proceedings).

The Director has the right to inspect and copy a Company document in connection with any relevant proceedings during the period referred to above.

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:

a. The date which is seven years after the Director ceases to be an officer of the Company; and

b. The date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

The Company has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

6.2. Insurance premiums

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

Directors' report

7. Options

7.1. Unissued shares under option

At the date of this report, the un-issued ordinary shares of Yonder & Beyond Group Limited under option (listed and unlisted) are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
20 February 2015	30 November 2017	$0.20	15,000,000
20 February 2015	30 November 2017	$0.25	10,000,000
20 February 2015	31 May 2018	$0.40	10,000,000
20 February 2015	19 February 2018	$0.25	4,785,000
20 February 2015	19 February 2018	$0.20	1,000,000
20 February 2015	30 November 2017	$0.20	1,500,000
24 September 2015	31 December 2017	$0.30	500,000
24 September 2015	31 December 2018	$0.35	500,000
24 September 2015	31 December 2018	$0.40	1,000,000
24 September 2015	31 December 2018	$0.60	1,000,000
			45,285,000

No person is entitled to exercise the option has or has any right by virtue of the option to participate in any share issue of any other body corporate.

7.2. Shares issued on exercise of options

No ordinary shares were issued by the Company as a result of the exercise of options during or since the end of the financial year.

8. Non-audit services

During the year, Bentleys, the Company's auditor, did not perform any services other than their statutory audits (2015: Moore Stephens: $25,500). Details of remuneration paid to the auditor can be found within the financial statements at Note 5 Auditors' Remuneration.

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

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

9. Proceedings on behalf of company

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

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

10. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2016 has been received and can be found on page 17 of the annual report.

11. Remuneration report (audited)

The information in this remuneration report has been audited as required by s308(3C) of the Corporations Act 2001.

11.1. Key management personnel (**KMP**)

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company and key executive personnel:

- Mr Jay Stephenson — *Chairman and Company Secretary*
- Mr Shashi Fernando — *Executive Director and CEO (Appointed 17 October 2014)*
- Mr John Bell — *Executive Director and CFO (Appointed on 20 February 2015)*
- Mahmood Dhalla — *Chief Product Officer*
- Peter Sedeffow — *Chief Technology Officer*
- Stephane Oury — *Chief Investment Officer (Resigned 28 September 2015)*

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

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The Board ensures that Director and executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive, based on a review of similar company remuneration policies, and complementary to the reward strategy of the organisation**.**

Alignment to shareholders' interests:

- focuses on sustained growth in share price and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value;
- attracts and retains high calibre executives;
- rewards capability and experience;
- reflects competitive reward for contribution to shareholder growth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

a. Relationship between Remuneration of Key Management Personnel and Shareholder Wealth

The remuneration is currently set at commercially reasonable / appropriate / benchmarked level. Upon acquisition of Yonder and Beyond, KMP of Yonder and Beyond (and certain staff) received incentive options in which will only be of value if the Company's share price increased sufficiently to warrant exercising the incentive options. Since listing the Company has recorded losses due to the nature of its principal activities, and no dividend has been paid.

Bonuses will be paid based on clarification on KMP performance not on financial performance at the discretionary of the Board. The practices of negotiation and annual review of Executive Directors' and KMP's performance and remuneration are carried out throughout the year, in an informal way by the Managing Director who makes recommendations to the Board. The Chairman of the Board who makes recommendations to the full Board undertakes, in an informal way, the review of the Managing Director's performance and remuneration.

The Board will meet at least annually or as required, usually on the anniversary date of each service agreement for the particular Director and/or KMP. At these meetings, the particular Director and/or KMP will declare his/her interest and not vote, and he/she will depart from the meeting, so as not to be present whilst the issue is being discussed

b. Non-executive Directors

Fees and payments to Non-Executive Directors reflect their responsibilities and the demands placed on individual Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board seeks to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market.

Directors' report

11. Remuneration report (audited)

Non-Executive Directors' fees are determined within the Non-Executive Directors' fee pool limit, which is periodically recommended for approval by shareholders. The pool currently stands at $250,000 per annum for Non-Executive Directors.

c. Fixed Remuneration

Fixed remuneration consists of base remuneration as well as employer contributions to superannuation funds. Remuneration levels are reviewed annually by the Board through a process that considers individual and overall performance of the Group. In addition, external consultants provide analysis and advice to ensure the directors' and senior executives' remuneration is competitive in the market place. During the period no such consultant was used and no senior executive's other than directors were employed.

d. Performance Based Remuneration – Short-term and long-term incentive structure

Upon acquisition of Yonder and Beyond limited, the Group adopted a performance based option plan that is intrinsically linked to maximising shareholder wealth. Details of these options can be found at Note 21b.i.

- **Short-term incentives**

  No short-term incentives in the form of cash bonuses were granted during the year.

- **Long-term incentives**

  The Board has a policy of granting incentive options to executives with exercise prices above market share price. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

  The directors of the Company are not eligible to participate in the "Yonder & Beyond Group Limited Employee Incentive Option Plan".

e. Service Contracts

Remuneration and other terms of employment for the directors and KMP are formalised in contracts of employment, details of which can be found at 11.4 of the Directors report.

f. Engagement of Remuneration Consultants

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

g. Relationship between Remuneration of Key Management Personnel and Earnings

As discussed above, the Group is currently undertaking technology incubation and it is the assets of the company that are expected to become profitable operations with the parent realising profits through material asset sales. The Board does not currently consider earnings during the current and previous financial years when determining the nature and amount of remuneration of KMP.

11.3. Remuneration Details for the Year Ended 30 June 2016

There were no cash bonuses paid during the year and there are no set performance criteria for achieving cash bonuses. The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the KMP of the Group.

Directors' report

11. Remuneration report (audited)

2016

Group Key Management Person	Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments		Termination benefits	Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other	Equity	Options		
	$	$	$	$	$	$		$	$	$
Jay Stephenson[1][2]	46,229	-	-	-	6,626	-	-	-	-	52,855
Shashi Fernando[3]	272,541	-	-	-	-	-	-	-	-	272,541
John Bell[4]	200,877	-	-	-	-	-	-	-	-	200,877
Mahmood Dhalla	229,291	-	23,585	-	-	-	-	-	-	252,876
Peter Sedeffow	236,580	-	-	-	-	-	-	-	-	236,580
Stephane Oury[5]	50,877	-	-	-	-	-	-	-	-	50,877
	1,036,395	-	23,585	-	6,626	-	-	-	-	1,066,606

2015

Group Key Management Person	Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments		Termination benefits[8]	Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other	Equity	Options		
	$	$	$	$	$	$		$	$	$
Jay Stephenson[1]	50,000	-	-	-	4,750	-	-	-	-	54,750
Shashi Fernando[6]	94,544	-	9,076	-	-	-	-	-	-	103,620
John Bell[6]	70,357	-	-	-	-	-	-	-	-	70,357
Julia Beckett[9]	19,286	-	-	-	1,832	-	-	-	-	21,118
Paige McNeil[7]	40,000	-	-	-	-	-		-	90,131	130,131
Mahmood Dhalla	112,625	-	29,499	-	-	-	-	-	-	142,124
Stephane Oury	70,097		-	-	8,396	-	-	-	-	78,493
Peter Sedeffow	95,668	-	-	-	12,422	-	-	-	-	108,090
	552,577	-	38,575	-	27,400	-	-	-	90,131	708,683

(1) On 11 August 2011, the Company engaged Wolfstar Corporate Management Pty Ltd (**Wolfstar**) to appoint Mr Stephenson as CFO. Wolfstar is a related party of the Company by virtue of it being jointly controlled by Mr Stephenson. Mr Stephenson was appointed Company Secretary on 30 July 2014. Mr Stephenson is no longer CFO but is the Company Chairman. Please refer to Note 23 Related Party Transactions for further details.

(2) In respect to Mr Stephenson's 2016 remuneration, no fees have been settled in cash. The balance of the Mr Stephenson 2015 and 2016 remuneration of $65,513 remains accrued and payable as a loan to the Company.

(3) In respect to Mr Fernando's 2016 remuneration, $101,282 was received in cash. The balance of the Mr Fernando's 2015 and 2016 remuneration of $300,576 remains accrued and payable (including 2015 amounts disclosed in Note 22 Key management personnel compensation incurred prior to the reverse acquisition of the Company).

(4) In respect to Mr Bell's 2016 remuneration, no fees have been settled in cash. The balance of the Mr Bell's 2015 and 2016 remuneration of $349,228 remains accrued and payable (including 2015 amounts disclosed in Note 22 Key management personnel compensation incurred prior to the reverse acquisition of the Company). The amounts outstanding in relation to Mr Bell are payable to Dromana Holdings Pty Ltd as trustee for the Barringtons Trust (see directors remuneration note 11.4.b) not Mr Bell.

(5) In respect to Mr Oury, for the 2016 financial year, number of remuneration is up to the date of date of resignation, 28 September 2015.

(6) Amounts remunerated to Messrs Fernando and Bell are based upon executive appointment 17 October 2014 and 20 February 2015 respectively.

(7) Ms McNeil resigned 17 October 2014. Fees disclosed as salary, fees, and leave are calculated up to the date of resignation.

(8) Termination benefit refers to payments made in respect to Ms McNeil's resignation and relate to consultancy services for overseeing the divestment of the PNG assets.

(9) In respect to Ms Beckett, for the 2015 financial year, remuneration is up to the date of date of resignation, being 20 February 2015.

Directors' report

11. Remuneration report (audited)

11.4. Service Agreements

a. Service Agreement with Wolfstar Corporate Management Pty Ltd

On 10 August 2011, the Group engaged Wolfstar Corporate Management Pty Ltd (**WCM**) to appoint Mr Stephenson (Non-executive Chairman) as Chief Financial Officer six months from the Company's date of quotation on ASX Limited. WCM is a related party of the Company by virtue of it being controlled by Jay Stephenson.

In consideration for the accounting services provided, WCM is entitled to a monthly fee of $6,000. The Group will reimburse WCM for all reasonable out-of-pocket expenses incurred including, but not limited to, photocopying, facsimile, longer distance telephone, delivery services and travelling expenditure as required.

This service agreement may be terminated at any time by either party giving one month's written notice to the other party.

b. Executive services agreements with CEO and CFO

Y&B has entered in to executive service agreements (**ESA**) with Mr Fernando (individually), and Mr Bell through Dromana Holdings Pty Ltd as trustee for the Barringtons Trust (**Bell**).

ESAs have been made between each Mr Fernando and Mr Bell's related entities and Y&B on the following bases:

- Mr Fernando is employed by Y&B as the Chief Executive Officer of the Y&B Group on a full-time basis.
- Mr Bell is employed by Y&B as the Chief Financial Officer of the Y&B Group and to carry out duties commensurate with that office or as assigned by the Company from time to time.
- The effective commencement date of each ESA is 24 February 2014, and varied 4 June 2014.
- The gross annual remuneration package for Mr Fernando is £132,000 per annum, payable in monthly instalments.
- The gross annual service fee for Mr Bell (Bell) is £100,000 per annum, payable in monthly instalments.
- The Remuneration will be reviewed by the Board annually in accordance with the Company's policies and procedures.
- Mr Fernando and Mr Bell will be eligible to participate in any short term and long term incentive arrangements operated or introduced by the Company or a Group Company from time to time:
  - In accordance with the terms and conditions governing those arrangements;
  - As determined or varied (including in respect of the form of any benefit provided to the executive) at the discretion of the board from time to time
- Y&B will reimburse all reasonable expenses incurred by Messrs Fernando or Bell for all reasonable out-of-pocket expenses.
- The ESAs shall continue until terminated by either party giving to the other not less than six months prior written notice.
- Y&B may terminate an ESA if the employee is in material breach of the ESA.
- ESA includes provisions protecting the intellectual property rights of the Company including in respect of any inventions and includes non-compete restrictions for a period of twelve months after termination.

c. Key Management Team Service Agreements

Y&B, through Yonder and Beyond Ltd (UK), has entered in to service agreements with Mr Sedeffow, on the following bases:

- Mr Sedeffow will be employed by Y&B as the Chief Technical Officer of the Y&B Group on a full-time basis.
- The gross remuneration package for Mr Sedeffow is £135,000 per annum, payable in monthly instalments.
- The remuneration will be reviewed by the Board annually in accordance with the Company's policies and procedures.
- Mr Sedeffow, will be eligible to participate in any short term and long term incentive arrangements operated or introduced by the Company or a Group Company from time to time:
  - In accordance with the terms and conditions governing those arrangements;
  - As determined or varied (including in respect of the form of any benefit provided to the executive) at the discretion of the board from time to time.

11. Remuneration report (audited)

- Y&B will reimburse all reasonable expenses incurred by Mr Sedeffow for all reasonable out-of-pocket expenses.
- The service agreements shall continue until terminated by either party giving to the other not less than six months' prior written notice.
- Y&B may terminate the service agreements if the employee is in material breach of the service agreement.
- The Service Agreement includes provisions protecting the intellectual property rights of the Company including in respect of any inventions and includes non-compete restrictions for a period of twelve months after termination.

Y&B, through Yonder and Beyond Inc. (USA), has entered in to service agreements with Mr Dhalla on the following bases:

- Mr Dhalla is employed by Y&B as the Chief Product Officer of the Y&B Group on a full-time basis.
- The effective commencement date of each service agreement is 17 February 2014, and varied 4 June 2014.
- The gross annual remuneration package for Mr Dhalla is USD167,000 per annum.
- The remuneration will be reviewed by the Board annually.
- Mr Dhalla, will be eligible to participate in any bonus programmes that may apply to similarly situated employees.
- Mr Dhalla shall also be granted equity in Y&B.
- The service agreements shall continue until terminated by either party giving to the other not less than one month's prior written notice.
- Y&B may terminate the service agreements if the employee is in material breach of the service agreement.
- The Service Agreement includes provisions protecting the intellectual property rights of the Company including in respect of any inventions and includes non-compete restrictions for a period of twelve months after termination.

11.5. Share-based compensation

a. Management Performance Options (**Performance Options**)

In recognition of the incentive scheme options held by Management Shareholders of Yonder as at acquisition date, the Company elected to replace them by issuing to the management shareholders (or their respective nominees) 35,000,000 options (Performance Options) (on a post-consolidation basis). Of the total 35,000,000 Performance Options, KMP were issued a total 23,450,000 subject to the terms and conditions set out in below:

Tranche	Number under Option(5)(6)(7)	Date of Expiry	Exercise Price(5)(7)	Vesting Terms(2)(3)(4)	Escrow(1)
Tranche 1	10,050,000	30 November 2017	$0.20	Immediately upon issue	25% for a period of 3 months from the date of issue
Tranche 2	6,700,000	30 November 2017	$0.25	Upon the five day volume weighted average share price (**VWAP**) of the Company being equal to or in excess of $0.50 per share	25% for a period of 6 months from the date of issue
Tranche 3	6,700,000	31 May 2018	$0.40	Upon the five day VWAP of the Company being equal to or in excess of $0.80 per share	50% for a period of 12 months from the date of issue
	23,450,000				

(1) Subject to any longer escrow period that ASX may impose.

(2) Subject to the beneficiary of the Performance Options being either (1) in continuous employment/service agreement with Y&B and/or the Company or (2) not a Bad Leaver;

(3) The parties shall agree Good Leaver and Bad Leaver provisions as part of implementing the transaction.

(4) The Performance Options are exercisable at any time from when they vest, to on or before 5.00pm (AWST) on their expiry date wholly or in part by delivering a duly completed form of notice of exercise to the Company, accompanied by payment of the exercise moneys.

(5) There will be no change to the exercise price of a Performance Option or the number of Shares over which a Performance Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a bonus issue, see further below).

(6) If there is a bonus issue to the holders of Shares in the capital of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

(7) If, prior to the expiry of any Performance Options, there is a reorganisation of the issued capital of the Company, the Performance Options shall be reorganised in the manner set out in the Listing Rules.

Directors' report

11. Remuneration report (audited)

b. Securities Received that Are Not Performance-related

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

c. Options and Rights Granted as Remuneration

No options or rights were granted as remuneration during 2016 (2015: nil).

Details relating to service and performance criteria required for vesting have been provided in the within the financial statements at Note 21 Share-Based Payments.

11.6. Key Management Personnel equity holdings

a. Fully paid ordinary shares of Yonder & Beyond Group Limited held by each Key Management Personnel

2016 – Group *Group Key Management Person*	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year No.	Consolidation of share capital No.	Balance at end of year No.
Jay Stephenson[(1)]	194,796	-	-	(24,937)	-	169,859
Shashi Fernando[(2)]	20,246,380	-	-	224,999	-	20,471,379
John Bell	2,251,017	-	-	-	-	2,251,017
Mahmood Dhalla	400,142	-	-	-	-	400,142
Peter Sedeffow	-	-	-	-	-	-
Stephane Oury[(3)]	1,138,524	-	-	-	-	1,138,524
	24,230,859	-	-	200,062	-	24,430,921

(1) Other changes during the year for Mr Stephenson relate to a correction in the holding number of share.

(2) Other changes during the year relate to acquisitions and disposals for Directors and their related parties

(3) Balance at the end of year represents Mr Oury's number of shares held as the date of his resignation, 28 September 2015.

2015 – Group *Group Key Management Person*	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year No.	Consolidation of share capital No.	Balance at end of year No.
Jay Stephenson[(1)]	963,500	-	-	146,621	(915,325)	194,796
Shashi Fernando[(2)]	-	-	-	20,246,380	-	20,246,380
John Bell[(2)]	-	-	-	2,251,017	-	2,251,017
Julia Beckett[(1)(3)]	15,000	-	-	68,813	(14,250)	69,563
Paige McNeil[(1)(4)]	18,195,066	-	-	147,426	(17,285,313)	1,057,179
Mahmood Dhalla[(2)]	-	-	-	400,142	-	400,142
Stephane Oury[(2)]	-	-	-	1,138,524	-	1,138,524
Peter Sedeffow	-	-	-	-	-	-
	19,173,566	-	-	24,398,923	(18,214,888)	25,357,601

(1) Other changes during the year relate to acquisitions and disposals for Directors and their related parties

(2) Other changes during the year relate to consideration shares issued to Messrs Fernando, Bell, Dhalla, and Oury in respect to the Company's acquisition of Yonder and Beyond Limited.

(3) Balance at the end of year represents Ms Beckett's number of shares held as the date of her resignation, 20 February 2015.

(4) Balance at the end of year represents Ms McNeil's number of shares held as the date of her resignation, 17 October 2014.

Directors' report

11. Remuneration report (audited)

b. Options in Yonder & Beyond Group Limited held by each Key Management Personnel

2016 Group Key Management Person	Balance at start of year No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes during the year No.	Consolidation of capital No.	Balance at end of year No.	Vested and Exercisable No.	Not Vested No.
Jay Stephenson	500,000	-	-	-	-	500,000	500,000	-
Shashi Fernando	11,025,000	-	-	-	-	11,025,000	2,756,250	8,268,750
John Bell	5,250,000	-	-	-	-	5,250,000	1,312,500	3,937,500
Mahmood Dhalla	3,150,000	-	-	-	-	3,150,000	787,500	2,362,500
Peter Sedeffow	-	-	-	-	-	-	-	-
Stefan Oury[1]	4,025,000	-	-	-	-	4,025,000	4,025,000	-
	23,950,000	-	-	-	-	23,950,000	9,381,250	14,568,750

(1) Balance at the end of year represents Mr Oury's number of shares held as the date of his resignation, 28 September 2015.

2015 Group Key Management Person	Balance at start of year No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes during the year No.	Consolidation of capital No.	Balance at end of year No.	Vested and Exercisable No.	Not Vested No.
Jay Stephenson	2,000,000	-	-	(1,500,000)	-	500,000	500,000	-
Shashi Fernando	-	-	-	11,025,000	-	11,025,000	2,756,250	8,268,750
John Bell	-	-	-	5,250,000	-	5,250,000	1,312,500	3,937,500
Julia Beckett[2]	-	-	-	-	-	-	-	-
Paige McNeil[3]	4,000,000	-	-	(4,000,000)	-	-	-	-
Mahmood Dhalla	-	-	-	3,150,000	-	3,150,000	787,500	2,362,500
Stefan Oury	-	-	-	4,025,000	-	4,025,000	4,025,000	-
Peter Sedeffow	-	-	-	-	-	-	-	-
Joe Idigel[4]	1,000,000					1,000,000	1,000,000	
	7,000,000	-	-	17,950,000	-	24,950,000	10,381,250	14,568,750

(1) Other changes during the 2015 year relate to:

a. 23,450,000 performance options issued to Messrs Fernando, Bell, Dhalla, and Oury in respect to the Company's acquisition of Yonder and Beyond Limited.

b. Expiration of 6,000,000 issued to Mr Stephenson and Ms McNeil

c. Issue of 1,000,000 adviser options to Wolfstar Group Pty Ltd of which Mr Stephenson is a 50% shareholder.

(2) Balance at the end of year represents Ms Beckett's number of options held as the date of her resignation, 20 February 2015.

(3) Balance at the end of year represents Ms McNeil's number of options held as the date of her resignation, 17 October 2014.

(4) Balance at the end of year represents Mr Idigel's number of options held as the date of at the cessation of being considered KMP.

Directors' report

11. Remuneration report (audited)

11.7. Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

11.8. Loans to Key Management Personnel

There are no loans made to directors of Y&B as at 30 June 2016 (2015: nil).

11.9. Loans from Key Management Personnel

As at 30 June 2016, the Group had the following loans outstanding with KMP

Group Key Management Person	2016 $	2015 $
Jay Stephenson	65,513	20,833
Shashi Fernando (including other payables)	656,278	-
John Bell	138,122	-
Mahmood Dhalla	-	-
Peter Sedeffow	-	-
	859,913	20,833

11.10. Other transactions with Key Management Personnel and or their Related Parties

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with related parties, refer Note 23 Related party transactions.

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).

JAY STEPHENSON
Chairman
Dated this Friday, 30 September 2016

Bentleys
THINKING AHEAD

Bentleys Audit & Corporate (WA) Pty Ltd
London House
Level 3,
216 St Georges Terrace
Perth WA 6000

PO Box 7775
Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500
F +61 8 9226 4300

bentleys.com.au

To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of Yonder and Beyond Group Limited for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

BENTLEYS	**MARK DELAURENTIS** CA
Chartered Accountants	**Director**

Dated at Perth this 30th day of September 2016

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2016

	Note	2016 $	2015 $
Continuing operations			
Revenue	3	3,477,011	1,538,198
Share of associate profit / (loss)	15c.i	(317,966)	(112,192)
Other income	3	599,524	849,011
		3,758,569	2,275,017
Costs of sales		(2,151,121)	(41,971)
		1,607,448	2,233,046
Business development		(536,979)	(293,923)
Compliance costs		(333,509)	(225,894)
Computers and communications		(84,169)	(48,486)
Corporate transaction accounting expense		-	(2,353,466)
Depreciation and amortisation	4a	(30,077)	(25,818)
Employee benefits expenses	4b	(3,739,773)	(3,529,983)
Finance costs		(1,998)	(38,959)
Impairment	4c	(1,426,628)	-
Professional fees		(14,826)	(22,362)
Rent and utilities		(310,847)	(303,073)
Other expenses		(98,271)	(194,637)
Loss before tax	4	(4,969,629)	(4,803,555)
Income tax benefit / (expense)	7	7,263	(32,729)
Loss from continuing operations		(4,962,366)	(4,836,284)
Net loss for the year		(4,962,366)	(4,836,284)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss:			
Foreign currency movement		76,766	(235,901)
Financial assets revaluation		(165,946)	165,946
Other		-	(165,038)
Other comprehensive income for the year, net of tax		(89,180)	(234,993)
Total comprehensive income attributable to members of the parent entity		(5,051,546)	(5,071,277)
Profit/(loss) for the period attributable to:			
Non-controlling interest		(505,022)	(132,821)
Owners of the parent		(4,457,344)	(4,703,463)
Total comprehensive income/(loss) attributable to:			
Non-controlling interest		(505,022)	(173,104)
Owners of the parent		(4,546,524)	(4,898,173)
Earnings per share:		¢	¢
Basic and diluted loss per share (cents per share)	6	(6.00)	(9.52)

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

Consolidated statement of financial position

as at 30 June 2016

	Note	2016 $	2015 $
Current assets			
Cash and cash equivalents	8	363,871	1,088,305
Trade and other receivables	9	654,019	1,112,128
Financial assets	11a	454,366	1,122,946
Other current assets		21,245	411
Non-current asset held for disposal	10	1,807	1,957
Total current assets		1,495,308	3,325,747
Non-current assets			
Plant and equipment	12	18,392	15,255
Intangible assets	13	28,024	45,090
Financial assets	11	271,276	1,598,900
Investments in associates	15c.ii	-	287,808
Total non-current assets		317,692	1,947,053
Total assets		1,813,000	5,272,800
Current liabilities			
Trade and other payables	16	2,782,827	2,805,302
Short-term provisions	18	52,899	145,402
Current tax liabilities	7d	38,714	57,708
Borrowings	17a	30,916	22,619
Total current liabilities		2,905,356	3,031,031
Non-current liabilities			
Borrowings	17b	768,490	-
Deferred tax liabilities		-	7,379
Total non-current liabilities		768,490	7,379
Total liabilities		3,673,846	3,038,410
Net assets		(1,860,846)	2,234,390
Equity			
Issued capital	19a	13,092,199	12,378,195
Reserves	20	(4,730,956)	(4,771,118)
Accumulated losses		(9,593,569)	(5,136,225)
Non-controlling interest		(628,520)	(236,462)
Total equity		(1,860,846)	2,234,390

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
for the year ended 30 June 2016

	Note	Issued Capital $	Accumulated Losses $	Business Combination under Common Control $	Foreign Exchange Translation Reserve $	Financial assets revaluation reserve $	Option Reserve $	Non-controlling Interest (NCI) $	Total $
Balance at 1 July 2014		3,500	(308,007)	-	(145)	-	-	-	(304,652)
Loss for the year attributable owners of the parent		-	(4,703,463)	-	-	-	-	(132,821)	(4,836,284)
Other comprehensive income for the period attributable owners of the parent		-	(124,755)	-	(235,901)	165,946	-	(40,283)	(234,993)
Total comprehensive income for the year attributable owners of the parent		-	(4,828,218)	-	(235,901)	165,946	-	(173,104)	(5,071,277)
Transaction with owners, directly in equity									
Shares issued during the year	19a	12,576,122	-	-	-	-	-	-	12,576,122
Transaction costs		(201,427)	-	-	-	-	-	-	(201,427)
NCI upon acquisition of subsidiary		-	-	-	-	-	-	2,471	2,471
Business combinations under common control		-	-	(4,701,018)	-	-	-	(65,829)	(4,766,847)
Balance at 30 June 2015		12,378,195	(5,136,225)	(4,701,018)	(236,046)	165,946	-	(236,462)	2,234,390
Balance at 1 July 2015		12,378,195	(5,136,225)	(4,701,018)	(236,046)	165,946	-	(236,462)	2,234,390
Loss for the year attributable owners of the parent		-	(4,457,344)	-	-	-	-	(505,022)	(4,962,366)
Other comprehensive income for the year attributable owners of the parent		-	-	-	76,766	(165,946)	-	-	(89,180)
Total comprehensive income for the year attributable owners of the parent		-	(4,457,344)	-	76,766	(165,946)	-	(505,022)	(5,051,546)
Transaction with owners, directly in equity									
Shares issued during the year	19a	714,004	-	-	-	-	-	-	714,004
Options issued during the year	19b	-	-	-	-	-	129,342	-	129,342
NCI upon acquisition of subsidiary	2a.iii	-	-	-	-	-	-	156,044	156,044
Dividends paid by subsidiaries		-	-	-	-	-	-	(43,080)	(43,080)
Balance at 30 June 2016		13,092,199	(9,593,569)	(4,701,018)	(159,280)	-	129,342	(628,520)	(1,860,846)

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

Consolidated statement of cash flows

for the year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		5,121,781	1,675,754
Interest received		1,559	16,038
Interest and borrowing costs		(1,998)	(38,959)
Payments to suppliers and employees		(7,361,697)	(4,829,464)
Income tax credit / (expense)		(11,171)	75,661
Net cash used in operating activities	8c	(2,251,526)	(3,100,970)
Cash flows from investing activities			
Payments for property, plant and equipment		(6,987)	(8,403)
Payments for intangible assets		(9,747)	(834)
Cash acquired from acquisition of subsidiary net of cash consideration paid		13	3,812,405
Loans provided to investee companies		(18,307)	-
Proceed from / (payments for investments)		277,184	(1,831,426)
Net cash used in investing activities		242,156	1,971,742
Cash flows from financing activities			
Proceeds from issue of shares after costs		714,047	1,800,673
Loans from related entities		598,952	-
Repayment of borrowings		-	(37,843)
Net cash provided by financing activities		1,312,999	1,762,830
Net increase/(decrease) in cash held		(696,371)	633,602
Cash and cash equivalents at the beginning of the year		1,088,305	454,703
Change in foreign currency held		(28,063)	-
Cash and cash equivalents at the end of the year	8	363,871	1,088,305

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

.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

These are the consolidated financial statements and notes of Yonder & Beyond Group Limited (**Y&B** or **the Company**) and controlled entities (collectively **the Group**). Y&B is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of Y&B, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

The financial statements were authorised for issue on 30 September 2016 by the directors of the Company.

a. Basis of preparation

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

i. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

ii. Going concern

The consolidated financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the year of $4,962,366 (2015: $4,836,284 loss) and a net cash out-flow from operating activities of $2,251,526 (2015: $3,100,970 out-flow).

As at 30 June 2016, the Company a working capital deficit of $1,846,945 (2015: $770,933 working capital deficit), as disclosed in note 19c of the Issued capital.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cash flow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

The Directors have prepared a cash flow forecast for the period ending 30 September 2017, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report. In particular the Company:

1. has negotiated extended credit terms with creditors to the value of $569,370, in that payment won't be required until sufficient funds have been raised from debt/equity sources or profitability, at which point and appropriate payment plan will be agreed;
2. the convertible note currently standing at $473,314 associated with the CEO loan, and CFO Loans of $138,122, plus the accruals of the CEO of salary of $118,937 which has not been paid has also been agreed that they will not call the cash unless mutually agreed by board under an agreeable structure to either convert over time or cash over time.
3. furthermore the convertible note facility provided by the CEO was extended on 7 April 2016 to 30 June 2017 and there remains $526,686 available for immediate draw down;
4. is currently in negotiations for external investment in some of its entities, including Gophr and Boppl, which will result in the company no longer needing to fund the operations of those entities;
5. is in negotiations to have a cash ingestion of $2,000,000 (before costs) from either debt or equity funding arrangements by the end of October 2016; and
6. Beyond Media is forecast to trade profitably and provide working capital funding for other business segments in the Group by March 2017.

Note 1 Statement of significant accounting policies

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the Directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

iii. Reverse acquisition

Y&B (formerly Quintessential Resources Limited) is listed on the Australian Securities Exchange (**ASX**). The Company completed the legal acquisition of Yonder and Beyond Limited (**Yonder**) on 20 February 2015.

Yonder (the legal subsidiary) was deemed to be the acquirer for accounting purposes as it has obtained control over the operations of the legal acquirer Y&B (accounting subsidiary). Accordingly, the consolidated financial statements of Y&B have been prepared as a continuation of the financial statements of Yonder. Yonder (as the deemed acquirer) has accounted for the acquisition of Y&B from 20 February 2015.

The impact of the reverse acquisition on each of the primary statements is as follows:

- The consolidated statement of comprehensive income:
  - for the year to 30 June 2016 comprises 12 months of the Group; and
  - for the year to 30 June 2015 comprises twelve months of Yonder and the period from 20 February 2015 to 30 June 2015 of Y&B.
- The consolidated statement of financial position represents the financial position of the Group as at 30 June 2016 and the comparative period, 30 June 2015.
- The consolidated statement of changes in equity:
  - for the year ended 30 June 2016 comprises the Group's balances at 1 July 2015, its loss for the year and transactions with equity holders for 12 months. The number of shares on issue at year end represents those of Y&B only.
  - for the year ended 30 June 2015 comprises Yonder's balance at 1 July 2014, its loss for the year and transactions with equity holders for twelve months. It also comprises Y&B transactions with equity holders from 20 February 2015 to 30 June 2015 and the equity balances of Yonder and Y&B at 30 June 2015.
- The consolidation statement of cash flows:
  - for the year ended 30 June 2016 comprises:
    - the cash balance of Group as at 1 July 2015;
    - the cash transactions for the 12 months of the Group; and
    - the cash balances of the Group at 30 June 2016.
  - for the year ended 30 June 2015 comprises:
    - the cash balance of Yonder, as at 1 July 2014;
    - the cash transactions for the twelve months (twelve months of Yonder and the period from 20 February 2015 to 30 June 2015 of Y&B); and
    - the cash balances of Yonder and Y&B at 30 June 2015..

iv. Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1s.

v. Comparative figures

Where required by AASBs comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b. Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 July 2016 but determined that their application to the financial statements is either not relevant or not material.

c. Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

i. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;

less

- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in Note 14 Controlled Entities of the financial statements.

Note 1 Statement of significant accounting policies

iii. Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, than such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained

iv. Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

d. Foreign currency transactions and balances

i. Functional and presentation currency

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.

ii. Transaction and balances

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

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 other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

iii. Group companies and foreign operations

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

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

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

e. Taxation

i. Income tax

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

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

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

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items recognised outside profit or loss.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

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

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

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

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

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

Where the Group receives a governmental research and development tax incentive, The Group accounts for the refundable tax offset under AASB 112. Funds are received as a rebate through the parent company's income tax return and disclosed as such in Note 7 Income Tax.

ii. Value-added taxes

Value-added tax (**VAT**) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (Goods and Services Tax or **GST**); United Kingdom (VAT); and in Singapore (VAT).

Revenues, expenses, and assets are recognised net of the amount of VAT, except where the amount of VAT incurred is not recoverable from the relevant country's taxation authority. In these circumstances the VAT 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 statement of financial position are shown inclusive of VAT.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office (or jurisdictional equivalent) is included as a current asset or liability in the balance sheet.

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

f. Fair Value

i. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

ii. Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

iii. Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

g. Plant and equipment

i. Recognition and measurement

Items of plant and equipment are measured on the cost basis and carried at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 1k Impairment of non-financial assets).

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Where considered material, the carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

ii. Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. Any costs of the day-to-day servicing of plant and equipment are recognised in the income statement as an expense as incurred.

iii. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the asset's useful life to the consolidated 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.

Depreciation rates and methods are reviewed annually for appropriateness. The depreciation rates used for the current and comparative period are:

	2016 %	2015 %
Plant and equipment	25.00 to 66.67	25.00 to 66.67

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 disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within "other income" in profit or loss

h. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business (see Note 1c.i) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (**CGU**) (or groups of CGUs) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described at Note 1m below.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

i. Intangible assets and amortisation

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of three years.

j. Non-current assets held for disposal

Non-current assets and disposal groups are classified as held for sale and measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale.

Classification as "held for sale" occurs when: management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification; and active marketing of the asset has commenced. Such assets are classified as current assets.

A discontinued operation is a component of an entity, being a cash-generating unit (or a group of cash generating units), that either has been disposed of, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with the view to resale.

Impairment losses are recognised for any initial or subsequent write-down of an asset (or disposal group) classified as held for sale to fair value less costs to sell. Any reversals of impairment recognised on classification as held for sale or prior to such classification are recognised as a gain in profit or loss in the period in which it occurs.

k. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see accounting policy 1e) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

l. Financial instruments

i. Initial recognition and measurement

A financial instrument is recognised if the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified on the contract expire or are discharged or cancelled.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii. Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

iii. Classification and Subsequent Measurement

(1) *Cash and cash equivalents*
Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of nine months or less, and bank overdrafts. Bank overdrafts are shown within short-borrowings in current liabilities on the Statement of financial position.

(2) *Loans*
Loans 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 are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(3) *Trade and other receivables*
Receivables are usually settled within 60 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Collectability of trade and other receivables are reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts (see also 1l.vii).

(4) *Trade and other payables*
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

(5) *Share capital*
Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

iv. Amortised cost

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

v. Fair value

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

vi. Effective interest method

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over 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 amount with a consequential recognition of an income or expense item in profit or loss.

vii. Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Financial assets are tested for impairment on an individual basis.

All impairment losses are recognised in the income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the income statement.

viii. Derecognition

Financial assets are derecognised where the contractual rights to cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

ix. Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

m. Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies. Investments in associates are accounted for in the consolidated financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate. In addition, the Group's share of the profit or loss of the associate is included in the Group's profit or loss.

The carrying amount of the investment includes, when applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Group's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Upon the associate subsequently making profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

n. Employee benefits

i. Short-term benefits

Liabilities for employee benefits for wages, salaries, National Insurance, superannuation, and leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax. Liabilities for employee benefits expected to be settled in excess of the 12 months from reporting date are recognised as non-current liabilities. Due to the age of the Group, no such liabilities are currently recognised in the Group.

National Insurance (**NICs**) is a system of contributions paid by workers and employers towards the cost of certain state benefits in the United Kingdom. It is contributory system of insurance against illness and unemployment, retirement pensions, and other benefits

Non-accumulating non-monetary benefits, such as medical care, housing and relocation costs, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

ii. Retirement benefit obligations: Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

iii. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

iv. Equity-settled compensation

The Group operates an employee share option plan. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

o. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will results and that outflow can be reliably measured.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

p. Leases

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

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised in the income statement on a straight-line basis over the term of the lease.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

q. Revenue and other income

Interest revenue is recognised in accordance with note 1l.ix Finance income and expenses.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing 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.

All revenue is stated net of the amount of value added taxes (note 1e.ii Value-added taxes).

r. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are regularly reviewed by the Group's Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

s. Critical Accounting Estimates and Judgments

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Key judgements and estimates – Business Combinations

Refer note 2 Business combinations.

ii. Key Estimate – Taxation

Refer Note 7 Income Tax.

iii. Key judgements and estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

iv. Key Estimate – Impairment of Goodwill

Refer Note 13c.

v. Key judgements and estimates – Share-based payments

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 by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 21 Share-based payments.

t. New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations (**AASB**) issued by the Australian Accounting Standards Board (AASB Board) that are mandatory for the current reporting period.

Any new, revised or amending AASBs that are not yet mandatory have not been early adopted.

The adoption of these AASBs did not have any significant impact on the financial performance or position of the Group.

u. New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatory applicable to the Group have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

i. AASB 9 *Financial Instruments and associated Amending Standards* (applicable for annual reporting period commencing 1 January 2018)

The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

Key changes made to this standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

The Directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

ii. AASB 15 *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2018).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise 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 the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

(1) Identify the contract(s) with a customer;

(2) Identify the performance obligations in the contract(s);

(3) Determine the transaction price;

(4) Allocate the transaction price to the performance obligations in the contract(s); and

(5) Recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's revenue recognition and disclosures.

iii. AASB 16: *Leases* (applicable to annual reporting periods commencing on or after 1 January 2019).

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

The Directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's recognition of leases and disclosures).

iv. 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 Joint Arrangements to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require:

(1) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 *Business Combinations*, 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;

(2) 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.

The Directors anticipate that the adoption of these amendments will not have a material impact on the financial statements.

v. AASB 2014-9: *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements* (AASB 2014-9 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted).

AASB 2014-9 amends AASB 127 Separate Financial Statements, and consequentially amends AASB 1 *First-time Adoption of Australian Accounting Standards* and AASB 128 *Investments in Associates and Joint Ventures*, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. AASB 2014-9 also makes editorial corrections to AASB 127.

The Directors anticipate that the adoption of these amendments will not have a material impact on the financial statements.

vi. Other standards not yet applicable

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

v. Adjustments made subsequent to the lodgement of the ASX Appendix 4E

Subsequent to the lodgement of the ASX Appendix 4E:

i. Loss after tax increased by $274,505 due to:

(1) Reductions in – Employee benefits expense: $257,714;

(2) Increases in – Interest revenue: $16,791.

ii. Other comprehensive income decreased by $257,714 due to reductions in – Foreign currency movement: $257,714.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 2 Business combinations

a. MeU Pty Ltd

On 30 April 2016, Yonder and Beyond Limited (**Yonder**), acquired an additional 22.53% of the ordinary share capital and voting rights in its associate MeU Mobile Pty Ltd (**MeU**). This transaction constitutes a business combination under AASB 3.

i. Acquisition consideration

As consideration for the issued capital of MeU, Yonder converted loans to the value of $229,000. This represents and effective rate of $405.31 per share. Yonder also had additional loans to MeU of $86,650. Total acquisition consideration is therefore deemed to be $315,650

ii. Fair value of previously held interest

An equity interest previously held in the acquiree (**MeU**) which qualified as an associate is treated as if it were disposed of and reacquired at fair value on the acquisition date. Accordingly, it is remeasured to its acquisition date fair value, and any resulting gain or loss compared to its carrying amount is recognised in profit or loss. Any amount that has previously been recognised in other comprehensive income, and that would be reclassified to profit or loss following a disposal, is similarly reclassified to profit or loss. In addition, non-controlling interests are measured on the date of acquisition.

	$
Investment in associate	450,000
Share of associate's loss to the date of acquisition	(430,158)
Carrying value at date of acquisition	19,842
Implied value of previously held interest (355 shares at $405.31 per share)	143,885
Fair valuation on deemed disposal and acquisition of associate	124,043
Fair valuation of non-controlling interests	156,044

iii. Goodwill

The identifiable net assets of the acquiree are remeasured to their fair value on the date of acquisition (i.e. the date that control passes. Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of the acquired. Details of the transaction are as follows:

	Fair value $
Fair value of:	
Consideration given for controlling interest	315,650
Previously held interest	143,885
Non-controlling interest	156,044
	615,579
Fair value of identifiable assets and liabilities held at acquisition date:	
Cash	13
Trade and other receivables	24,870
Other current assets	1,200
Property, plant, and equipment	6,975
Financial assets	276
Trade and other payables	(271,607)
Loans (net of loans deemed to form part of consideration 2a.i)	(35,414)
Fair value of identifiable assets and liabilities assumed	(273,687)
Goodwill	889,266

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 3 Revenue and other income

	Note	2016 $	2015 $
a. Revenue			
Sales		3,301,161	1,318,409
External management fees		157,500	203,751
Interest revenue		18,350	16,038
Total revenue		3,477,011	1,538,198
b. Other Income			
Foreign exchange gain / (loss)		11,793	(24,269)
Fair valuation on deemed disposal and acquisition of associate	2a.ii	124,043	-
Loss on disposal of investments		(20,414)	-
Research and development grant income		461,327	872,209
Other		22,775	1,071
Total Other Income		599,524	849,011

Note 4 Profit / (loss) before income tax

	Note	2016 $	2015 $
The following significant revenue and expense items are relevant in explaining the financial performance:			
a. Depreciation and amortisation:			
Depreciation and amortisation of plant and equipment		8,692	20,447
Amortisation of intangibles	13b	21,385	5,371
		30,077	25,818
b. Employment costs:			
Contractors and consultants		1,033,242	1,169,681
Directors fees		55,000	37,898
Increase / (decrease) in employee benefits provisions		(92,447)	143,605
Superannuation and National Insurance Contributions		240,299	158,275
Wages and salaries		2,426,017	1,948,386
Other employment related costs		77,662	72,138
		3,739,773	3,529,983
c. Impairment:			
Goodwill	13	889,266	-
Financial assets – available for sale		269,320	-
Financial asset		224,635	-
Other assets	28b.i(2)	43,407	-
		1,426,628	-

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 5 Auditors' remuneration

	2016 $	2015 $
Remuneration of the auditors of the Group for:		
Auditing or reviewing the financial reports		
Moore Stephens	38,054	27,500
Bentleys	27,000	39,853
	65,054	67,353
Non-audit servicers:		
Investigation accountants reports of the auditors	-	18,200
Taxation services provided by a related practice of the auditors	-	7,300
	-	25,500
	65,054	92,853

Note 6 Earnings per share (EPS)

	Note	2016 $	2015 $
a. Reconciliation of earnings to profit or loss			
(Loss) / profit for the year		(4,962,366)	(4,836,284)
Less: loss attributable to non-controlling equity interest		(505,022)	(132,821)
(Loss) / profit used in the calculation of basic and diluted EPS		(4,457,344)	(4,703,463)

	2016 No.	2015 No.
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	74,240,832	49,412,553

	Note	2016 ¢	2015 ¢
c. Earnings per share			
Basic EPS (cents per share)	6d	(6.00)	(9.52)

d. The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than the average market price during the period (out of the money). In addition, the Group does not report diluted earnings per share on annual losses generated by the Group. At the end of the 2016 financial year, the Group had 45,285,000 unissued shares under options that were out of the money which are anti-dilutive (2015: 42,547,500).

e. As noted in 1a.iii, the equity structure in these consolidated financial statements following the reverse acquisition reflects the equity structure of Y&B, being the legal acquirer (the accounting acquiree), including the equity interests issued by Y&B to effect the business combination.

i. In calculating the weighted average number of ordinary shares outstanding (the denominator of the EPS calculation) for the year ended 30 June 2015:

(1) the number of ordinary shares outstanding from 1 July 2014 to 20 February 2015 (acquisition date) are computed on the basis of the weighted average number of ordinary shares of Yonder, (legal acquiree / accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the acquisition agreement; and

(2) the number of ordinary shares outstanding from 20 February 2015 to the end of year shall be the actual number of ordinary shares of Y&B outstanding during that period.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 7 Income tax	Note	2016 $	2015 $
a. Income tax expense / (benefit)			
Current tax		-	32,729
Deferred tax		(7,263)	-
		(7,263)	32,729
Deferred income tax expense included in income tax expense comprises:			
Increase / (decrease) in deferred tax assets	7e	1,890	43,953
(Increase) / decrease in deferred tax liabilities	7f	(1,890)	(43,953)
		-	-
b. Reconciliation of income tax expense to prima facie tax payable			
The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prima facie tax on operating loss at 30% (2015: 30%)		(1,490,889)	(1,441,067)
Add / (Less) tax effect of:			
Assessable/(non-assessable) income		(504,068)	(261,663)
Non-deductible expenses		744,757	1,238,057
International tax rate differences		269,553	59,689
Deferred tax asset not brought to account		973,339	437,600
Other		45	113
Income tax expense / (benefit) attributable to operating loss		(7,263)	32,729
		%	%
Applicable weighted average effective tax rates attributable to operating profit		nil	nil
		$	$
Balance of franking account at year end		nil	nil
c. Current tax assets			
Current tax asset		-	-
		-	-
d. Current tax liabilities			
Current tax liabilities		38,714	57,708
		38,714	57,708

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 7 Income tax (cont.)

	Note	2016 $	2015 $
e. Deferred tax assets			
Payables, accrued expenses, and provisions		104,629	123,937
Intangibles		522,346	-
Revaluation of investments		149,132	-
Other		138,701	186,490
Tax losses		1,142,200	673,169
		2,057,008	983,596
Set-off deferred tax liabilities	7f	(1,890)	(43,953)
Net deferred tax assets		2,055,118	939,643
Less deferred tax assets not recognised		(2,055,118)	(939,643)
Net tax assets		-	-
f. Deferred tax liabilities			
Revaluation of Investments		-	49,784
Property Plant and Equipment		1,125	1,512
Other		765	36
		1,890	51,332
Set-off deferred tax assets	7e	(1,890)	(43,953)
Net deferred tax liabilities		-	7,379
g. Tax losses			
Unused tax losses for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:			
Deductible temporary differences		914,809	310,427
Revenue losses		1,142,200	673,169
Capital losses		-	-
		2,057,009	983,596

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2016 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;

ii. the company continues to comply with conditions for deductibility imposed by law; and

iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss.

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 8 Cash and cash equivalents

	2016 $	2015 $
a. Current		
Cash at bank	363,871	1,088,305
	363,871	1,088,305

b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 28 Financial risk management.

c. Reconciliation of cash flow from operations to loss after income tax	2016 $	2015 $
Loss after income tax	(4,962,366)	(4,836,284)
Cash flows excluded from profit attributable to operating activities:		
Non-cash flows in profit from ordinary activities:		
Consultancy fees settle through issue of equity	129,342	-
Corporate transaction accounting expense	-	2,353,466
Depreciation and amortisation	30,077	25,818
Fair valuation on deemed disposal and acquisition of associate	(124,043)	-
Foreign exchange gains or losses	(11,793)	24,269
Gain or loss on sale of investments	(20,414)	
Impairment	1,426,628	-
Payables of the Group settled through loans	12,875	-
Share of associates loss	317,966	112,192
Other	-	129,261
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
(Increase)/decrease in trade and other receivables	553,789	(983,369)
(Increase)/decrease in other receivable and prepayments	(19,686)	134,183
Increase/(decrease) in trade and other payables	509,330	(174,429)
Increase/(decrease) in provisions	(74,797)	5,533
Increase/(decrease) in taxes	(18,434)	108,390
Cash flow from operations	(2,251,526)	(3,100,970)

d. **Credit standby facilities**

The Group has no credit standby facilities.

e. **Non-cash investing and financing activities**

Refer to note 8f below.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 8 Cash and cash equivalents (cont.)

f. Acquisition of entities

i. MeU Mobile Pty Ltd (**MeU)**

On 30 April 2016, Yonder and Beyond Limited acquired 22.53% of the ordinary share capital and voting rights in MeU as described in note 2a:

	Note	2016 $
(1) *Purchase consideration:*		
Consideration exchanged	2a.i	315,650
Total consideration		315,650
(2) *Cash acquired:*		
Cash held by **Y&B** at date of acquisition	2a.iii	13
Cash in-flow on acquisition		13
(3) *Assets and liabilities held at acquisition date (excluding cash) excluded from the consolidated statement of cash flow:*		
Trade and other receivables	2a.iii	24,870
Other current assets	2a.iii	1,200
Goodwill	2a.iii	889,266
Plant and equipment	2a.iii	6,975
Investments	2a.iii	276
Trade and other payables	2a.iii	(271,607)
Loans (net of loans deemed to form part of consideration 2a.i)	2a.iii	(35,414)

Note 9 Trade and other receivables

	2016 $	2015 $
a. Current		
Trade debtors	111,179	212,618
Accrued R&D grant receivable	461,327	872,209
Other receivables	81,513	27,301
	654,019	1,112,128

b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 28 Financial risk management.

Note 10 Non-current assets held for disposal

	2016 $	2015 $
Current		
Property, plant and equipment (held in Papua New Guinea)	1,807	1,957
	1,807	1,957

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 11 Financial assets

	Note	2016 $	2015 $
a. Current			
Shares in other companies – available for sale (at fair value)	11a.i	454,366	1,122,946
		454,366	1,122,946

i. The Group held 4,133,307 shares in MySquar Limited (MYSQ) at 30 June 2016. The fair value of these shares at 30 June 2016 was based on the LSX:AIM quoted market values. These shares are classified as Tier 1 financial assets.

Subsequent to balance date, 4,133,307 shares in MySquar were sold, realising GBP97,132 (≈ AUD170,413)

	Note	2016 $	2015 $
b. Non-current			
Shares held in other companies – available for sale	11b.i	1,346,876	1,305,900
Less: Set-off of amounts due to investee companies liabilities	11b.i	(1,077,280)	-
Impairment of remaining balance		(269,320)	-
		276	1,305,900
Options held in other companies – available for sale	11b.ii	11,000	33,000
Loans to other companies		260,000	260,000
		271,276	1,598,900

i. The Group holds a 10% investment in an unlisted company based in the United States. As at 30 June the Group applied the balance of the amounts due to the investee company to the carrying value of the asset. As the investment is not listed, the Group undertook an impairment assessment of the remaining carrying value and has recognised an impairment of $269,320 in respect to this investment.

ii. The Group holds 1,000,000 options in Connexion Media Limited (**CXZO**). The fair value of these shares at 30 June 2016 was based on the ASX quoted market value. These options are classified as Tier 1 financial assets.

iii. Loans to other companies are at an interest rate of 5.00% and are repayable on demand.

c. Fair value hierarchy

The following tables detail the Group's assets, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, as disclosed in note 1f.ii.

	Level 1 $	Level 2 $	Level 3 $	Total $
2015				
Assets				
Shares – available for sale 11a.i	1,122,946	-	-	-
Options – available for sale 11b.ii	33,000	-	-	1,122,946
Total	1,122,946	-	-	-
2016				
Assets				
Shares – available for sale 11a.i	454,366	-	-	-
Options – available for sale 11b.ii	11,000	-	-	454,366
Total	1,577,312	-	-	-

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 12 Plant, and equipment

	2016 $	2015 $
Non-current		
Plant and equipment	46,932	61,598
Accumulated depreciation	(28,540)	(46,343)
Total plant and equipment	18,392	15,255

Note 13 Intangible assets

a. Non-current	Note	2016 $	2015 $
Goodwill	2a.iii	889,266	-
Accumulated impairment		(889,266)	-
Intellectual property – software (**IP Software**)		53,636	50,461
Accumulated amortisation		(25,612)	(5,371)
		28,024	45,090

b. Movements in Carrying Amounts	Note	Goodwill $	IP Software $
Carrying amount 1 July 2014		-	-
Additions		-	1,046
Acquired through business combinations		-	49,415
Amortisation expense		-	(5,371)
Carrying amount 30 June 2015		-	45,090
Carrying amount 1 July 2015		-	45,090
Additions		-	4,319
Acquired through business combinations	2a.iii	889,266	-
Impairment of intangible assets		(889,266)	-
Amortisation expense		-	(21,385)
Carrying amount at the end of year		-	28,024

c. Allocation of goodwill to cash-generating units

Goodwill held by the Group relates entirely to the acquisition of MeU Mobile Pty Ltd (**MeU**)(see Note 2a.iii). As such, goodwill has been allocated to the MeU cash-generating unit.

The goodwill associated with the MeU has been fully impaired and written off by the Directors on the basis of the accumulated losses being generated by MeU's operations, and the company's net asset deficiency as at 30 June 2016. No other write-down of the assets of MeU is considered necessary.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 14 Controlled entities

a. Legal parent entity

Yonder & Beyond Group Limited is the ultimate parent of the Group (refer to note 1a.iii).

i. Legal subsidiaries

	Country of Incorporation	Class of Shares	Percentage Owned 2016	Percentage Owned 2015
Boppl (Australia) Pty Ltd	Australia	Ordinary	72.6%	72.6%
Boppl Limited (UK)	United Kingdom	Ordinary	72.6%	72.6%
Gophr Limited	United Kingdom	Ordinary	75.0%	75.0%
MeU Mobile Pty Ltd	Australia	Ordinary	70.5%	-
Prism Digital Limited	United Kingdom	Ordinary	60.0%	60.0%
Quintessential Resources (PNG) Ltd	Papua New Guinea	Ordinary	90.0%	90.0%
Wondr.it Limited	United Kingdom	Ordinary	100.0%	100.0%
Y & B Australia Pty Ltd	Australia	Ordinary	100.0%	100.0%
Yonder and Beyond Ltd	Australia	Ordinary	100.0%	100.0%
Yonder and Beyond Ltd	United Kingdom	Ordinary	100.0%	100.0%
Yonder and Beyond, Inc.	United States of America	Ordinary	100.0%	100.0%

b. Account parent entity

Yonder and Beyond Ltd is the accounting parent of the Group (refer to note 1a.iii).

i. Accounting subsidiaries

	Country of Incorporation	Class of Shares	Percentage Controlled 2016	Percentage Controlled 2015
Boppl (Australia) Pty Ltd	Australia	Ordinary	72.6%	72.6%
Boppl Limited (UK)	United Kingdom	Ordinary	72.6%	72.6%
Gophr Limited	United Kingdom	Ordinary	75.0%	75.0%
MeU Mobile Pty Ltd	Australia	Ordinary	70.5%	-
Prism Digital Limited	United Kingdom	Ordinary	60.0%	60.0%
Quintessential Resources (PNG) Ltd	Papua New Guinea	Ordinary	90.0%	90.0%
Wondr.it Limited	United Kingdom	Ordinary	100.0%	100.0%
Y & B Australia Pty Ltd	Australia	Ordinary	100.0%	100.0%
Yonder & Beyond Group Limited	Australia	Ordinary	100.0%	100.0%
Yonder and Beyond Ltd	United Kingdom	Ordinary	100.0%	100.0%
Yonder and Beyond, Inc.	United States of America	Ordinary	100.0%	100.0%

c. Investments in subsidiaries are accounted for at cost.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 15 Associates

a. Change in the Group's ownership interest in an associate

As detailed in Note 2a, on 30 April 2016, Yonder and Beyond Limited (**Yonder**), acquired an additional 22.53% of the ordinary share capital and voting rights in its associate MeU Mobile Pty Ltd (**MeU**). As such, as at 30 June 2016, the Group no longer holds an interest in an associate. Details in respect to the acquisition and fair value measurements made upon acquisition have been disclosed in Note 2a.

b. Information about principal associates

The entity listed below has share capital consisting solely of ordinary shares. The proportion of ordinary shares held by the Group equals the voting rights held by the Group. The entity's place of incorporation is its principal place of business.

	Place of Incorporation / Business	Measurement Bases	Proportion of Ordinary Share Interests/ Participating Share		Carrying Amount	
			2016 %	2015 %	2016 $	2015 $
Meu Mobile Pty Ltd	Australia	Equity method	-	45.0	-	287,808

c. Summarised financial information for associates

Set out below is the summarised financial information for the Group's investments in associates. Unless otherwise stated, the disclosed information reflects the amounts presented in the Australian Accounting Standards financial statements of the associate. The following summarised financial information, however, reflects the adjustments made by the Group when applying the equity method, including adjustments for any differences in accounting policies between the Group and the associate. Balances reported below pertaining to the 2016 financial year are quoted as at the date of acquisition, being 30 April 2016.

In addition, the ownership percentage, increase from 45.00% as at 30 June 2015, to 47.97% prior to acquisition.

	MeU Mobile Pty Ltd	
	30 April 2016 $	2015 $
i. Summarised financial performance		
Revenue	92,815	122,465
Loss after tax from continuing operations	(681,326)	(249,316)
Other comprehensive income	-	-
Total comprehensive income	(681,326)	(249,316)
Group's share of associate's profit after tax from continuing operations	(317,966)	(112,192)
Group's share of associate's other comprehensive income	-	-
ii. Reconciliation to Carrying Amounts		
Group's share of associate's opening net assets	-	-
Investments during the period	-	400,000
Group's share of associate's profit after tax from continuing operations	-	(112,192)
Group's share of associate's closing net assets (carrying amount of investment)	-	287,808

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 16 Trade and other payables

	Note	2016 $	2015 $
a. Current			
Unsecured			
Amounts due to investee companies	11b.i	-	1,124,475
Trade payables	16b	1,336,551	614,314
Other payables		392,382	134,398
Employment liabilities		874,702	871,357
Value-added and other taxes payable		158,366	60,758
Unallocated application funds		20,826	-
		2,782,827	2,805,302

b. Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

c. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 28 Financial risk management.

NOTE 17 Borrowings

	Note	2016 $	2015 $
a. Current			
Financial institutions	17c	30,916	-
Director-related loans		-	22,619
		30,916	22,619
b. Non-current			
Director-related loans	17d	678,276	-
Loans – non-director related parties		90,214	-
		768,490	-

c. Borrowings with financial institutions are an unsecured loan with HSBC UK at an interest rate of 3.97% p.a. over the Bank of England base rate. The principal and interest is repaid monthly over a period of 2 years from the initial draw down.

d. All Director-related loans are repayable at 31 December 2017, extended by mutual agreement. They are unsecured with 0% interest.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 18 Provisions

	Note	2016 $	2015 $
a. Disclosed as:			
Current		52,899	145,402
Carrying amount at the end of year		52,899	145,402

b. Movements in carrying amounts

	Employee entitlements $
Balance at the beginning of year	145,402
Additional provisions raised during the year	673,402
Amounts used	(765,905)
Carrying amount at the end of year	52,899

c. Description of provisions

Provision for employee benefits represents amounts accrued for annual leave (**AL**), long service leave (**LSL**), and NIC liabilities. Refer also note 1n.i.

The current portion for this provision includes the total amount accrued for AL entitlements and the amounts accrued for LSL entitlements that have vested due to employees having completed the required period of service. The Group does not expect the full amount of AL or LSL balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 19 Issued capital

	Note	2016 No.	2015 No.	2016 $	2015 $
Fully paid ordinary shares at no par value	19a	89,973,986	71,979,191	13,092,199	12,378,195

a. Ordinary shares

	2016 No.	2015 No.	2016 $	2015 $
At the beginning of the year	71,979,191	350,000	12,378,195	3,500
Shares issued during the year:				
Issue of Class M Shares 9 July 2014		98,048,333		35,869
Issue of Ordinary Shares 21 July 2014		112,781,950		1,489,580
Issue of Class M Shares 21 July 2014		330,173,096		4,229,855
Transaction costs relating to share issues				(201,428)
Balance before reverse acquisition		*541,353,379*		*5,557,376*
Elimination of existing legal acquiree (Yonder) shares	-	(541,353,379)	-	-
Shares of legal acquirer (Y&B) at acquisition date	-	34,104,191	-	-
Issued of shares to Yonder vendors	-	37,875,000	-	6,820,819
Issued of shares 19 April 2016	10,796,877	-	431,875	-
Issued of shares 22 June 2016	7,197,918	-	287,916	-
Transaction costs relating to share issues		-	(5,787)	-
At reporting date	89,973,986	71,979,191	13,092,199	12,378,195

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has a vote on a show of hands.

b. Options

For information relating to the Yonder & Beyond Group Limited scheme, including details of options issued, issued and lapsed during the financial year, and the options outstanding at balance date, refer to Note 21 Share-based Payments. The total number of options on issue are as follows:

		2016 No.	2015 No.
Unlisted options		45,285,000	42,547,500
At the beginning of the period		42,547,500	15,850,000
Consolidation of options on issue under reverse acquisition		-	(15,057,500)
Expiration of options 31 December 2014		-	(500,000)
Issue of Classes A, B, and C Replacement Management Performance Options		-	35,000,000
Issue to consultants and advisors under reverse acquisition		-	7,285,000
Expiration of options 4 April 2015		-	(30,000)
Issue to consultant 24 September 2015	21b.iii	3,000,000	-
Expiration of options 30 July 2015		(100,000)	-
Expiration of options 31 October 2015		(162,500)	-
At reporting date		45,285,000	42,547,500

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 19 Issued capital (cont.)

c. Capital Management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Due to the nature of the Group's activities, being to assess, invest in, develop, and accelerate early stage companies in the technology and media sectors, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet its operational and technology development programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to externally imposed capital requirements.

The working capital position of the Group at 30 June 2016 and 30 June 2015 were as follows:

	Note	2016 $	2015 $
Cash and cash equivalents	8	363,871	1,088,305
Trade and other receivables	9	654,019	1,112,128
Non-current assets held for disposal	10	1,807	1,957
Trade and other payables	16	(2,782,827)	(2,805,302)
Borrowings (current)	17	(30,916)	(22,619)
Short-term provisions	18	(52,899)	(145,402)
Working capital position		(1,846,945)	(770,933)

Note 20 Reserves

	Note	2016 $	2015 $
Business combination under common control reserve	20a	(4,701,018)	(4,701,018)
Foreign exchange reserve	20b	(159,280)	(236,046)
Financial assets revaluation reserve	20c	-	165,946
Option reserve	20d	129,342	-
		(4,730,956)	(4,771,118)

a. Business combination under common control reserve (BCUCC reserve)

The BCUCC reserve recognises any difference between the acquired net assets and the consideration exchanged in a Business combination under common control transaction.

b. Foreign exchange translation reserve

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiaries.

c. Financial assets revaluation reserve

The financial assets revaluation reserve records revaluations of investments held by the Group.

d. Option reserve

The option reserve records the value of options issued the Company to its employees or consultants.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 21 Share-based payments

	Note	2016 $	2015 $
Share-based payment expense recognised in contractors and consultants costs	4b,21b.iii	129,342	-

a. Share-based payment plans

The Company has established an employee share option scheme (**Scheme**). The Scheme is designed to provide eligible participants with an ownership interest in the Company and to provide additional incentives for eligible participants to increase profitability and returns to Shareholders.

The summary of the Scheme is set out below for the information of potential investors in the Company. The detailed terms and conditions of the Scheme may be obtained free of charge by contacting the Company.

The key terms of the Plan are summarised below.

Eligibility and Grant of Incentive Options	*The Board may grant Incentive Options to any full or part time employee of the Company or an associated body corporate. Incentive Options may be granted by the Board at any time.*
Consideration	*Each Incentive Option issued under the Plan will be issued for nil cash consideration.*
Conversion	*Each Incentive Options is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.*
Exercise Price and Expiry Date	*To be determined by the Board prior to the grant of the Incentive Options.*
Exercise Restrictions	*The Incentive Options may be subject to conditions on exercise as may be fixed by the Directors prior to grant.*
Share Restriction Period	*Shares issued on the Exercise of Incentive Options may be subject to a restriction that they may not be transferred or otherwise dealt with until a Restriction Period has expired, as specified in the Offer for the Incentive Options.*

b. Share-based payment arrangements in effect during the period

i. Management Performance Options (**Performance Options**)

In recognition of the incentive scheme options held by Management Shareholders of Yonder as at acquisition date, the Company elected to replace them by issuing to the management shareholders (or their respective nominees) 35,000,000 options (Performance Options) (on a post-consolidation basis). Of the total 35,000,000 Performance Options, KMP were issued a total 23,450,000:

Tranche	Number under Option(5)(6)(7)	Date of Expiry	Exercise Price(5)(7)	Vesting Terms(2)(3)(4)	Escrow(1)
Tranche 1	15,000,000	30.11.2017	$0.20	Immediately upon issue	25% for a period of 3 months from the date of issue
Tranche 2	10,000,000	30.11.2017	$0.25	Upon the 5 day volume weighted average share price (**VWAP**) of the Company being equal to or in excess of $0.50 per share	25% for a period of 6 months from the date of issue
Tranche 3	10,000,000	31.5.2018	$0.40	Upon the 5 day VWAP of the Company being equal to or in excess of $0.80 per share	50% for a period of 12 months from the date of issue
	35,000,000				

(1) Subject to any longer escrow period that ASX may impose.

(2) Subject to the beneficiary of the Performance Options being either (1) in continuous employment/service agreement with Y&B and/or the Company or (2) not a Bad Leaver;

(3) The parties shall agree Good Leaver and Bad Leaver provisions as part of implementing the transaction.

(4) The Performance Options are exercisable at any time from when they vest, to on or before 5.00pm (AWST) on their expiry date wholly or in part by delivering a duly completed form of notice of exercise to the Company, accompanied by payment of the exercise moneys.

(5) There will be no change to the exercise price of a Performance Option or the number of Shares over which a Performance Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a bonus issue, see further below).

(6) If there is a bonus issue to the holders of Shares in the capital of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

(7) If, prior to the expiry of any Performance Options, there is a reorganisation of the issued capital of the Company, the Performance Options shall be reorganised in the manner set out in the Listing Rules.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 21 Share-based payments (cont.)

ii. Adviser options

In connection with the capital raising undertaken during the 2015 year, the Company has the following options on issue:

Number under Option	Date of Expiry	Exercise Price	Vesting Terms
4,785,000	19 February 2018	$0.25	Immediately upon issue
1,000,000	19 February 2018	$0.20	Immediately upon issue
1,500,000	30 November 2017	$0.20	Immediately upon issue

iii. Consultant options

In connection with the reverse acquisition, the Group assumed the option arrangements of the legal parent / account subsidiary (Y&B):

Number under Option	Date of Expiry	Exercise Price	Vesting Terms
500,000	31 December 2017	$0.30	Immediately upon issue
500,000	31 December 2018	$0.35	Immediately upon issue
1,000,000	31 December 2018	$0.40	Immediately upon issue
1,000,000	31 December 2018	$0.60	Immediately upon issue

c. Options granted to KMP are as follows

Grant Date	Number
20 February 2015	23,450,000

Further details of these options are provided in note 21b.i above and the Remuneration report on page 9.

d. Movement in share-based payment arrangements during the period

A summary of the movements of all company options issued as share-based payments is as follows:

	2016		2015	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	42,547,500	$0.312	-	-
Assumed on business combination	-		262,500	$4.552
Granted	3,000,000	$0.442	42,285,000	$0.286
Exercised	-	-	-	-
Expired	(262,500)	$4.552	-	-
Outstanding at year-end	45,285,000	$0.271	42,547,500	$0.312
Exercisable at year-end	45,285,000	$0.271	42,547,500	$0.312

i. No options were exercised during the year.

ii. The weighted average remaining contractual life of options outstanding at year end was 1.618 years. The weighted average exercise price of outstanding shares at the end of the reporting period was $0.271.

iii. The fair value of the options granted to employees is deemed to represent the value of the employee services received over the vesting period.

e. Fair value of options grants during the period

The fair **value** of the options granted to employees is deemed to represent the value of the employee services received over the vesting period.

The weighted average fair value of options granted during the year was $0.0431 (2015: Refer Note 21e.i). These values were calculated using the Black-Scholes option pricing model, applying the following inputs to options issued this year:

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 21 Share-based payments (cont.)

Grant date:	24 September 2015			
Grant date share price:	$0.135			
Option exercise price:	$0.300	$0.350	$0.400	$0.60
Number of options issued:	500,000	500,000	1,000,000	1,000,000
Remaining life (from grant date) (years):	2.3	3.3		
Expected share price volatility:	87.30%			
Risk-free interest rate:	1.84%			
Value per option	$0.0411	$0.0509	$0.0471	$0.0362

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

i. Fair value of options grants during the 2015 financial year

Options granted during the 2015 financial year were issued or acquired in respect to the reverse acquisition. Options issued at note 21b.i, represent consideration costs of the reverse acquisition. Options issued at note 21b.ii represent transaction costs in respect to a pre-acquisition capital raise of the account subsidiary (Y&B); accordingly these options represent pre-acquisition equity and transaction costs, and are excluded from the equity values of the Group.

Note 22 Key management personnel compensation

The names are positions of KMP are as follows:

- Mr Jay Stephenson — *Chairman and Company Secretary*
- Mr Shashi Fernando — *Executive Director and CEO*
- Mr John Bell — *Executive Director and CFO*
- Mahmood Dhalla — *Chief Product Officer*
- Peter Sedeffow — *Chief Technology Officer*
- Stephane Oury — *Chief Investment Officer* *(Resigned 28 September 2015)*

The totals of remuneration paid to KMP during the year are as follows and is prepared on the following bases:

- This note relates to accounting entity with Yonder and Beyond Limited as the accounting parent of the Group (refer to note 1a.iii. KMP remuneration for the accounting acquiree, Y&B, is disclosed from the date of control. Consequently, amounts reported below will differ from the Remuneration report on page 9;

	2016 $	2015 $
Short-term employee benefits	1,059,980	854,954
Post-employment benefits	6,626	20
Share-based payments	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total	1,066,606	854,974

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 23 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2016 $	2015 $
Wolfstar Corporate Management Pty Ltd and Wolfstar Group Pty Ltd (Wolfstar)		
Purchases of goods or services		
Wolfstar a company jointly controlled by Mr Stephenson, provides financial services to the Group. These services are performed indirectly by Mr Stephenson and have therefore not been included in the Remuneration Report contained in the Directors' Report.	78,469	30,000
Wolfstar provided corporate services provided in connection with the reverse acquisition.	-	22,866
Trade and other payables		
Payables of the Group in respect to Wolfstar in respect to the above services	59,245	430

Note 24 Contingent liabilities

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

Note 25 Events subsequent to reporting date

a. Subsequent to balance date, 4,133,307 shares in MySquar were sold, realising GBP97,132 (≈ AUD170,413).

b. On 29 September 2016 the Group announced a restructure to its mobile virtual network operator (MVNO) business. As a result of this restructure, a subsidiary of Company, MeU Mobile Pty Ltd, has entered into voluntary liquidation for the purposes of winding up the company and has appointed BRI Ferrier as liquidator to attend to this process. There is no material financial effect on the balances reported at 30 June 2016 as a result of this action.

Note 26 Commitments

The Group has no material commitments as at 30 June 2016 (2015: nil)

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 27 Operating segments

a. Identification of reportable segments

The Group operates predominantly in the information technology industry as a global technology incubation company. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors (**the Board**) on a monthly basis and in determining the allocation of resources. Management has identified the operating segments based on the principal geographical locations and regulatory environments – the United Kingdom, Australia, and United States of America (**United States**). Papua New Guinea (**PNG**) operations were wound down under the former Quintessential Resources Limited. Together with the change in nature and operations under Yonder and Beyond, PNG has become an immaterial operation to the Group.

b. Basis of accounting for purposes of reporting by operating segments

i. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

ii. Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is based on what would be realised in the event the sale or service was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are recognised in "All other segments" which contains the treasury and oversight functions of the Group. The Board recovers charges management fees from respective segments to reflect an allocation of costs across the Group. All such transactions are eliminated on consolidation of the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

iii. Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

iv. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and certain direct borrowings.

v. Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Depreciation and amortisation
- Gains or losses on sales of financial and non-financial assets
- Investment income
- Corporate transaction accounting expense

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 27 Operating segments (cont.)

For the Year to 30 June 2016	United Kingdom $	Australia $	United States $	All other regions segments $	Total $
Revenue					
Revenue	3,230,964	193,373	34,324	-	3,458,661
Intra-segment sales	944,010	-	137,297	93,709	1,175,016
Interest revenue	-	18,350	-	-	18,350
Total segment revenue	4,174,974	211,723	171,621	93,709	4,652,027
Reconciliation of segment revenue to group revenue:					
Intra-segment eliminations					(1,422,579)
Share of associate's profit or loss		(317,966)			(317,966)
Research and development grant income	461,327				461,327
Fair valuation on deemed disposal and acquisition of associate		124,043			124,043
Loss on disposal of investments		(20,414)			(20,414)
Other income	272,332	9,799			282,131
Total group revenue and other income					3,758,569
Segment loss from continuing operations before tax	(1,701,574)	(2,583,422)	(114,322)	(222,268)	(4,621,586)
Reconciliation of segment loss to group loss:					
(i) Amounts not included in segment results but reviewed by Board:					
Depreciation and amortisation	(28,105)	(1,972)	-	-	(30,077)
(ii) Unallocated items:					
Share of associate's profit or loss					(317,966)
Corporate transaction accounting expense					-
Loss before income tax					(4,969,629)
As at 30 June 2016					
Segment Assets	1,174,469	23,975,863	138,622	1,908	25,290,862
Reconciliation of segment assets to group assets:					
Investments in associates					-
Intra-segment eliminations					(23,477,862)
Total assets					1,813,000
Segment asset increases for the period:					
Capital expenditure	-	4,319	-	-	4,319
Acquisitions	889,266	-	-	-	889,266
	889,266	4,319	-	-	893,585
Segment Liabilities	1,748,032	2,030,448	20,174	272,840	4,071,494
Reconciliation of segment liabilities to group liabilities					
Intra-segment eliminations					(397,648)
Total liabilities					3,673,846

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 27 Operating segments (cont.)

For the Year to 30 June 2015	United Kingdom $	Australia $	United States $	All other regions segments $	Total $
Revenue					
Revenue	1,318,409	90,000	90,060	23,691	1,522,160
Intra-segment sales	916,367	-	-	-	916,367
Interest revenue	-	16,038	-	-	16,038
Total segment revenue	2,234,776	106,038	90,060	23,691	2,454,565
Reconciliation of segment revenue to group revenue:					
Intra-segment eliminations					(1,125,081)
Share of associate's profit or loss		(112,192)			(112,192)
Research and development grant income	872,209				872,209
Other income	208,713	(23,178)	(19)		185,516
Total group revenue and other income					2,275,017
Segment loss from continuing operations before tax	(1,292,825)	(691,557)	(256,418)	(71,279)	(2,312,079)
Reconciliation of segment loss to group loss:					
(iii) Amounts not included in segment results but reviewed by Board:					
Depreciation and amortisation	(20,202)	(2,783)	(2,833)		(25,818)
(iv) Unallocated items:					
Share of associate's profit or loss					(112,192)
Corporate transaction accounting expense					(2,353,466)
Profit before income tax					(4,803,555)
As at 30 June 2015					
Segment Assets	3,367,902	36,175,707	33,020	65,217	39,641,846
Reconciliation of segment assets to group assets:					
Investments in associates					287,808
Intra-segment eliminations					(34,656,854)
Total assets					5,272,800
Segment asset increases for the period:					
Capital expenditure	452	-	-	-	452
Acquisitions	34,882	21,519,429	-	-	21,554,311
	35,334	21,519,429	-	-	21,554,763
Segment Liabilities	5,509,316	5,203,437	329,099	8,407,221	19,449,073
Reconciliation of segment liabilities to group liabilities					
Intra-segment eliminations					(16,410,663)
Total liabilities					3,038,410

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 28 Financial risk management

a. Financial Risk Management Policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts payable and receivable.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2016 Total $	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2015 Total $
Financial Assets								
Cash and cash equivalents	363,871	-	-	363,871	1,088,305	-	-	1,088,305
Trade and other receivables	-	-	654,019	654,019	-	-	1,112,128	1,112,128
Financial assets	-	-	725,642	725,642	-	-	2,721,846	2,721,846
Total Financial Assets	363,871	-	1,379,661	1,743,532	1,088,305	-	3,833,974	4,922,279
Financial Liabilities								
Financial liabilities at amortised cost								
Trade and other payables	-	-	2,782,827	2,782,827	-	-	2,805,302	2,805,302
Borrowings	-	30,916	768,490	799,406	-	-	22,619	22,619
Total Financial Liabilities	-	30,916	3,551,317	3,582,233	-	-	2,827,921	2,827,921
Net Financial Assets	363,871	(30,916)	(2,171,656)	(1,838,701)	1,088,305	-	1,006,053	2,094,358

b. Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

i. Credit risk

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

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties.

Notes to the consolidated financial statements
for the year ended 30 June 2016

Note 28 Financial risk management (cont.)

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

(1) ***Credit risk exposures***

The maximum exposure to credit risk is that to its alliance partners and that is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where ever possible.

(2) ***Impairment losses***

The ageing of the Group's trade and other receivables at reporting date was as follows:

	Gross 2016 $	Impaired 2016 $	Net 2016 $	Past due but not impaired 2016 $
Trade receivables				
Not past due	50,576	-	50,576	-
Past due up to 3 months	42,466	-	42,466	42,466
Past due over 3 months	19,600	(16,957)	2,643	2,643
	112,642	(16,957)	95,685	45,109
Other receivables				
Not past due	567,827	(26,450)	558,334	-
Total	680,469	(43,407)	654,019	45,109

ii. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being to assess, invest in, develop, and accelerate early stage companies in the technology and media sectors, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 28 Financial risk management (cont.)

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

(1) ***Contractual Maturities***

The following are the contractual maturities of financial liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2016 $	2015 $	2016 $	2015 $	2016 $	2015 $
Financial liabilities due for payment						
Trade and other payables	2,782,827	2,805,302	-	-	2,782,827	2,805,302
Borrowings	30,916	22,619	768,490	-	799,406	22,619
Total contractual outflows	2,813,743	2,827,921	768,490	-	3,582,233	2,827,921
Financial assets						
Cash and cash equivalents	363,871	1,088,305	-	-	363,871	1,088,305
Trade and other receivables	654,019	1,112,128			654,019	1,112,128
Total anticipated inflows	1,017,890	2,200,433	-	-	1,017,890	2,200,433
Net (outflow)/inflow on financial instruments	(1,795,853)	(627,488)	(768,490)	-	(2,564,343)	(627,488)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board meets on a regular basis and considers the Group's exposure currency and interest rate risk.

(1) ***Interest rate risk***

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is not material to the Group as no debt arrangements have been entered into, and movement in interest rates on the Group's financial assets is not material.

(2) ***Foreign exchange risk***

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the Australian dollar (**AUD**) presentation currency of the Group.

With instruments being held by overseas operations, fluctuations in foreign currencies (namely British pounds (**GBP**) and United States dollar (**USD**)) may impact on the Group's financial results. The Group's exposure to foreign exchange is reviewed by the Board regularly.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 28 Financial risk management (cont.)

(3) ***Price risk***

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

iv. Sensitivity Analyses

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

(1) ***Interest rates***	Profit $	Equity $
Year ended 30 June 2016		
±100 basis points change in interest rates	± 3,639	± 3,639
Year ended 30 June 2015		
±100 basis points change in interest rates	± 10,883	± 10,883

(2) ***Foreign exchange***	Profit $	Equity $
Year ended 30 June 2016		
±10% of Australian dollar strengthening/weakening against the GBP	± nil	± 57,356
Year ended 30 June 2015		
±10% of Australian dollar strengthening/weakening against the GBP	± nil	± 214,141

	Profit $	Equity $
Year ended 30 June 2016		
±10% of Australian dollar strengthening/weakening against the USD	± nil	± 11,845
Year ended 30 June 2015		
±10% of Australian dollar strengthening/weakening against the USD	± nil	± 29,608

v. Net Fair Values

(1) ***Fair value estimation***

The fair values of financial assets and financial liabilities are presented in the table in note 28a and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 29 Parent entity disclosures

	Note	2016 $	2015 $
a. Financial Position of Yonder & Beyond Group Limited (legal parent)			
Current assets		13,040	593,800
Non-current assets		-	18,607,894
Total assets		13,040	19,201,694
Current liabilities		325,031	158,956
Non-current liabilities		611,435	-
Total liabilities		936,466	158,956
Net assets		(923,426)	19,042,738
Equity			
Issued capital		25,555,703	24,841,691
Investment revaluation reserve		-	-
Option reserve		7,429,342	7,740,400
Accumulated losses		(33,908,472)	(13,539,353)
Total equity		(923,427)	19,042,738
b. Financial performance of Yonder & Beyond Group Limited			
Profit / (loss) for the year		(20,809,520)	(6,009,036)
Other comprehensive income		-	-
Total comprehensive income		(20,809,520)	(6,009,036)

c. **Guarantees entered into by Yonder & Beyond Group Limited for the debts of its legal subsidiaries**

There are no guarantees entered into by Yonder & Beyond Group Limited for the debts of its subsidiaries as at 30 June 2016 (2015: none).

Note 30 Company details

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

Address:

Street: Suite 12, Level 1
11 Ventnor Avenue, West Perth WA 6005

Postal: PO Box 52, West Perth WA 6872

Telephone: +61 (0)8 6141 3570

Facsimile: +61 (0)8 6141 3599

Website: www.yonderbeyond.com

Email: info@yonderbeyond.com

Directors' declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 18 to 62, are in accordance with the *Corporations Act 2001* (Cth) and:

   (a) comply with Accounting Standards;

   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1 to the financial statements; and

   (c) 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 Company and Consolidated Group.

   (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001* (Cth);

2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

JAY STEPHENSON
Chairman
Dated this Friday, 30 September 2016

Bentleys
THINKING AHEAD

Independent Auditor's Report

To the Members of Yonder and Beyond Group Limited

Bentleys Audit & Corporate (WA) Pty Ltd
London House
Level 3,
216 St Georges Terrace
Perth WA 6000

PO Box 7775
Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500
F +61 8 9226 4300

bentleys.com.au

We have audited the accompanying financial report of Yonder and Beyond Group Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2016 , and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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.

Independent Auditor's Report

To the Members of Yonder and Beyond Group Limited *(Continued)*

Bentleys
THINKING AHEAD

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

a. The financial report of Yonder and Beyond Group Limited and Controlled Entities 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 and the *Corporations Regulations 2001*;

b. The financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1(a) in the financial report which indicates that the company incurred a net loss of $4,962,366 during the year ended 30 June 2016. This condition, along with other matters as set forth in note 1(a), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the company to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in directors' report of the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Yonder and Beyond Group Limited for the year ended 30 June 2016, complies with section 300A of the *Corporations Act 2001*.

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated at Perth this 30th day of September 2016

Corporate governance statement

The Board of Directors of Yonder & Beyond Group Limited (the Company or Y&B) is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Y&B on behalf of the shareholders by whom they are elected and to whom they are accountable.

This Corporate Governance summary discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication 'Corporate Governance Principles and Recommendations (3rd Edition)' (**Recommendations**). The Recommendations are not mandatory, however, the Recommendations that will not be followed have been identified and reasons have been provided for not **following** them.

The Company's Corporate Governance Plan has been posted on the Company's website at www.yonderbeyond.com.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which: (a) sets out the respective roles and responsibilities of the board, the chair and management; and (b) includes a description of those matters expressly reserved to the board and those delegated to management.	YES	The Company has adopted a Board Charter. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Boards composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors access to company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter is stated in Schedule 1 of the Corporate Governance Plan which is available on the Company's website.
Recommendation 1.2 A listed entity should: (c) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (d) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	YES	(a) The Company has detailed guidelines for the appointment and selection of the Board. The Company's Corporate Governance Plan requires the Board to undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director. (b) Material information relevant to any decision on whether or not to elect or re-elect a Director will be provided to security holders in the notice of meeting holding the resolution to elect or re-elect the Director.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	YES	The Company's Corporate Governance Plan requires the Board to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	NO	The Company Secretary and the Chair are the same person. The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board, and through the CEO, on all matters to do with the proper functioning of the Board.

Corporate governance statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board: (i) to set measurable objectives for achieving gender diversity; and (ii) to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary or it; and (c) disclose as at the end of each reporting period: (i) the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (B) the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.	(a) YES (b) YES (c) NO	(a) The Company has adopted a Diversity Policy. (i) The Diversity Policy provides a framework for the Company to achieve a list of 6 measurable objectives that encompass gender equality. (ii) The Diversity Policy provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The company is responsible for implementing, monitoring and reporting on the measurable objectives. (b) The Diversity Policy is stated in Schedule 9 of the Corporate Governance Plan which is available on the company website. The Company believes in promoting diversity, and while it has adopted a Diversity Policy, given the present Company size, there have been no plans to establish measurable objectives for achieving gender diversity as part of the KPI of the senior executives. The need for establishing and assessing measurable objectives for achieving gender diversity will be reassessed as the Company size increases. The Company is dedicated to promoting a corporate culture that embraces diversity. The Company believes that diversity begins with the recruitment and selection practices of its Board and its staff. Hiring of new employees and promotion of current employees are made on the bases of performance, ability and attitude
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	(a) The Board is responsible for evaluating the performance of the Board and individual directors on an annual basis. It may do so with the aid of an independent advisor. The process for this can be found in Schedule 6 of the Company's Corporate Governance Plan. . (b) The Company's Corporate Governance Plan requires the Board to disclosure whether or not performance evaluations were conducted during the relevant reporting period. Details of the performance evaluations conducted will be provided in the Company's Annual Reports.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	(a) The Board is responsible for evaluating the performance of senior executives. The Board is to arrange an annual performance evaluation of the senior executives. (b) The Company's Corporate Governance Plan requires the Board to conduct annual performance of the senior executives. Schedule 6 'Performance Evaluation' requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period. Details of the performance evaluations conducted will be provided in the Company's Annual Report.

Corporate governance statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 2: Structure the board to add value		
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.	NO	(a) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Nomination Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Nomination Committee under the written terms of reference for that committee. The duties of the Nomination Committee are outlined in Schedule 5 of the Company's Corporate Governance Plan available online on the Company's website. The Board devotes time at board meetings to discuss board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules. The Board regularly updates the Company's board skills matrix (in accordance with recommendation 2.2) to assess the appropriate balance of skills, experience, independence and knowledge of the entity.
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	YES	See Board Skills Matrix below.

Board Skills Matrix	Number of Directors that Meet the Skill
Executive & Non- Executive experience	3
Industry experience & knowledge	2
Leadership	3
Corporate governance & risk management	3
Strategic thinking	3
Desired behavioural competencies	3
Geographic experience	2
Capital Markets experience	3
Subject matter expertise:	
- accounting	2
- capital management	3
- corporate financing	2
- industry taxation [1]	1
- risk management	3
- legal	3
- IT expertise [2]	2

(1) Skill gap noticed however an external taxation firm is employed to maintain taxation requirements.
(2) Skill gap noticed however an external IT firm is employed on an adhoc basis to maintain IT requirements.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 2.3 **A listed entity should disclose:** (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director	YES	(a) The Board Charter provides for the disclosure of the names of Directors considered by the Board to be independent. These details are provided in the Annual Reports and Company website. (b) The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the Board in light of the interests disclosed by Directors. Details of the Directors interests, positions associations and relationships are provided in the Annual Reports and Company website. (c) The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is provided in the Annual Reports and Company website.

Corporate governance statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	YES	The Board Charter requires that where practical the majority of the Board will be independent. Details of each Director's independence are provided in the Annual Reports and Company website.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	NO	The Board Charter provides that where practical, the Chairman of the Board will be a non-executive director. If the Chairman ceases to be independent then the Board will consider appointing a lead independent Director. Currently the board chair is non-executive but not independent. As the company grows it shall seek to appoint a non-executive independent Chairman.
Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	YES	The Board Charter states that a specific responsibility of the Board is to procure appropriate professional development opportunities for Directors. The Board is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.
Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	(a) The Corporate Code of Conduct applies to the Company's directors, senior executives and employees. (b) The Company's Corporate Code of Conduct is in Schedule 2 of the Corporate Governance Plan which is on the Company's website.
Principle 4: Safeguard integrity in financial reporting		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	NO	(a) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no separate Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee. The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website. The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	YES	The Company's Corporate Governance Plan states that a duty and responsibility of the Board is to ensure that before approving the entity's financial statements for a financial period, the CEO and CFO have declared that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	YES	The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

Corporate governance statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	YES	(a) The Board Charter provides details of the Company's disclosure policy. In addition, Schedule 7 of the Corporate Governance Plan is entitled 'Disclosure – Continuous Disclosure' and details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. (b) The Board Charter and Schedule 7 of the Corporate Governance Plan are available on the Company website.
Principle 6: Respect the rights of security holders		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website. Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Shareholder Communications Strategy outlines a range of ways in which information is communicated to shareholders. The Shareholder Communications Strategy can be found in Schedule 10 of the Board Charter which is available on the Company website.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	YES	The Shareholder Communications Strategy states that as a part of the Company's developing investor relations program, Shareholders can register with the Company Secretary to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Shareholders are encouraged to participate at all EGMs and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material with that notice of meeting stating that all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Shareholders queries should be referred to the Company Secretary at first instance.

Corporate governance statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 7: Recognise and manage risk		
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	NO	(b) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee. The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website. The Board devote time at annual board meeting to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	YES	(a) The Company process for risk management and internal compliance includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. Schedule 8 of the Corporate Governance Plan is entitled 'Disclosure – Risk Management' and details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls. (b) The Board Charter requires the Board to disclose the number of times the Board met throughout the relevant reporting period, and the individual attendances of the members at those meetings. Details of the meetings will be provided in the Company's Annual Report.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	YES	Schedule 3 of the Company's Corporate Plan provides for the internal audit function of the Company. The Board Charter outlines the monitoring, review and assessment of a range of internal audit functions and procedures.
Recommendation 7.4 A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	YES	Schedule 3 of the Company's Corporate Plan details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (if appropriate). Review of the Company's risk management framework is conducted at least annually and reports are continually created by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.

Corporate governance statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	NO	Due to the size and nature of the existing board and the magnitude of the Company's operations the Company currently has no Remuneration Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Remuneration Committee under the written terms of reference for that committee. The role and responsibilities of the Remuneration Committee are outlined in Schedule 4 of the Company's Corporate Governance Plan available online on the Company's website. The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	YES	The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of non-executive, executive and other senior directors.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	YES	(a) Company's Corporate Governance Plan states that the Board is required to review, manage and disclose the policy (if any) on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. The Board must review and approve any equity based plans. (b) A copy of the Company's Corporate Governance Plan is available on the Company's website.

Additional information for listed public companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies.

1. Capital

a. Ordinary Share Capital

89,973,986 ordinary fully paid shares held by 750 shareholders.

b. Unlisted Options over Unissued Shares

The Company has 45,285,000 options on issue in accordance with section 7.1 of the Directors' Report.

c. Voting Rights

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares**: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Unlisted Options**: Options do not entitle the holders to vote in respect of that option, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.

d. Substantial Shareholders as at 20 September 2016.

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Mr Shashi Fernando	20,471,379	22.75
Mr Nicholas James Johnston	9,000,000	10.01

e. Distribution of Shareholders as at 20 September 2016.

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	182	67,910	0.08
1,001 – 5,000	134	372,451	0.41
5,001 – 10,000	80	648,503	0.72
10,001 – 100,000	270	11,143,819	12.39
100,001 – and over	90	77,741,303	86.40
	756	89,973,986	100.00

f. Unmarketable Parcels as at 20 September 2016.

As at 20 September 2016 there were 336 fully paid ordinary shareholders holding less than a marketable parcel.

g. On-Market Buy-Back

There is no current on-market buy-back.

h. Restricted Securities

The Company has 25,408,526 fully paid ordinary shares escrowed for 24 months from requotation (20 February 2015).

Additional information for listed public companies

i. 20 Largest Shareholders — Ordinary Shares as at as at 20 September 2016.

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	Mr Shashi Fernando	20,471,379	22.75
2.	Mr Nicholas James Johnston	9,000,000	10.01
3.	Mars Capital Pty Ltd	5,825,341	6.48
4.	HSBC Custody Nominees (Australia) Limited	4,196,067	4.66
5.	Mr Chai Lee Giang	3,044,797	3.38
6.	Mc Management Group Pty Ltd <The Mc Master A/C>	2,433,361	2.70
7.	Centre Forward Pty Ltd <Top Corner A/C>	2,251,017	2.50
8.	ABN AMRO Clearing Sydney Nominees Pty Ltd <Custodian A/C>	1,748,989	1.94
9.	Mr Lawrence Fletcher	1,724,372	1.92
10.	Mr William Paterson + Mrs Beverley Paterson <Paterson Super Fund A/C>	1,562,500	1.74
11.	Vivafever Investments Pty Ltd	1,250,000	1.39
12.	Mr Stephane Oury	1,138,523	1.27
13.	J P Morgan Nominees Australia Limited	1,097,475	1.22
14.	Mr Andrew Swift	961,758	1.07
15.	Pinewood Asset Pty Ltd <The Fraser Family A/C>	945,250	1.05
16.	Mr Justin Stephen Manolikos <Mollys Family A/C>	923,750	1.02
17.	Mr Jianping Wu	816,737	0.91
18.	Aredebeco Pty Ltd <Bell Superannuation Fund A/C>	812,500	0.90
19.	Delta Hotel Pty Ltd	776,568	0.86
20.	Mr Eric Mclean	665,000	0.74
	TOTAL	61,645,384	68.51

2. The name of the Company Secretary is Jay Stephenson

3. PRINCIPAL REGISTERED OFFICE

As disclosed in Note 30 Company details on page 62 of this Annual Report.

4. REGISTERS OF SECURITIES

As disclosed in the Corporate Directory on page i of this Annual Report.

5. STOCK EXCHANGE LISTING

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, As disclosed in the Corporate Directory on page i of this Annual Report.

6. USE OF FUNDS

The Company has used its funds in accordance with its initial business objectives.

YONDER & BEYOND