

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	BidEnergy Limited
ABN:	94 131 445 335
Reporting period:	For the year ended 30 June 2016
Previous period:	For the year ended 30 June 2015

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	990.6% to	12,629
Loss from ordinary activities after tax attributable to the owners of BidEnergy Limited	down	373.8% to	(2,270,350)
Loss for the year attributable to the owners of BidEnergy Limited	down	373.8% to	(2,270,350)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$2,270,350 (30 June 2015: profit of \$829,155).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.55	0.11

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Name of entities (or group of entities)	Blenheim Resources Pty Ltd
Date control lost	24 June 2016

	\$
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material)	21,860
Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) whilst controlled during the whole of the previous period (where material)	-

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Annual Report of BidEnergy Limited for the year ended 30 June 2016 is attached.

12. Signed



Signed _____

Date: 31 August 2016

Robert Browning
Chairman

BidEnergy Limited

(Formerly known as Cove Resources Limited)

ABN 94 131 445 335

Annual Report - 30 June 2016

BidEnergy Limited
(Formerly known as Cove Resources Limited)
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BidEnergy Limited
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Corporate directory
30 June 2016

Directors	Stuart Allinson (Managing Director) Anthony Du Preez (Executive Director) Robert Browning (Non-Executive Chairman) Leanne Graham (Non-Executive Director)
Company secretary	Erlyn Dale
Registered office	Suite 25, 145 Stirling Highway Nedlands, Western Australia 6009 Phone: (08) 9389 3110 Fax: (08) 9389 3199
Principal place of business	Suite 25, 145 Stirling Highway, Nedlands, Western Australia 6009
Share register	Computershare Investor Services Pty Ltd Level 2, 45 St Georges Terrace, Perth, Western Australia 6000
Auditor	Hall Chadwick Level 40, 2 Park Street Sydney NSW 2000
Stock exchange listing	BidEnergy Limited shares are listed on the Australian Securities Exchange (ASX code: BID and BIDO)

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Directors' report
30 June 2016

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of BidEnergy Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2016.

Directors

The following persons were directors of BidEnergy Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Robert Browning (Non-Executive Chairman) (appointed 1 July 2016)
Stuart Allinson (Managing Director) (appointed 1 July 2016)
Anthony Du Preez (Executive Director) (appointed 1 July 2016)
Leanne Graham (Non-Executive Director) (appointed 28 July 2016)
Winton Willesee (Executive Chairman) (resigned 1 July 2016)
Erlyn Dale (Non-Executive Director) (resigned 1 July 2016)
Marcus Gracey (Non-Executive Director) (resigned 1 July 2016)

Principal activities

- Exploration of the Company's mineral exploration assets: and carrying out a review of potential complementary projects or other value accretive assets for the Company
- Continuing to work on the completion of the Company's proposed acquisition of BidEnergy Pty Ltd, which subsequently completed on 1 July 2016.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$2,270,350 (30 June 2015: profit of \$829,155).

The net assets of the consolidated entity decreased by \$867,350 to \$275,434 as at 30 June 2016 (2015: \$1,142,784). Trade payables have also increased significantly during the financial year due to increased transaction costs in relation to the proposed acquisition of BidEnergy Pty Ltd.

Working capital, being current assets less current liabilities, decreased by \$865,553 to \$275,434 (30 June 2015: \$1,140,987). The consolidated entity had negative cash flows from operating activities for the period of \$311,123 (30 June 2015: 437,449). The total net cash increase during the financial year amounted to \$6,232,259 (30 June 2015: positive cash flow \$1,134,152), largely due to the capital raising funds received in advance of the issuance of shares amounting to \$7,000,000.

On 25 November 2015 the Company announced that it has executed a term sheet to acquire 100% of cloud-based energy spend management platform provider, BidEnergy Pty Ltd ("BidEnergy"). Completion of the acquisition provides shareholders with early exposure to a disruptive and rapidly expanding global technology company.

As consideration for the acquisition of 100% of the issued capital in BidEnergy, following the end of the reporting period, Cove issued 201,396,700 Cove shares and 43,557,350 Cove options (on a post consolidation basis) to the shareholders of BidEnergy.

In addition, Cove issued 70,000,000 performance shares which will vest in two even tranches upon achievement of revenue milestones.

Completion of the BidEnergy Pty Ltd acquisition occurred subsequent to 30 June 2016.

Significant changes in the state of affairs

On 8 December 2015 the consolidated entity issued 400,000 fully paid ordinary shares upon exercise of unlisted options at 0.005 (0.5 cents) per share

On 16 February 2016, the Company announced that it had agreed terms to divest its Goongarrie assets for a consideration of 420,000 shares in Interim Resources Limited.

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On 24 June 2016, the Company sold its subsidiary Blenheim Resources Pty Ltd which held its Quartz Circle assets and its shares in Intermin Resources Limited, for \$50,000.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 1 July 2016, the Company announced that it had completed the acquisition of Bid Energy Pty Ltd. The completion of the acquisition was in accordance with shareholder approvals being received at a General Meeting of the Company held on 20 May 2016 and pursuant to the Prospectus dated 29 April 2016.

On 1 July 2016, the Company also issued the following securities:

- 271,396,700 Fully Paid Ordinary Shares in consideration for the company's acquisition and 70,000,000 of those shares are to be issued pursuant to capital raising.
- 10,798,670 New Series A Options to be issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd and the purpose corresponds to all New Series Cove Options.
- 9,243,759 New Series B Options.
- 23,514,921 New Series B Follow-On Options.
- 25,000,000 Advisor Options to Cygnet Capital Pty Ltd and Canaccord Genuity (Australia) Ltd in consideration for introduction of the BidEnergy Acquisition to the Company.
- 35,000,000 Class A Performance Shares issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd.
- 35,000,000 Class B Performance Shares
- 11,060,722 Performance Rights issued to certain employees pursuant to the proposed long term incentive plan.

Cove's Company name and ASX ticker changed to BidEnergy Limited (ASX Code: BID) on 20 July 2016, and the Company re-commenced trading on this day.

A \$7 million capital raising was completed which was led by Canaccord Genuity and Cygnet Capital. The proceeds from this capital raising will be used to roll out the BidEnergy platform to deregulated markets in UK, Europe and North America, through direct sales and channel partners.

Subsequent to year end, and as part of the acquisition, Bid Energy confirmed the appointment of Stuart Allinson as Managing Director, Anthony Du Preez as Executive Director and Robert Browning as Non-Executive Chairman. In accordance with the terms of the transaction, the Company also confirmed the resignation of Winton Willesee as Executive Chairman, Marcus Gracey and Eryn Dale as Non-Executive Directors. Ms Dale continues as Company Secretary.

On 28 July 2016 Ms Leanne Graham was appointed as a Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The likely developments in the Group's operations in future years and the expected result from those operations are dependent on the signing up of new clients in relation to the Company's innovative cloud-based platform providing end to end source-to-pay services for energy.

The efforts over the coming year will be on growth for the BidEnergy business and expanding over the customer list.

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Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Mr Robert Browning (appointed 1 July 2016)
Title:	Non-Executive Chairman
Experience and expertise:	Mr Browning is a seasoned leader with a proven track record, and over 30 years of experience in a broad range of executive roles within multiple industries, both domestically and internationally. He is adept at the effective development and translation of corporate strategy into actionable plans with appropriate responsibilities and accountabilities cascaded through all layers of the organization.
Other current directorships:	Chief Executive Officer of Alinta Limited and Non-Executive director of Emerchants
Former directorships (last 3 years):	Nil
Interests in shares:	6,678,146 ordinary shares and 2,321,142 performance shares
Interests in options:	Nil
Interests in rights:	Nil
Name:	Mr Clive Stuart Allinson (appointed 1 July 2016)
Title:	Managing Director
Experience and expertise:	Mr Allinson has a broad energy and utilities background, having held various positions in production, wholesale, distribution, retail and regulatory affairs. He has consulted to governments, market participants and large business users in the areas of strategy, policy, process, controls, regulation, compliance, process improvement and business transformation.
Other current directorships:	Acting Chairman and member of Climate Change Authority
Former directorships (last 3 years):	Nil
Interests in shares:	14,570,501 ordinary shares and 5,064,308 performance shares
Interests in options:	Nil
Interests in rights:	182,709 employee performance rights
Name:	Mr Anthony Du Preez (appointed 1 July 2016)
Title:	Executive Director
Experience and expertise:	Mr Du Preez is an experienced entrepreneur having founded and built a number of globally scalable technology companies, including www.adslot.com (ASX:ADJ), www.bidenergy.com , www.tradeslot.com and www.carbonnavigator.com . Mr Du Preez has a first class honours systems engineering degree and an MBA from the Melbourne Business School.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	34,483,519 ordinary shares and 11,985,530 performance shares
Interests in options:	Nil
Interests in rights:	212,706 employee performance rights
Name:	Ms Leanne Graham (appointed 28 July 2016)
Title:	Non-Executive Director
Experience and expertise:	Ms Graham brings more than 28 years of experience at the top of the software sector, with specialist expertise in growing Software as a Service Businesses embracing the global opportunities created with the arrival of the Cloud. Her career highlights include propelling Xero to set the global accounting software benchmark through the planning and execution of a global sales strategy and co-founding cloud business software group, Enprise, which was adopted as SAP Business One's leading add-on partner globally. Leanne also has an extensive personal network covering enterprise eco-systems and channels.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

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Name:	Mr Winton Willesee (resigned 1 July 2016)
Title:	Executive Chairman
Qualifications:	BBus., DipEd., PGDipBus., MCom., FFin, CPA, MAICD, ACIS/ACSA
Experience and expertise:	Mr Willesee is an experienced company director. Winton brings a broad range of skills and experience in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance. Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects. Winton has fulfilled the role of chairman and/or director of a number of listed companies. Mr Willesee holds formal qualifications in economics, finance, accounting, education and governance. He is a Fellow of the Financial Services Institute of Australasia, a Member of the Australian Institute of Company Directors, a Member of CPA Australia and a Chartered Secretary.
Other current directorships:	Chairman of Birimian Limited (appointed 31 January 2013), Metallum Limited (appointed 14 March 2011) and xTV Networks Limited (appointed 7 July 2016), Executive director of Ding Sheng Xin Co Limited (appointed 10 November 2015), and non-executive director of DroneShield Limited (appointed 4 November 2015) and MMJ PhytoTech Limited (appointed 21 October 2014).
Former directorships (last 3 years):	Bioprospect Limited (retired 15 September 2013), Base Resources Limited (retired 26 November 2013), Basper Limited (retired 3 July 2015), Coretrack Limited (retired 6 March 2015), Otis Energy Limited (retired 21 January 2015), Torrens Energy Limited (retired 2 May 2014) and Newera Resources Limited (resigned 31 July 2014).
Special responsibilities:	Nil
Interests in shares:	N/A
Interests in options:	N/A
Name:	Miss Erlyn Dale (resigned 1 July 2016)
Title:	Non-Executive Director and Company Secretary
Qualifications:	BCom ACIS/ACSA
Experience and expertise:	Miss Dale has a broad range of experience in company administration and corporate governance having been involved with several listed and unlisted public and other companies. Miss Dale holds a Bachelor of Commerce (Accounting and Finance) and is a Chartered Secretary.
Other current directorships:	Metallum Limited (appointed 14 October 2015) and xTV Networks Limited (appointed 7 July 2016)
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	N/A
Interests in options:	N/A
Name:	Mr Marcus Gracey (resigned 1 July 2016)
Title:	Non-Executive Director
Experience and expertise:	Mr Gracey is an experienced corporate lawyer and ASX company director. His background includes directorships and executive roles in both listed and private companies across various market sectors including energy & resources and technology. Mr Gracey's professional qualifications include a bachelor of laws, a bachelor of economics, a master of laws, a master of business administration (Executive MBA), a graduate diploma in Company secretarial practice and he is a Chartered Company Secretary and has also completed the AICD International Company Directors Course.
Other current directorships:	Sunbird Energy Limited (appointed May 2011)
Former directorships (last 3 years):	Indus Energy NL (appointed 19 Jan 2015, resigned 25 August 2015)
Special responsibilities:	Nil
Interests in shares:	N/A
Interests in options:	N/A

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

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Company secretary

Miss Dale has a broad range of experience in company administration and corporate governance having been involved with several listed and unlisted public and other companies. Miss Dale holds a Bachelor of Commerce (Accounting and Finance) and is a Chartered Secretary.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2016, and the number of meetings attended by each director were:

	Full Board Attended	Held
Winton Willesee	7	7
Marcus Gracey	7	7
Ms Erlyn Dale	7	7

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

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

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

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Non-executive directors remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Remuneration Committee recommends the actual payments to directors and the Board is responsible for ratifying any recommendations, if appropriate. ASX listing rules require the aggregate non-executive directors remuneration be determined periodically by a general meeting. The aggregate approved remuneration for non-executive directors is \$500,000.

It is recognised that non-executive directors' remuneration is ideally structured to exclude equity based remuneration. However, whilst the Company remains small and the full Board, including the non-executive directors, are included in the operations of the Company more closely than may be the case with larger companies the non-executive directors are entitled to participate in equity based remuneration schemes.

All directors are entitled to have their indemnity insurance paid by the Company.

Executive remuneration

The Company's remuneration policy for executive directors and senior management is designed to promote superior performance and long term commitment to the Company. Executives receive a base remuneration which is market related, and may be entitled to performance based remuneration at the ultimate discretion of the Board.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance and relevant comparative information.

The Committee's reward policy reflects its obligation to align executive's remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

- reward reflects the competitive market in which the Company operates;
- individual reward should be linked to performance criteria; and
- executives should be rewarded for both financial and non-financial performance.

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives.

The total remuneration of executives and other senior managers consists of the following:

- salary - executive directors and senior managers receive a sum payable in cash;
- bonus - executive directors and nominated senior managers are eligible to participate in a bonus or profit participation plan if deemed appropriate;
- long term incentives - executive directors may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances; and
- other benefits - executive directors and senior managers are eligible to participate in superannuation schemes and other appropriate additional benefits.

Voting at the company's 2015 Annual General Meeting ('AGM')

At the 2015 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2015. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

No remuneration payments were made to key management personnel during the year.

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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary			Super-	Long service	Equity-	
	and fees	Bonus	Other	annuation	leave	settled shares and options	Total
2016	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Erlyn Dale**	30,000	-	-	-	-	-	30,000
Marcus Gracey	30,000	-	-	-	-	-	30,000
<i>Executive Directors:</i>							
Winton Willesee*	68,000	-	-	-	-	-	68,000
<i>Other Key Management Personnel:</i>							
Erlyn Dale**	54,000	-	-	-	-	-	54,000
	182,000	-	-	-	-	-	182,000

* Includes \$20,000 for corporate service fees in relation to the BidEnergy transaction.

** Ms Dale was also entitled to receive \$54,000 for her company secretary services for the 2016 year at a rate of \$4,500 per month.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary			Super-	Long service	Equity-	
	and fees	Bonus	Other	annuation	leave	settled options	Total
2015	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Erlyn Dale**	2,500	-	-	-	-	-	2,500
Marcus Gracey**	1,250	-	-	-	-	-	1,250
<i>Executive Directors:</i>							
Winton Willesee*	4,000	-	-	-	-	-	4,000
	7,750	-	-	-	-	-	7,750

* Executive Chairman services for June 2016, the period post administration.

** Non-executive Director services for June 2016, the period post administration. In addition, Ms. Dale also received \$4,500 for her company secretary services.

*** No director fees were paid to Garry Hemming or Greg Miles during the period.

Appointment of Administrator

For the period from 17 January 2014 until 28 May 2015 the Company was subject to the management of the Administrator (Mr. Bryan Hughes from Pitcher Partners). The expense reimbursements paid to the Administrator for the period to 30 June 2015 amounted to \$44,868.

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Directors' report
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Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements as at balance date are as follows:

Name: Winton Willesee
Title: Non-executive Chairman
Term of agreement: Ongoing – ceases on ceasing to hold the office of director (now ceased)
Details: Mr Willesee was entitled to be paid \$4,000 per calendar month (including statutory superannuation) for his services as Executive Chairman and a further \$1,000 per day (inclusive of superannuation) for each day of executive work in excess of six completed per calendar month (as approved by the Board).

Name: Erlyn Dale
Title: Non-executive Director and Company Secretary
Term of agreement: Ongoing (Details in relation to Director role have ceased, ongoing in relation to Company Secretary role)
Details: Miss Dale is entitled to be paid \$4,500 per calendar month (including statutory superannuation) for her services as Company Secretary. If Ms Dale is terminated as the Company Secretary, she will be entitled to a payment equal to that amount which would have been payable as the Company Secretarial fee for a six month period.

Prior to ceasing as a director if Ms Dale was required to undertake tasks in addition to those customarily required of a Non-Executive Director and Company Secretary then, subject to pre-approval by the Board, Ms Dale will be entitled to \$1,000 per day for such work.

Non-executive directors were entitled to a fee of \$2,500 per calendar month (inclusive of superannuation).

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2016.

Options and performance rights issued as part of remuneration

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
27 March 2015	27 March 2015	30 June 2019	\$0.1000	\$0.001

Options granted carry no dividend or voting rights.

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The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2016 are set out below:

Name	Number of options granted during the year 2016	Number of options granted during the year 2015	Number of options vested during the year 2016	Number of options vested during the year 2015
Winton Willesee	-	10,000,000	-	10,000,000
Greg Miles	-	2,000,000	-	2,000,000

Expenses arising from the issue of share options to Mr Willesee and Mr Miles were recorded in cost of issued capital during the year.

Additional disclosures relating to key management personnel

Shareholdings

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Winton Willesee	20,700,000	-	-	(19,665,000)	1,035,000
Marcus Gracey	7,000,000	-	-	(6,650,000)	350,000
	<u>27,700,000</u>	<u>-</u>	<u>-</u>	<u>(26,315,000)</u>	<u>1,385,000</u>

* Consolidation of capital on a 20:1 basis during the financial year.

** Ms Erlyn Dale did not have a shareholding in the Company.

Option holding

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Acquired/ Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Winton Willesee	10,000,000	-	-	(9,500,000)	500,000
Marcus Gracey	3,500,000	-	-	(3,325,000)	175,000
	<u>13,500,000</u>	<u>-</u>	<u>-</u>	<u>(12,825,000)</u>	<u>675,000</u>

* Consolidation of capital on a 20:1 basis during the financial year.

** Ms Erlyn Dale did not hold any options in the Company.

This concludes the remuneration report, which has been audited.

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Shares under option

Unissued ordinary shares of BidEnergy Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
27 May 2015	30 June 2019	\$0.1000	28,430,006
1 July 2016	30 September 2017	\$0.1000	10,798,670
1 July 2016	31 December 2018	\$0.1250	9,243,759
1 July 2016	1 July 2019	\$0.1500	23,514,921
1 July 2016	30 June 2019	\$0.1500	25,000,000
			<u>96,987,356</u>

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

Shares issued on the exercise of options

The following ordinary shares of BidEnergy Limited were issued during the year ended 30 June 2016 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
27 May 2015	\$0.0050	400,000

Indemnity and insurance of officers

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. No indemnity has been paid with respect to the Company's auditors.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

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

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of Hall Chadwick

There are no officers of the Company who are former partners of Hall Chadwick.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Hall Chadwick continues in office in accordance with section 327 of the Corporations Act 2001.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Directors' report
30 June 2016

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in dark ink, appearing to read 'Robert Browning', with a stylized flourish at the end.

Robert Browning
Chairman

31 August 2016

**BIDENERGY LIMITED
ABN 94 131 445 335
AND ITS CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS BIDENERGY LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

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

- i. the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 31 August 2016

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International Ltd, a
worldwide association
of separate and
independent
accounting
and consulting firms

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2016

	Note	Consolidated 2016 \$	2015 \$
Revenue	5	12,629	1,158
Other income	6	50,000	1,168,787
Expenses			
Administrative expenses		(46,720)	(11,565)
Accounting and audit fees		(180,484)	(61,380)
Compliance and regulatory fees		(40,085)	(27,306)
Directors and consultants		(164,500)	(7,750)
Insurance costs		(7,229)	(1,842)
Legal fees		(2,508)	(11,501)
Professional fees		(167,128)	(84,123)
Share-based payments		(1,402,500)	-
Tenement management costs		-	(63,250)
Impairment of exploration and evaluation costs		(38,915)	-
Finance costs		-	(27,205)
Acquisition costs		(282,910)	-
Administrator fees		-	(44,868)
Profit/(loss) before income tax expense		(2,270,350)	829,155
Income tax expense	7	-	-
Profit/(loss) after income tax expense for the year attributable to the owners of BidEnergy Limited		(2,270,350)	829,155
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of BidEnergy Limited		<u>(2,270,350)</u>	<u>829,155</u>
		Cents	Cents
Basic earnings per share	25	(4.56)	10.91
Diluted earnings per share	25	(4.56)	10.91

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

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Statement of financial position
As at 30 June 2016

	Note	Consolidated 2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	8	7,386,987	1,154,728
Trade and other receivables	9	143,181	20,185
Other	10	420,000	7,227
Total current assets		<u>7,950,168</u>	<u>1,182,140</u>
Non-current assets			
Exploration and evaluation	11	-	1,797
Total non-current assets		<u>-</u>	<u>1,797</u>
Total assets		<u>7,950,168</u>	<u>1,183,937</u>
Liabilities			
Current liabilities			
Trade and other payables	12	674,734	41,153
Other	13	7,000,000	-
Total current liabilities		<u>7,674,734</u>	<u>41,153</u>
Total liabilities		<u>7,674,734</u>	<u>41,153</u>
Net assets		<u>275,434</u>	<u>1,142,784</u>
Equity			
Issued capital	14	11,086,056	11,085,556
Reserves	15	2,811,960	1,409,460
Accumulated losses		<u>(13,622,582)</u>	<u>(11,352,232)</u>
Total equity		<u>275,434</u>	<u>1,142,784</u>

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

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Statement of changes in equity
For the year ended 30 June 2016

Consolidated	Issued capital \$	Accumulated losses \$	Option reserve \$	Total equity \$
Balance at 1 July 2014	9,257,358	(12,181,387)	1,180,810	(1,743,219)
Profit after income tax expense for the year	-	829,155	-	829,155
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	829,155	-	829,155
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 14)	1,828,198	-	-	1,828,198
Share-based payments (note 26)	-	-	228,650	228,650
Balance at 30 June 2015	<u>11,085,556</u>	<u>(11,352,232)</u>	<u>1,409,460</u>	<u>1,142,784</u>
Consolidated	Issued capital \$	Accumulated losses \$	Option reserve \$	Total equity \$
Balance at 1 July 2015	11,085,556	(11,352,232)	1,409,460	1,142,784
Loss after income tax expense for the year	-	(2,270,350)	-	(2,270,350)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(2,270,350)	-	(2,270,350)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 14)	500	-	-	500
Share-based payments (note 26)	-	-	1,402,500	1,402,500
Balance at 30 June 2016	<u>11,086,056</u>	<u>(13,622,582)</u>	<u>2,811,960</u>	<u>275,434</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Statement of cash flows
For the year ended 30 June 2016

		Consolidated	
	Note	2016	2015
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(373,752)	(438,607)
Interest received		10,767	1,158
Other revenue		51,862	-
		<u> </u>	<u> </u>
Net cash used in operating activities	24	<u>(311,123)</u>	<u>(437,449)</u>
Cash flows from investing activities			
Payments for exploration and evaluation	11	<u>(37,118)</u>	<u>(1,797)</u>
		<u> </u>	<u> </u>
Net cash used in investing activities		<u>(37,118)</u>	<u>(1,797)</u>
Cash flows from financing activities			
Proceeds from issue of shares yet to be issued		7,000,000	-
Proceeds from issue of shares		2,000	1,500,000
Proceeds from convertible notes		-	270,000
Share issue transaction costs		(1,500)	(196,602)
Share issue transaction costs for shares yet to be issued		<u>(420,000)</u>	<u> </u>
		<u> </u>	<u> </u>
Net cash from financing activities		<u>6,580,500</u>	<u>1,573,398</u>
Net increase in cash and cash equivalents		6,232,259	1,134,152
Cash and cash equivalents at the beginning of the financial year		<u>1,154,728</u>	<u>20,576</u>
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	8	<u><u>7,386,987</u></u>	<u><u>1,154,728</u></u>

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

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 1. General information

The financial statements cover BidEnergy Limited as a consolidated entity consisting of BidEnergy Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is BidEnergy Limited's functional and presentation currency.

BidEnergy Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 25
145 Stirling Highway
Nedlands, Western Australia, 6009

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2016. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

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

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Note 2. Significant accounting policies (continued)

Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the consolidated entity is dependent upon it maintaining sufficient funds for its operations and commitments.

The working capital position as at 30 June 2016 of the consolidated entity results in an excess of current assets over current liabilities of \$275,434 (30 June 2015: \$1,140,987 excess). The consolidated entity made a loss after tax of \$2,270,350 during the financial year (2015: profit of \$829,155 from continuing operations) and the net operating cash outflow was \$311,123 (2015: \$437,449 net outflow). The cash balance as at 30 June 2016 was \$7,386,987 (30 June 2015: \$1,154,728).

The Directors are of the opinion that the existing cash reserves will provide the Company with adequate funds to ensure its continued viability and operate as a going concern. The Directors continue to monitor the ongoing funding requirements of the consolidated entity. The Directors are confident that sufficient funds can be secured if required by a combination of capital raising to continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

Subsequent to financial year end, the Company raised \$7,000,000 (before costs) via the issuance of 70,000,000 fully paid ordinary shares at an issue price of \$0.10 (10 cents) per share. The \$7,000,000 was received into the Company's bank account prior to financial year end and has been disclosed in the financial statements as a current liability, as the shares were issued on 1 July 2016.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 21.

Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Cove Resources Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 22.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 2. Significant accounting policies (continued)

Revenue recognition

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense (revenue) 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 tax reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

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

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

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the year 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.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Note 2. Significant accounting policies (continued)

Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserve.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest area amortised over the life of the area are according to the rate of depletion of the economically recoverable reserves. Exploration and evaluation assets are transferred to Development Assets once feasibility and commercial viability of an area of interest are demonstrable.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of BidEnergy Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Note 2. Significant accounting policies (continued)

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2016. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments

This is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.

Amendments to AASB 9 (December 2009 & 2010 editions) (AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss.

Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E. The consolidated entity will adopt this standard and the amendments from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. 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 those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 4. Operating segments

Identification of reportable operating segments

Identification and measurement of segments – AASB 8 requires the ‘management approach’ to the identification measurement and disclosure of operating segments. The ‘management approach’ requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity’s chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments. The Group considers its operations as one segment.

Note 5. Revenue

	Consolidated	
	2016	2015
	\$	\$
Interest	10,767	1,158
Other revenue	1,862	-
	<hr/>	<hr/>
Revenue	<u>12,629</u>	<u>1,158</u>

Note 6. Other income

	Consolidated	
	2016	2015
	\$	\$
Debt release gain arising upon execution of the Deed of Company Arrangement (i)	-	1,168,787
Gain on sale of exploration assets	21,860	-
Gain on de-recognition of controlled entity	28,140	-
	<hr/>	<hr/>
Other income	<u>50,000</u>	<u>1,168,787</u>

(i) On 17 January 2014, the consolidated entity announced that it had appointed Mr Bryan Hughes of Pitcher Partners as Administrator of the Company pursuant to section 436A of the Corporations Act 2001. On 5 March 2014, the Company and its subsidiary, Blenheim Resources Pty Ltd entered into Deeds of Company Arrangement (‘DOCA’) to facilitate the proposal from Cygnet Capital Pty Ltd for the recapitalisation and restructure of the Company, with the deed subsequently amended in March 2015, with approval from creditors. On 28 May 2015 the Administrator announced that all conditions precedent to the Reconstruction Proposal had been met. Accordingly, the DOCAs in relation to both the Company and Blenheim Resources were fully effectuated, and the Administrator resigned and passed control back to the directors of the Company.

The Reconstruction Proposal provided \$180,000 for the Administrator to settle outstanding creditor claims and Administrator costs. All trade creditors and accruals over and above this amount as at 28 May 2015 and relating to the operations of the Company and its subsidiary were subsequently reversed. The amount reversed was \$1,290,592. The resulting credit has been recorded as a credit to profit or loss in the 2015 year.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 7. Income tax expense

	Consolidated	
	2016	2015
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit/(loss) before income tax expense	(2,270,350)	829,155
Tax at the statutory tax rate of 30%	(681,105)	248,747
Prior year tax losses not recognised now recouped	-	(248,747)
Unrecognised income tax benefit in respect of current year losses	306,412	-
Non-deductible expenses	374,693	-
Income tax expense	-	-

	Consolidated	
	2016	2015
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	9,095,397	8,074,024
Potential tax benefit @ 30%	2,728,619	2,422,207

BidEnergy Limited has unconfirmed, un-recouped tax losses in Australian which have not been brought to account as at 30 June 2016. Subsequent to the end of the financial year, the acquisition of BidEnergy Pty Ltd was completed and as a result of this transaction, the Company may not be eligible to utilise these tax losses due to the likelihood of potentially failing the Continuity of ownership test. Further assessment will need to be carried out before the Company is able to utilise any carry forward tax losses and this will be completed in the coming year.

	Consolidated	
	2016	2015
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Accrued expenses	4,500	6,150
Capital Raising Costs	478,574	-
Borrowing Costs	1,647	-
Tax Losses	2,728,619	2,422,207
Total deferred tax assets not recognised	3,213,340	2,428,357

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 8. Current assets - cash and cash equivalents

	Consolidated	
	2016	2015
	\$	\$
Cash at bank	7,386,987	1,154,728

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 9. Current assets - trade and other receivables

	Consolidated	
	2016	2015
	\$	\$
GST receivable	143,181	20,185

Note 10. Current assets - other

	Consolidated	
	2016	2015
	\$	\$
Prepayments	420,000	7,227

The \$420,000 recorded as a prepayment relates to a capital raising fee which relates to the \$7mill capital raising completed post year end.

Note 11. Non-current assets - exploration and evaluation

	Consolidated	
	2016	2015
	\$	\$
Exploration and evaluation	-	1,797

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & Evaluation \$	Total \$
Balance at 1 July 2014	-	-
Additions	1,797	1,797
Balance at 30 June 2015	1,797	1,797
Expenditure during the year	37,118	37,118
Write-off of exploration expenditure	(38,915)	(38,915)
Balance at 30 June 2016	-	-

The value of the consolidated entity's interest in exploration expenditure is dependent upon the:

- continuance of the economic entity's rights to tenure of the area of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploration of the areas of interest, or alternatively, by their sale.

On 16 February 2016, the company announced that it had agreed terms to divest its Goongarrie assets for a consideration of 420,000 shares in Intermin Resources Limited. These shares together with the subsidiary were sold subsequently and a gain of \$28,140 was recorded in the statement of profit or loss and other comprehensive income.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 12. Current liabilities - trade and other payables

	Consolidated	
	2016	2015
	\$	\$
Trade payables	659,734	-
Trade payable and other payable - not subject to the DOCA	-	41,153
Other payables	15,000	-
	<u>674,734</u>	<u>41,153</u>

Refer to note 17 for further information on financial instruments.

Note 13. Current liabilities - other

	Consolidated	
	2016	2015
	\$	\$
Funds received in advance of share issue	<u>7,000,000</u>	<u>-</u>

Pursuant to the Company's Prospectus and Supplementary Prospectus dated 29 April 2016 and 13 May 2016 respectively, a total of \$7 million was raised as at 30 June 2016, prior to the issuance of shares which occurred on 1 July 2016. Therefore the funds received in advance of this share issue have been recorded as a current liability.

Note 14. Equity - issued capital

	2016	Consolidated		
	Shares	2015	2016	2015
		Shares	\$	\$
Ordinary shares - fully paid	49,759,651	994,791,860	11,086,056	11,085,556
	<u>78,189,657</u>	<u>1,563,791,860</u>	<u>11,086,056</u>	<u>11,085,556</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2014	65,422,860		9,257,358
Public Offer	27 May 2015	600,000,000	\$0.0025	1,500,000
Conversion of convertible notes (Offer A)	27 May 2015	125,000,000	\$0.0020	250,000
Conversion of interest on convertible notes	27 May 2015	-	\$0.0020	70,027
Conversion of convertible notes (Offer B)	27 May 2015	155,000,000	\$0.0020	310,000
Supplier offer pursuant to the DOCA	27 May 2015	38,000,000	\$0.0021	78,850
Supplier offer pursuant to the DOCA	27 May 2015	11,369,000	\$0.0025	28,423
				(409,102)
Balance	30 June 2015	994,791,860		11,085,556
Exercise of options	8 December 2015	400,000	\$0.0100	2,000
Share consolidation/split	2 June 2016	(945,432,209)	\$0.0000	-
Costs of capital raising				(1,500)
Balance	30 June 2016	<u>49,759,651</u>		<u>11,086,056</u>

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 14. Equity - issued capital (continued)

Movements in share options

Details	Date	Options
Balance	1 July 2014	-
Public Offer	27 May 2015	300,000,000
Supplier offer pursuant to the DOCA	27 May 2015	19,000,000
Proponent Offer	27 May 2015	<u>250,000,000</u>
Balance	30 June 2015	569,000,000
Exercise of options	8 December 2015	(400,000)
Share consolidation/split	2 June 2016	<u>(540,169,994)</u>
Balance	30 June 2016	<u><u>28,430,006</u></u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share options

During the previous financial year, 300,000,000 options were issued free as part of the capital restructure attaching to ordinary share. Outstanding options are exercisable at \$0.10 (10 cents) on or before 30 June 2019.

Capital risk management

The consolidated entity's objectives when managing capital is 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.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions.

The capital risk management policy remains unchanged from the date of this Annual Report.

Note 15. Equity - reserves

	Consolidated	
	2016	2015
	\$	\$
Options reserve	<u>2,811,960</u>	<u>1,409,460</u>

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 15. Equity - reserves (continued)

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Consolidated	Options Reserve \$	Total \$
Balance at 1 July 2014	1,180,810	1,180,810
Options issued for services in relation to the recapitalisation proposal	16,150	16,150
Options issued to the Proponent	212,500	212,500
	<hr/>	<hr/>
Balance at 30 June 2015	1,409,460	1,409,460
Options issued to advisors	1,402,500	1,402,500
	<hr/>	<hr/>
Balance at 30 June 2016	<u>2,811,960</u>	<u>2,811,960</u>

Note 16. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 17. Financial instruments

Financial risk management objectives

a) Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and convertible note.

The main purpose of non-derivative financial instruments is to raise finance for the Group's operations.

Derivatives are not currently used by the Group for hedging purposes. The Group does not speculate in the trading of derivative instruments.

i. Treasury Risk Management

The full board of the Company meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk, commodity risk and credit risk.

Interest rate risk

The Group does not have any debt that may be affected by interest rate risk.

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 this risk by preparing forward looking cash flow analysis in relation to its operational, investing and financing activities and monitoring its cash assets and assets readily convertible to cash in the context of its forecast future cash flows. The Group continually monitors its access to additional equity capital should that be required, maintains a reputable credit profile and manages the credit risk of its financial assets.

Commodity price volatility

Commodities prices fluctuate and are affected by numerous factors beyond the control of Cove Resources. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on Cove Resources' exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

Price risk

The consolidated entity is not exposed to any significant price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is 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. The consolidated entity does not hold any collateral.

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 economic entity.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 17. Financial instruments (continued)

	Consolidated	
	2016	2015
	\$	\$
Cash and cash equivalents		
- AA Rated	<u>7,386,987</u>	<u>1,154,728</u>

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2016	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	674,734	-	-	-	674,734
Total non-derivatives		<u>674,734</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>674,734</u>
Consolidated - 2015	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	41,153	-	-	-	41,153
Total non-derivatives		<u>41,153</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,153</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 18. Key management personnel disclosures

Directors

The following persons were directors of BidEnergy Limited during the financial year:

Mr Winton Willesee	Executive Chairman (resigned 1 July 2016)
Miss Erlyn Dale	Non-Executive Director (resigned 1 July 2016)
Mr Marcus Gracey	Non-Executive Director (resigned 1 July 2016)

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 18. Key management personnel disclosures (continued)

Compensation

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

	Consolidated	
	2016	2015
	\$	\$
Short-term employee benefits	182,000	7,750

Appointment of Administrator

	Consolidated	
	2016	2015
	\$	\$
Pitcher Partners	-	127,583

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Hall Chadwick, the auditor of the Company:

	Consolidated	
	2016	2015
	\$	\$
<i>Audit services - Hall Chadwick (2015: Ernst & Young)</i>		
Audit or review of the financial statements	22,000	26,000

Note 20. Related party transactions

Parent entity

BidEnergy Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 22.

Key management personnel

Disclosures relating to key management personnel are set out in note 18 and the remuneration report included in the directors' report.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 20. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2016	2015
	\$	\$
Payment for other expenses:		
Consulting fees - Winton Willesee *	-	55,610
Consulting fees - Greg Miles *	-	11,122
Consulting fees paid to director related entity (Winton Willesee (through Azalea Consulting) for provision of Executive Chairman, Non-Executive Director, Company Secretary and office and administration services	144,000	12,000
Consulting fees paid to director related entity (Winton Willesee (through Azalea Consulting) for provision of Corporate services in relation to the Bid Energy Transaction	20,000	-

* Payments relate to shares and options issued as part of the Recapitalisation of the Company for services provided in relation to the prospectus. The issue of the shares and options were subject to shareholder approval.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 21. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2016	2015
	\$	\$
Profit/(loss) after income tax	(2,270,350)	829,155
Total comprehensive income	(2,270,350)	829,155

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 21. Parent entity information (continued)

Statement of financial position

	Parent	
	2016	2015
	\$	\$
Total current assets	7,950,168	1,182,140
Total assets	7,950,168	1,183,937
Total current liabilities	7,674,734	41,153
Total liabilities	7,674,734	41,153
Equity		
Issued capital	11,086,056	11,085,556
Options reserve	2,811,960	1,409,460
Accumulated losses	(13,622,582)	(11,352,232)
Total equity	275,434	1,142,784

Contingent liabilities

As at 30 June 2016 Cove Resources Limited had no contingent liabilities.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment at as 30 June 2015 and 30 June 2016.

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2016	2015
		%	%
Blenheim Resources Pty Ltd	Australia	-	100.00%

- * On 24 June 2016, the consolidated entity sold its subsidiary Blenheim Resources Pty Ltd for cash consideration of \$50,000.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 23. Events after the reporting period

On 1 July 2016, the Company announced that it had completed the acquisition of Bid Energy Pty Ltd. The completion of the acquisition was in accordance with shareholder approvals being received at a General Meeting of the Company held on 20 May 2016 and pursuant to the Prospectus dated 29 April 2016.

On 1 July 2016, the Company also issued the following securities:

- 271,396,700 Fully Paid Ordinary Shares in consideration for the company's acquisition and 70,000,000 of those shares are to be issued pursuant to capital raising.
- 10,798,670 New Series A Options to be issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd and the purpose corresponds to all New Series Cove Options.
- 9,243,759 New Series B Options.
- 23,514,921 New Series B Follow-On Options.
- 25,000,000 Advisor Options to Cygnet Capital Pty Ltd and Canaccord Genuity (Australia) Ltd in consideration for introduction of the BidEnergy Acquisition to the Company.
- 35,000,000 Class A Performance Shares issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd.
- 35,000,000 Class B Performance Shares
- 11,060,722 Performance Rights issued to certain employees pursuant to the proposed long term incentive plan.

Cove's Company name and ASX ticker changed to BidEnergy Limited (ASX Code: BID) on 20 July 2016, and the Company re-commenced trading on this day.

A \$7 million capital raising was completed which was led by Canaccord Genuity and Cygnet Capital. The proceeds from this capital raising will be used to roll out the BidEnergy platform to deregulated markets in UK, Europe and North America, through direct sales and channel partners.

Subsequent to year end, and as part of the acquisition, Bid Energy confirmed the appointment of Stuart Allinson as Managing Director, Anthony Du Preez as Executive Director and Robert Browning as Non-Executive Chairman. In accordance with the terms of the transaction, the Company also confirmed the resignation of Winton Willesee as Executive Chairman, Marcus Gracey and Erlyn Dale as Non-Executive Directors. Ms Dale continues as Company Secretary.

On 28 July 2016 Ms Leanne Graham was appointed as a Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 24. Reconciliation of profit/(loss) after income tax to net cash used in operating activities

	Consolidated	
	2016	2015
	\$	\$
Profit/(loss) after income tax expense for the year	(2,270,350)	829,155
Adjustments for:		
Share-based payments	1,402,500	-
Impairment of exploration and evaluation	38,915	-
Operating expenditure settled by equity instruments	-	95,000
Interest on convertible notes	-	27,205
Change in operating assets and liabilities:		
Increase in trade and other receivables	(117,136)	(20,185)
Decrease/(increase) in other assets	7,227	(459)
Increase/(decrease) in trade and other payables	627,721	(1,368,165)
Net cash used in operating activities	<u>(311,123)</u>	<u>(437,449)</u>

Note 25. Earnings per share

	Consolidated	
	2016	2015
	\$	\$
Profit/(loss) after income tax attributable to the owners of BidEnergy Limited	<u>(2,270,350)</u>	<u>829,155</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>49,750,884</u>	<u>7,599,769</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>49,750,884</u>	<u>7,599,769</u>
	Cents	Cents
Basic earnings per share	(4.56)	10.91
Diluted earnings per share	(4.56)	10.91

Note 26. Share-based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Set out below are summaries of options granted to the directors:

2016							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
27/03/2015	30/06/2019	\$0.0000	269,000,000	-	-	(255,550,000)	13,450,000
20/05/2016	30/06/2019	\$0.1500	-	25,000,000	-	-	25,000,000
			<u>269,000,000</u>	<u>25,000,000</u>	<u>-</u>	<u>(255,550,000)</u>	<u>38,450,000</u>

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Notes to the financial statements
30 June 2016

Note 26. Share-based payments (continued)

* The decrease in other, relates to the share consolidation/split which occurred on 2 June 2016

2015							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
27/03/2015	30/06/2019	\$0.0050	-	269,000,000	-	-	269,000,000
			-	269,000,000	-	-	269,000,000

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2016 Number	2015 Number
27/03/2015	30/06/2019	13,450,000	269,000,000
20/05/2016	30/06/2019	25,000,000	-
		<u>38,450,000</u>	<u>269,000,000</u>

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
27/03/2015	30/06/2019	\$0.0025	\$0.0050	50.00%	-	2.05%	\$0.056
20/05/2016	30/06/2019	\$0.0000	\$0.1500	100.00%	-	2.00%	\$0.056

269 million options were issued during the previous financial year, providing a value of \$150,909 using the valuation model above.

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Directors' declaration
30 June 2016

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Robert Browning
Chairman

31 August 2016

**BIDENERGY LIMITED
ABN 94 131 445 335
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF BIDENERGY LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Financial Report

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

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

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

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

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

Independence

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

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**BIDENERGY LIMITED
ABN 94 131 445 335
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF BIDENERGY LIMITED**

Auditor's Opinion

In our opinion:

- a. the financial report of BidEnergy Limited is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the remuneration report included on page 7 to 11 of the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 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 BidEnergy Limited for the year ended 30 June 2016 complies with s 300A of the Corporations Act 2001.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 31 August 2016

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Shareholder information
30 June 2016

The shareholder information set out below was applicable as at 22 August 2016.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of listed options
1 to 1,000	151	1
1,001 to 5,000	187	28
5,001 to 10,000	97	20
10,001 to 100,000	362	161
100,001 and over	233	27
	1,030	237
Holding less than a marketable parcel	285	31

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares % of total shares issued
Number held	
Auction Design Pty Ltd (Du Preez Family A/C)	34,483,519 10.74
Blue Lagoon International Corporation	16,871,426 5.25
Allinson Trauts Pty Ltd (Allinson Family A/C)	14,570,501 4.54
Morris & Hay Pty Ltd (B MacFarlane Family A/C)	14,570,501 4.54
Carolyn Palmer	14,570,501 4.54
UBS Nominees Pty Ltd	12,338,657 3.84
Philip Murphy Investments Pty Ltd	9,713,667 3.02
Nailo Pty Ltd	8,094,723 2.52
Brispot Nominees Pty Ltd (House Head Nominee No 1 A/C)	8,036,143 2.50
Mutual Trust Pty Ltd	6,801,788 2.12
Mr Robert Browning + Mrs Nancy Browning	6,678,146 2.08
Ivonne Sobirin-Wenas	4,856,834 1.51
HSBC Custody Nominees (Australia) Limited	4,720,416 1.47
Jesco D'Alquen	4,371,150 1.36
Spring Plains Past Co (VIC) PL (Spring Plains A/C)	4,350,163 1.35
Mahsor Holdings Pty Ltd (Rosham Family S/F No2 A/C)	3,897,622 1.21
JJEP Pty Ltd (J & E Maniatis A/C)	3,707,383 1.15
Equitas Nominees Pty Limited (PB-600686 A/C)	3,600,000 1.12
Merriwee Pty Ltd (Merriwee Super Fund A/C)	3,500,173 1.09
G4 Investors Pty Ltd (G4 Investors A/C)	3,000,173 0.93
	182,733,486 56.88

BidEnergy Limited
(Formerly known as Cove Resources Limited)
Shareholder information
30 June 2016

	Options over ordinary shares	ordinary shares % of total options issued
	Number held	
White Swan Nominees Pty Ltd	5,020,000	17.66
Mahsor Holdings Pty Ltd (Rosham Family S/F No2 A/C)	3,500,000	12.31
Deck Chair Holdings Pty Ltd	2,900,000	10.20
Jigsaw Investment Holdings (Jigsaw Investment A/C)	1,400,000	4.92
Ms Merle Smith + Ms Kathryn Smith (The Mini Pension Fund A/C)	1,216,072	4.28
Holdrey Pty Ltd (Don Mathieson Family A/C)	1,094,929	3.85
Erebon Pty Ltd	919,620	3.23
A22 Pty Limited	900,000	3.17
HSBC Custody Nominees (Australia) Limited	750,000	2.64
Azalea Family Holdings Pty Ltd (No 2 A/C)	500,000	1.76
Chase Properties & Development Pty Ltd (The Jamar Investment A/C)	500,000	1.76
Tmena Pty Ltd (Combivan Pty Ltd A/C)	450,000	1.58
Brumby Capital Pty Ltd	390,000	1.37
Manda's Skincare Products Pty Ltd (Manda Superfund A/C)	350,000	1.23
Intrepid Concepts Pty Ltd	348,371	1.23
Jathro Pty Ltd (Imon A/C)	300,000	1.06
Lamro Pty Ltd (Orama A/C)	300,000	1.06
Gavin Rezos	250,000	0.88
Ram Platinum Pty Ltd (R Michaels Family A/C)	190,000	0.67
Philip Sewell & Associates Pty Ltd (P Sewell & Associates PL ST SF A/C)	185,000	0.65
	21,463,992	75.51

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares % of total shares issued
	Number held
Auction Design Pty Ltd atf Du Preez Family Trust	34,483,519
Blue Lagoon International Corporation	16,871,426
	10.74
	5.25

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.