

AssetOwl Limited

Appendix 4D

Half Year Report for the Period to 31 December 2016

Name of Entity	Current Period
ASSETOWL LIMITED. (Previously Regalpoint Resources Ltd)	PERIOD ENDED 31 DECEMBER 2016
ACN	Prior Corresponding Period
122 727 342	PERIOD ENDED 31 DECEMBER 2015

Results for Announcement to the Market	%Movement Compared to the Prior Period	Current Period A\$	Previous Period A\$*
Revenue from Ordinary Activities	162.50%	924	352
Reported net (loss) from ordinary activities after tax	168.97%	(697,018)	(259,144)
Reported net (loss) attributable to members	168.97%	(697,018)	(259,144)

*Reported loss figure is consistent with the 31 December 2016 half year report, taking into account the change in accounting policy, as disclosed in note 18. The reported loss figure for the half year to 31 December 2015 was previously \$233,818

Net Assets	31 December 2016	31 December 2015
Net Tangible Assets (\$A)	1,305,733	(654,846) **
Number of Securities	60,542,116	67,605,280***
Net Tangible Assets per security (cents)	2.16	0.97

**The value of net tangible assets is disclosed net of the effect of the change in accounting policy in relation to the Group's accounting treatment of Exploration and Evaluation expenditure. Refer to note 18 of the 31 December 2016 half year report.

***Number of securities is shown after the effect of a 10:1 share consolidation.

Dividends	Interim Dividend 2017	Interim Dividend 2016
Amount per share	NIL	NIL
Franked amount	NIL	NIL

Assets of which control has been gained during the period.

On the 23rd of December 2016, AssetOwl Limited gained 100% control of AssetOwl Pty Ltd, subsequently renamed AssetOwl Technologies Pty Ltd.

The acquired subsidiary did not have a material impact on the results of the entity for the period.

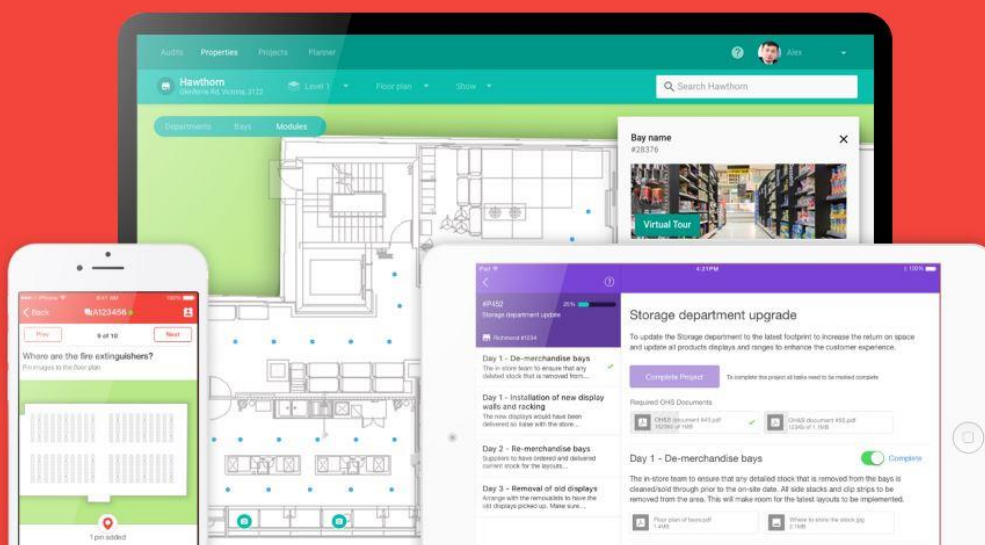
Review Results

This report is based on the financial statements that have been the subject of an independent review and are not subject to any dispute or qualification.



ACN 122 727 342

(Formerly Regalpoint Resources Ltd)



CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

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CORPORATE DIRECTORY

DIRECTORS

Shane L Stone (Chairman)
Bruce McCracken (Executive Director)
Simon Trevisan (Non-Executive Director)
Ian Murchison (Non-Executive Director)
Andrew Lane (Non-Executive Director)

COMPANY SECRETARY

Fleur Hudson

REGISTERED AND PRINCIPAL OFFICE

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38 Station Street
SUBIACO WA 6008

SHARE REGISTRY

Security Transfer Australia Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: (08) 9315 2333
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HOME EXCHANGE

Australian Securities Exchange Ltd
Exchange Plaza
2 The Esplanade
PERTH WA 6000
ASX Code: AO1

SOLICITORS

Jackson McDonald
225 St Georges Terrace
PERTH WA 6000

BANKERS

St George Bank
Level 2, Westralia Plaza
167 St Georges Terrace
PERTH WA 6000

DIRECTORS' REPORT

The Directors present their report together with the financial report of AssetOwl Limited (the Group, formerly, Regalpoint Resources Ltd) for the half year ended 31 December 2016 and the auditor's review report thereon.

DIRECTORS

The names and details of the Directors in office during the half year and until the date of this report are set out below.

- Shane L Stone (Chairman)
- Bruce McCracken (Executive Director)
- Simon Trevisan (Non-Executive Director)
- Ian Murchison (Non-Executive Director)
- Andrew Lane (Non-Executive Director - Appointed 23 December 2016)

Directors have been in office the entire period unless otherwise stated.

REVIEW OF OPERATIONS

During the half year ended 31 December 2016, AssetOwl Limited (**AssetOwl** or the **Group**) (formerly Regalpoint Resources Ltd) substantially completed its transformation from mineral exploration to technology and software development with the completion of the acquisition of AssetOwl Technologies Pty Ltd (formerly AssetOwl Pty Ltd, at acquisition date of 23rd of December 2016). This process followed a determination by the Board of the need to pursue new strategic investment opportunities following constrained activity in the junior exploration sector over recent years.

The acquisition of the AssetOwl business, together with other necessary resolutions to change the Company's activities, were approved by Shareholders at the Company's AGM on 5 December 2016. This included approval to: change the name of the Company to AssetOwl Limited; to undertake a consolidation of the Company's securities (on a 1 for 10 basis); and to undertake a \$3.5m capital raising (via a public offer of 17.5m shares at \$0.20 per Share, together with one free-attaching Option for every 2 shares subscribed) to provide working capital for the business and to satisfy the minimum NTA requirement for re-compliance with the ASX Listing Rules.

The \$3.5m capital raising was fully underwritten by Patersons Securities Limited and was completed in December 2016. The consolidation of the Company's securities and completion of the acquisition the AssetOwl business followed, and the Company satisfied the requirements to re-comply with Chapters 1 and 2 of the ASX Listing Rules and recommenced trading on the ASX on Friday 6 January 2017.

AssetOwl is an information technology and software development company, with a primary focus on addressing the issues faced by retailers with large geographically dispersed stores and a large number of aging company assets. It has developed a cloud-based enterprise asset visibility software platform for retail site management and analysis (ie the **Management Platform**), which also has application to other industries.

The Management Platform allows centrally based management to visualise the existing conditions of stores, both internally and externally, which are often geographically dispersed, enabling potential reductions in the time taken to make critical business decisions and facilitates significant savings in travel and staff costs.

The Management Platform has been under development for more than 2 years. During 2015 and 2016, AssetOwl has moved from a BETA phase to a minimum viable product in a production setting and has developed significant traction with potential customers.

DIRECTORS' REPORT

Near-term geographic and industry expansion potential is being evaluated through non-commercial trials with partners in other market segments, such as property asset management, in both the private and public sectors.

AssetOwl is seeking to demonstrate the value of the Management Platform through the customer trials in order to support a business case for the full roll-out of the platform across a customer's site or store network.

AssetOwl intends to focus on the implementation and commercial roll-out of the Management Platform with Australian retailers through 2017 before considering a targeted international strategy.

In respect of the Company's existing minerals exploration projects - (Rum Jungle, NT) and (Paroo Range, Qld) - these are no longer a core part of AssetOwl's activities and will be maintained while the Company completes a strategic review of the options to maximise value for Shareholders (other than the AssetOwl vendor shareholders). It is noted that the vendors of the AssetOwl business (who are now shareholders of the Company as a result of the transaction) agreed to renounce any rights to participate in, or receive any proceeds from, any eventual transaction relating to the Company's mineral exploration assets, in whatever form.

PRINCIPAL ACTIVITIES

AssetOwl Limited is a technology and software development company.

Prior to the acquisition of AssetOwl Pty Ltd, the principal operation of AssetOwl Limited (then known as Regalpoint Resources Ltd) was mineral exploration.

OPERATING RESULTS

The Group's net loss after providing for income tax for the half year ended 31 December 2016 amounted to \$697,018 (2015: \$259,144). At 31 December 2016, the Group has \$3,480,294 cash and cash equivalents (30 June 2016: \$1,097,149).

Following a change in accounting policy, in light of the Group's change in focus, Exploration and Evaluation expenditure which was previously capitalized has now been expensed. In the 6 month period to 31 December, an amount of \$41,995 has been recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Following the change in accounting policy, the carrying value of Exploration and Evaluation assets in the consolidated statement of financial position as at 30 June 2016 has been transferred to the retained earnings.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

All significant changes in the state of affairs of the Group during the half year are discussed in detail in the Review of Operations set out on page 4.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

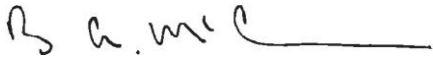
No matters or circumstances have occurred subsequent to reporting date that would have a material impact on the consolidated financial statements.

DIRECTORS' REPORT

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under S.307C of the Corporations Act 2001 is set out on page 7 for the half year ended 31 December 2016.

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

A handwritten signature in dark ink, appearing to read 'B. McCracken', followed by a horizontal line.

Bruce McCracken

Executive Director

Dated at Perth, Western Australia, this 28th of February 2017

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF ASSETOWL LIMITED

As lead auditor for the review of AssetOwl Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of AssetOwl Limited and the entity it controlled during the period.



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 28 February 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR HALF-YEAR ENDED 31 DECEMBER 2016

		HALF YEAR	
	Notes	31 December 2016	31 December 2015
		\$	Restated*
		\$	\$
Revenue from continuing operations		924	352
R&D Tax incentive benefit		24,535	-
Accounting expenses		(25,270)	(14,419)
Legal expenses		(164,073)	(11,738)
Corporate and administrative expenses		(224,084)	(109,363)
Management and Service fees		(30,000)	(60,000)
Exploration expenditure		(41,995)	(28,074)
Other expenses		(237,055)	(35,902)
LOSS BEFORE INCOME TAX	4	(697,018)	(259,144)
Income tax benefit		-	-
LOSS AFTER INCOME TAX		(697,018)	(259,144)
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(697,018)	(259,144)
Total comprehensive loss for the period is attributable to:		(697,018)	(259,144)
Basic loss (cents per share)	14	(2.43)	(3.83)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.

*Please refer to note 18 for details of change in accounting policy.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	31 December 2016 \$	30 June 2016 Restated* \$
CURRENT ASSETS			
Cash and cash equivalents	5	3,480,294	1,097,149
Trade and other receivables	6	1,074,274	11,818
TOTAL CURRENT ASSETS		4,554,568	1,108,967
NON-CURRENT ASSETS			
Intangible Assets (including goodwill)	7	5,835,820	-
TOTAL NON-CURRENT ASSETS		5,835,820	-
TOTAL ASSETS		10,390,388	1,108,967
CURRENT LIABILITIES			
Trade and other payables	8	448,710	76,703
Borrowings	9	503,848	-
Employee Benefit Obligations		86,322	1,928
Contingent Consideration Payable	10	1,500,000	-
TOTAL CURRENT LIABILITIES		2,538,880	78,631
NON-CURRENT LIABILITIES			
Contingent Consideration Payable	10	709,955	-
TOTAL NON-CURRENT LIABILITIES		709,955	-
TOTAL LIABILITIES		3,248,835	78,631
NET ASSETS		7,141,553	1,030,336
EQUITY			
Contributed Equity	11	17,053,563	11,704,402
Reserves	12	1,518,435	59,361
Accumulated Losses		(11,430,445)	(10,733,427)
TOTAL EQUITY		7,141,553	1,030,336

The above Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

*Please refer to note 18 for details of change in accounting policy.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR HALF-YEAR ENDED 31 DECEMBER 2016

	Notes	Contributed Equity \$	Option Reserve \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2016 (Restated)		11,704,402	59,361	(10,733,427)	1,030,336
Loss for the half year		-	-	(697,018)	(697,018)
Total comprehensive loss for the half year		-	-	(697,018)	(697,018)
Transactions with equity holders in their capacity as equity holders					
Shares issued for capital raising	11	3,500,000	-	-	3,500,000
Shares issued for acquisition of AssetOwl Technologies Pty Ltd	2	3,000,000	-	-	3,000,000
Shares issued for advisory services in relation to the acquisition of AssetOwl Technologies Pty Ltd	11, 13	200,000	-	-	200,000
Options issued to underwriters	12, 13	(950,583)	950,583	-	-
Vendor Options	2, 12	-	508,491	-	508,491
Share issue costs during the half year	11	(400,256)	-	-	(400,256)
BALANCE AT 31 DECEMBER 2016		17,053,563	1,518,435	(11,430,445)	7,141,553
BALANCE AT 1 JULY 2015 (Restated*)		9,758,246	59,361	(10,213,309)	(395,702)
Total comprehensive loss for the half year (restated)		-	-	(259,144)	(259,144)
BALANCE AT 31 DECEMBER 2015		9,758,246	59,361	(10,472,453)	(654,846)

The above Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

*Please refer to note 18 for details of change in accounting policy.

CONSOLIDATED STATEMENT OF CASH FLOW FOR HALF-YEAR ENDED 31 DECEMBER 2016

	Notes	HALF YEAR	
		31 December 2016	31 December 2015
		\$	Restated* \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(625,190)	(124,019)
Payments for exploration and evaluation expenditure		(41,995)	(25,326)
Interest received		924	352
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES		(666,261)	(148,993)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash acquired on acquisition of businesses	2	16,525	-
NET CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES		16,525	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares (net of transaction costs)		3,032,881	-
Proceeds from borrowings		-	72,945
NET CASH PROVIDED BY FINANCING ACTIVITIES		3,032,881	72,945
NET INCREASE/(DECREASE) IN CASH HELD		2,383,145	(76,048)
Cash and cash equivalents at beginning of period		1,097,149	78,457
CASH AT END OF PERIOD		3,480,294	2,409

The above Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

*Please refer to note 18 for details of change in accounting policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of Half-Year Financial Statements

This half-year financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include full disclosures of the type normally included within the annual financial statements. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as the full financial statements.

It is recommended that the half-year financial report be read in conjunction with the annual financial statements for the year ended 30 June 2016 and considered together with any public announcements made by the Group during the half-year ended 31 December 2016 in accordance with the continuous disclosure requirements arising under Corporations Act 2001 and the ASX Listing Rules.

All amounts are presented in Australian dollars, unless otherwise noted.

These half-year financial statements were approved by the Board of Directors on 28th of February 2017.

(b) Changes in and adoption of new accounting policies

The Group's accounting policies are consistent with the policies adopted for the previous financial year, except for with respect to accounting for exploration and evaluation expenditure.

In addition, the Group's accounting policies have been expanded, necessitated by the business acquisition and capital raising transactions which have occurred in the half year to 31 December 2016.

Accounting for Exploration and Evaluation Expenditure and new accounting policies adopted by the Group are disclosed below.

i. Exploration and Evaluation Expenditure

The Group re-assessed its accounting for exploration and evaluation expenditure with respect to the treatment of exploration and evaluation expenditure. For each area of exploration, the Group had previously capitalised exploration and evaluation expenditure incurred by the Group provided:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditure is expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and/or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

During the period, the Group elected to change the method of accounting for exploration and evaluation expenditure, and to this end, the expenditure on exploration and evaluation activity is now expensed as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The change in accounting policy has been applied retrospectively. As a consequence, adjustments were recognised in the Consolidated Statement of Financial Position as of 1st of July 2015 and comparative figures have been restated accordingly.

Refer to note 18 for disclosure on the impact of this change in accounting policy.

The Group believes that expensing exploration and evaluation expenditure as it is incurred is now appropriate given the group's significant change in business operations from that of an exploration and evaluation entity to a software development company and will provide users of the financial report with more relevant information.

As a software company, having an exploration and evaluation expenditure capitalised does not provide users with relevant information about the financial position of the Group.

The change in the Group's operation has arisen through its acquisition of AssetOwl Pty Ltd in December 2016, refer to note 2.

ii. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- Fair values of the assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the group
- Fair value of any asset or liability resulting from a contingent consideration arrangement, and
- Fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred; amount of any non-controlling interest in the acquired entity; and the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

iii. Intangible Assets

(a) Goodwill

Goodwill is measured as described in note 1(ii). Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 3).

(b) Intellectual Property

Intellectual property represents an intangible asset which underpins the business of the Group; this was acquired by the company at the company's inception and represents a capital contribution. Intellectual property is measured initially at fair value and subsequently measured on the cost model.

Intellectual property is amortised on a straight line basis over 3 years.

iv. Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost. Financial liabilities in the former category include contingent consideration payable on business combinations, financial liabilities in the latter category include trade payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Fair value is determined based on the value of the entity's equity instruments when the related business combination takes place.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are subsequently measured, at each reporting date, at the fair value of the amount estimated to settle the liability. The increase or decrease in the value of the liability, other than movements in the value of the liability which arise through part settlement of the liability is recognised in the profit or loss.

Financial liabilities at amortised cost

Trade and other payables are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the entity. Trade accounts payable are normally settled within 60 days.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Significant accounting judgements, estimates and assumptions

The preparation of the half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty relate to the following:

- Amortisation of Intangible Assets (note 1 iii(B), note 7)
- Contingent Consideration (note 2, note 10)
- R&D receivable (note 6)
- Goodwill (note 7)
- Share based payments (note 13)

2. Business Combination

On the 23rd of December 2016, AssetOwl Limited (formerly Regalpoint Resources Ltd) acquired 100% of the shares of AssetOwl Pty Ltd, an information technology and software development company, for consideration of \$5,718,446. The acquisition has changed the nature of AssetOwl Limited (formerly Regalpoint Resources Ltd), which was previously an exploration company.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Total
Purchase Consideration	
15,000,000 shares, issued at 20c per share	3,000,000
5,000,000 vendor options, exercisable at 25c per option, expiring 31 March 2019	508,491
15,000,000 Class A Performance Rights	1,500,000
7,500,000 Class B Performance Rights	500,000
3,149,319 Class C Performance Rights	209,955
Total Purchase Consideration	5,718,446
Net liabilities acquired	(29,477)
Fair value attributable to assets required (Goodwill)	5,747,923

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Business Combination (continued)

The provisionally accounted assets and liabilities recognised as a result of the acquisition are as follows:

	Total
Cash and Cash Equivalent	16,525
Office Bond Paid	400
R & D Offset Receivable	329,481
Shareholder's loan	58,081
Formation Expenses	397
Intellectual Property	89,583
Vendor receivable*	161,288
Payables	(184,643)
R&D Funding	(500,589)
Net Identifiable Liabilities Acquired	(29,477)
Add: goodwill	5,747,923
	5,718,446

*Under the terms of the share sale and purchase agreement, AssetOwl agreed to acquire AssetOwl Technologies Pty Ltd with a net indebtedness at completion date of \$140,000. This \$161,288 represents the amount owing to AssetOwl which will result in the net indebtedness becoming \$140,000.

AssetOwl Technologies Pty Ltd is considered an attractive investment opportunity and was acquired to provide shareholders with the opportunity to realise an increase in the value of the Group through earnings growth.

AssetOwl is currently involved in software research and development to be able to provide services to its customers; consequently the current nature of assets acquired are largely intangible. The goodwill recognised represents the expectation of future earnings in the company as the company moves from a development stage to commercialisation.

Contingent Consideration:

The contingent consideration arrangement requires AssetOwl Limited to potentially make further payments to the vendors of the acquired business based on the achievement of performance milestones over the next three years.

To effect this contingent consideration arrangement, AssetOwl Limited has granted 25,649,319 performance rights, which vest over the three calendar years to 31 December 2019. Should the performance rights vest, the liability can be settled in either shares in AssetOwl Limited or in cash, at the election of AssetOwl Limited.

The performance milestones in each year relate to the number of stores in which AssetOwl services are deployed, Revenue and Net profit before tax (NPBT). The milestones are as below:

Milestone 1:

- Issue up to 15,000,000 shares (one share for each vested performance right) or pay cash of 20c per vested performance right.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Business Combination (continued)

- The performance rights vest upon the achievement of pre-determined targets relating to number of stores, revenue and profit. 1/3rd of the performance rights will vest for each target which is achieved. The target quantum of these metrics is listed below.

Targets for Milestone 1 relate to the calendar 2017 year, if the Milestone 1 targets disclosed below are not achieved during that year, the underlying performance rights for that year will lapse. Number of stores means the number of stores at the end of the year.

Milestone 2:

- Issue up to 7,500,000 shares (one share for each vested performance right) or pay cash of 40c or higher per vested performance right.
- The vesting price of the performance rights will be the higher of \$0.40 and the volume-weighted average price (VWAP) of shares traded on the ASX over the 14 trading days prior to the end of Year 2.
- The performance rights vest upon the achievement of pre-determined targets relating to number of stores, revenue and profit. 1/3rd of the performance rights will vest for each target which is achieved. The target quantum of these metrics is listed below.

Targets for Milestone 2 relate to the calendar 2018 year, if the Milestone 2 targets disclosed below are not achieved during that year, the underlying performance rights for that year will lapse. Number of stores means the number of stores at the end of the year.

Milestone 3:

- Issue up to 3,149,319 shares (one share for each vested performance right) or pay cash of 40c or higher per vested performance right.
- The vesting price of the performance rights will be the higher of \$0.40 and the volume-weighted average price (VWAP) of shares traded on the ASX over the 14 trading days prior to the end of Year 3.
- The performance rights vest upon the achievement of pre-determined targets relating to number of stores, revenue and profit. 1/3rd of the performance rights will vest for each target which is achieved. The target quantum of these metrics is listed below.

On acquisition date, AssetOwl granted 3,149,319 performance rights to the Vendors of AssetOwl Pty Ltd. The total number of performance rights which may be issued under Milestone 3 is 7,500,000, the additional 4,350,681 performance rights is subject to the below targets being met and the company receiving shareholder approval to issue the additional performance rights.

Targets for Milestone 3 relate to the calendar 2019 year, if the Milestone 3 targets disclosed below are not achieved during that year, the underlying performance rights for that year will lapse. Number of stores means the number of stores at the end of the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Business Combination (continued)

Milestone targets:

The milestone targets for milestones 1, 2 and 3 are as below, 33% of each year's maximum performance rights will vest upon achievement of each of the stated targets.

	Milestone 1	Milestone 2	Milestone 3
Number of Stores	320	1,152	1,408
Revenue	\$3,008,000	\$5,760,000	\$10,400,000
NPBT	Break-even	\$1,792,000	\$5,696,000

For all milestones, there is no minimum amount payable. For the purposes of these accounts, AssetOwl management have assigned 50% of the value of milestone 1 targets, 33% of the milestone 2 targets and a 33% of the milestone 3 targets as a liability.

If liability settled in cash (at the election of AssetOwl Limited):

For each performance right that vests, the amount payable in cash is equivalent to the deemed vesting price of each performance right.

As part consideration for the acquisition of AssetOwl Technologies Pty Ltd, 5,000,000 options were issued to the vendors of the company. The fair value of these options is \$508,491 and this amount has been recognised in the option premium reserve.

The fair value of these options granted was calculated as 10.17 cents each using the Black-scholes options valuation methodology and applying the following inputs:

- Exercise price: \$0.25
- Grant date: 23 December 2016
- Expiry date: 31 March 2019
- Share price at grant date: \$0.20
- Expected price volatility of the company's shares: 100%
- Expected dividend yield: 0%
- Risk-free interest rate: 2.07%

Contribution to result of AssetOwl Limited:

During the period since acquisition, the AssetOwl business generated a loss of \$37,440. If the acquisition had taken place at the beginning of the period, the loss for the period would have been \$698,797.

Acquisition-related costs:

Acquisition-related costs of \$200,000 that were not directly related to the issue of shares are included in other expenses, this amount is the value of 1,000,000 shares at 20c per share which were issued for advisory services. Refer to note 13.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Business Combination (continued)

Cash flow for acquisition:

Consideration for AssetOwl Technologies Pty Ltd is solely equity instruments, therefore no cash outflow occurred, cash of \$16,525 was acquired with the acquisition of AssetOwl Technologies Pty Ltd.

3. SEGMENT INFORMATION

The directors have considered the requirements of AASB 8 – Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker, which is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated statement of cash flows.

For the half year ended 31 December 2016, the Consolidated Entity had only one geographical location being Australia and operated in two business segments being a Software Development and mineral exploration. The operating segment of Software Development was acquired on the 23rd of December 2016 and the results shown below therefore only include the period since the date of acquisition.

From 23 December 2016, when AssetOwl Pty Ltd was acquired, the nature of the company changed to that of a software development company, and in future periods management will monitor the business of AssetOwl Technologies Pty Ltd as a separate segment to the mineral exploration segment.

Segment information provided to the executive management committee for the half year ended 31 December 2016 is as follows:

	Software Development	Mineral Exploration	Corporate Administration	Total (Restated**)
31 December 2016				
Reportable segment profit/(loss)	-	(41,995)	-	(41,995)
Other profit/(loss)	(37,440)	-	(747,839)	(785,279)
Reportable segment assets	6,370,485	-	4,019,903	10,390,388
Reportable segment liabilities	2,899,434	-	349,401	3,248,835
31 December 2015 (Restated)				
Reportable segment profit/(loss)	N/A	(28,074)	-	(28,074)
Other profit/(loss)	N/A	(231,070)	-	(231,070)
Reportable segment assets	N/A	-*	1,108,967	1,108,967
Reportable segment liabilities	N/A	1,650	76,981	78,631

* During the period the Group elected to change the method of accounting for exploration and evaluation expenditure, and to this end, the Group's consolidated Statement of Financial Position now reflects that exploration and evaluation expenditure which was previously capitalised, is now expensed as incurred.

**Refer to note 18 regarding the impact of this change in accounting policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. SEGMENT INFORMATION (continued)

Reconciliation of reportable segment loss to the Consolidated Statement of Profit or Loss and Other Comprehensive Income

	31 December 2016	31 December 2016	31 December 2016	31 December 2015 (Restated*)
	Software Development	Mineral Exploration	Corporate Administration	
Reportable segment profit/(loss)	-	(41,995)		(28,074)
Other profit/(loss)				
• Interest revenue	-	-	924	352
• R & D Benefit	24,535	-	-	-
• Depreciation and amortisation	(2,083)	-	-	-
• Corporate and administration	(37,638)	-	(190,624)	(109,363)
• Management and service fee	-	-	(30,000)	(60,000)
• Accounting expenses	(8,550)	-	(16,720)	(14,419)
• Legal expenses	-	-	(294,329)	(11,738)
Other expenses	(13,704)	-	(217,090)	(35,902)
Profit/(Loss) after income tax benefit	(37,440)	(41,995)	(747,839)	(259,144)

*Refer to note 18 regarding the impact of this change in accounting policy.

4. REVIEW OF EXPENDITURE

Expenditure in the current period is higher than the prior period. This increased expenditure has arisen through actions associated with the capital raising which occurred during the year and with the acquisition of AssetOwl Technologies Pty Ltd. Expenditure incurred during the half year not incurred in the prior period includes ASX listing fees and Transactional advisory fees relating to acquisition of AssetOwl Technologies Pty Ltd, collectively \$477,009.

5. CASH AND CASH EQUIVALENTS

	31 December 2016 \$	30 June 2016 \$
Cash at bank and in hand	3,480,294	1,097,149
	3,480,294	1,097,149

The increase in cash at bank is the result of the public offer which was completed in December 2016, generating \$3,500,000 before costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. RECEIVABLES

	31 December 2016	30 June 2016
	\$	\$
Trade receivables	275	-
Office bond paid	400	-
R&D Offset receivable ⁽¹⁾	354,016	-
GST receivable	38,095	11,818
Related party loan receivable (note 17)	53,081	-
Vendor receivable (note 2)	161,288	-
Share issue proceeds receivable ⁽²⁾	467,119	-
	1,074,274	11,818

(1) The R&D offset receivable amount represents the expected refundable tax offset arising from AssetOwl Technologies Pty Ltd's research and development activity for the 2017 financial year. While the methodology for calculating the amount of the receivable is consistent with successfully lodged refundable R&D offset claims the measurement of this amount involves judgement and as a result, is an estimate. The quantum of this amount will only be confirmed once the R&D rebate for the 2017 financial year is finalised.

(2) Share proceeds receivable is the balance of funds owing to the company in relation to the capital raising by the company which was completed in December 2016, to raise funds of \$3.5M. This was received in full during the month of January 2017.

Due to their short-term nature, the carrying amounts of the current receivables are assumed to approximate their fair value.

7. INTANGIBLE ASSETS

	31 December 2016	30 June 2016
	\$	\$
Intellectual property	87,897	-
Goodwill	5,747,923	-
	5,835,820	-

The intellectual property and goodwill held by the company have arisen upon the acquisition of AssetOwl Technologies Pty Ltd which occurred in December 2016. Intellectual property is recognised at the value recognised at acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. TRADE AND OTHER PAYABLES

	31 December 2016	30 June 2016
	\$	\$
Trade Payables	178,710	12,861
Accrued Expenses	270,000	63,842
	448,710	76,703

The increase in trade and other payables is directly attributable to the acquisition of AssetOwl Technologies Pty Ltd.

Due to their short-term nature, the carrying amounts of the current payables are assumed to approximate their fair value.

9. BORROWINGS

	31 December 2016	30 June 2016
	\$	\$
R&D Funding	503,848	-
	503,848	-

The loan is secured against the R&D rebate arising from relevant expenditure in the 2017 financial year. The loan is repayable on the earlier of when the R&D rebate relating to the 2017 financial year is received and 1 December 2017. No instalment payments required to be made up until this time however AssetOwl Limited has the option to repay the loan earlier. The loan is interest bearing at a rate of 20% and is carried at amortised cost.

10. FINANCIAL LIABILITIES THROUGH PROFIT OR LOSS

	31 December 2016	30 June 2016
	\$	\$
Contingent Consideration		
Current Liability		
15,000,000 Class A Performance Rights	1,500,000	-
Total Current Liability	1,500,000	-
Non-Current Liability		
7,500,000 Class B Performance Rights	500,000	-
3,149,319 Class C Performance Rights	209,955	-
Total Non-Current Liability	709,955	-
Total Liability	2,209,955	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. FINANCIAL LIABILITIES THROUGH PROFIT OR LOSS (continued)

The value of the contingent consideration is the board's assessment of the value of performance rights issued under the agreement for the acquisition of AssetOwl Technologies Pty Ltd.

The performance rights vest over the three years to 31 December 2019, the value above is based on:

- The current likelihood of performance milestone targets, as detailed in Note 2 being met,
- The number of performance rights which may vest under the share purchase agreement for the acquisition of AssetOwl Technologies Pty Ltd; and
- The price of shares issued by the company in December 2016 to acquire the company. The price of shares issued to acquire AssetOwl Technologies Pty Ltd was 20c per share, this price being consistent with the value of shares issued in the capital raising which was completed in December 2016.

The financial liability is a level 3 financial instrument. The following table summarises the quantitative information about the significant unobservable inputs used in this level 3 fair value measurement:

Description	Fair Value at 31 December 2016	Unobservable inputs	Range of Inputs	Relationship of inputs to fair value
Contingent consideration	2,209,955	Probability of achieving milestones disclosed above	Milestone 1: 50% Milestone 2: 33% Milestone 3: 33%	If the probability of achieving each milestone was 10% higher or lower, the fair value would increase/decrease by \$515,138

11. SHARE CAPITAL

	No. of shares	\$
Opening balance 1 July 2015	67,605,280	9,758,246
Rights issue allotment	202,815,840	2,028,159
Share issue costs	-	(82,003)
Balance at 30 June 2016	270,421,120	11,704,402
Opening balance 1 July 2016	270,421,120	11,704,402
Share Consolidation (Consolidation of 1 for 10 Basis)	(243,379,004)	-
Public offer*	17,500,000	3,500,000
Acquisition of AssetOwl Technologies Pty Ltd	15,000,000	3,000,000
Advisory fee for acquisition of AssetOwl Technologies Pty Ltd	1,000,000	200,000
Share issue costs*	-	(1,350,839)
Closing balance 31 December 2016	60,542,116	17,053,563

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. SHARE CAPITAL (continued)

*On the 9th of November 2016, AssetOwl Limited (then called Regalpoint Resources Ltd) issued a prospectus to issue 17,500,000 shares at \$0.20 per share to raise \$3,500,000. The public offer was fully underwritten.

In connection with the stated public offer, fees and costs amounting to \$1,350,839 were incurred, represented by fees of fee of \$400,256 and the issuing 11,000,000 options at an assessed fair value of \$950,583 (refer Note 13).

12. RESERVES

	31 December 2016	30 June 2016
	\$	\$
Option Premium Reserve		
Opening Balance	59,361	59,361
Options Issued (i)	508,491	-
Options Issued (ii)	950,583	-
Closing Balance	1,518,435	59,361

The option premium reserve represents the value of options issued to key management personnel, vendors and for services in relation to capital raisings.

(i) During the half year, 5,000,000 options exercisable at \$0.25 were issued to the vendors of AssetOwl Technologies Pty Ltd as part consideration for the acquisition of the company. Refer to note 2 Business combination for detail on the inputs for valuation of these options.

(ii) During the half year, 11,000,000 options exercisable at \$0.40 were issued to Patersons Securities Limited for the underwriting of AssetOwl Limited's capital raising which was completed in December 2016. Refer to note 13 below for detail on the inputs for valuation of these options.

13. SHARE BASED PAYMENTS

Shares Issued

During the half year ended 31 December, AssetOwl Limited issued 1m shares for advisory services in relation to the acquisition of AssetOwl Technologies Pty Ltd.

These shares were issued on the 23rd of December at a share price 20c per share and are collectively valued at \$200,000. The Group cannot estimate reliably the value fair value of the service received, therefore have measured the services received and amount expensed, by reference to the fair value of the equity instruments granted.

Options Issued

During the year, 11,000,000 options were issued to Patersons Securities Limited for the underwriting of AssetOwl Limited's capital raising which was completed in December 2016. The fair value of services provided cannot be reliably measured and therefore the fair value of the services provided has been determined by reference to the value of equity instruments granted. The fair value of these options is assessed at \$950,583 and this amount has been recognised in share issue costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. SHARE BASED PAYMENTS (continued)

The fair value of these options granted was calculated as 8.64 cents each using the Black-Scholes options valuation methodology and applying the following inputs:

- Exercise price: \$0.40
- Grant date: 23 December 2016
- Expiry date: 30 June 2019
- Share price at grant date: \$0.20
- Expected price volatility of the company's shares: 100%
- Expected dividend yield: 0%
- Risk-free interest rate: 2.07%

14. LOSS PER SHARE

The calculation of basic loss per share as at 31 December 2016 was based on the loss attributable to ordinary shareholders of \$697,018 (2015: \$259,144) and a weighted average number of ordinary shares outstanding at the end of the half year is 28,680,703 (2015: 6,760,528).

	31 December 2016 \$	31 December 2015 Restated \$
Basic loss per share (cents per share)	(2.43)	(3.83)
a) Reconciliation of earnings to operating loss		
Loss attributable to ordinary shareholders		
Loss after tax	(697,018)	(259,144)
Loss used in the calculation of EPS	(697,018)	(259,144)
b) Weighted average number of ordinary shares (WANOS) outstanding during the half year	31 December 2016	31 December 2015
WANOS used in calculating basic loss per share	28,680,703	6,760,528
	28,680,703	6,760,528

Note: For comparative purposes, the numbers of shares on issue at 31 December 2015 has been adjusted to reflect the 10:1 consolidation of shares during the period ended 31 December 2016.

Effect of dilutive securities: Share options are not considered dilutive as the conversion of options to ordinary shares will result in a decrease in the net loss per share.

15. CONTINGENT LIABILITIES

In a future period, as described in note 2 above, AssetOwl Limited may issue an additional 4,350,681 performance rights to the vendors of AssetOwl Pty Ltd, the company which AssetOwl Limited acquired in December 2016. Issuing of these performance rights will only be confirmed through the following future events:

- The achievement of milestone targets set under the terms of the business acquisition agreement
- Receiving shareholder approval to issue the additional performance rights.

The Board is not aware of other any circumstances or information which leads them to believe there are other material contingent liabilities outstanding as at 31 December 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. COMMITMENTS

The Commitment expenditure at reporting date is as follows:

Administration Services Fees Commitment

The Group entered into an Administration Services Agreement with Transcontinental Investments Pty Ltd and agreed to retain to provide administration services to the Group on the terms and conditions set out in the agreement. These services include the engagement of Mr. Simon Trevisan as an Executive Director and Mrs. Fleur Hudson as Company Secretary.

The Group must pay a monthly fee to Transcontinental Investments plus reimbursement for each month of the certain costs, expenses and liabilities incurred and/or paid by Transcontinental Investments on behalf of the Group during the month. The fee is currently \$5,000 plus GST per month, which will required to be paid in full by the Group on ordinary terms rather than being accrued.

Simon Trevisan (an Executive Director of the Company) is a Director and Shareholder of the Transcontinental Investments.

17. RELATED PARTY INFORMATION

Transactions with Related Parties

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

The following transaction occurred with related parties for the half-year ended 31 December 2016.

	31 December 2016	31 December 2015
	\$	\$
Other transactions		
Administration Fee paid to Transcontinental Investments	30,000	60,000
Accounting Fee paid to Matrix Partners Pty Ltd	8,550	-
	38,550	60,000

Notes in relation to the table of related party transactions.

Transcontinental Investments

A Company associated with Mr. Trevisan provides office space, office equipment, supplies, corporate management and administration services in connection with the operations of the Group and amounts are payable on a monthly basis. Corporate administration services include those services necessary for the proper administration of a small public Company, including the engagement of Mr Simon Trevisan as an Executive Director and Mrs Fleur Hudson as Company Secretary.

The Group must pay a monthly fee to Transcontinental Investments Pty Ltd (TRG) plus reimbursement for each month of the certain costs, expenses and liabilities incurred and/or paid by TRG on behalf of the Group during the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. RELATED PARTY INFORMATION (continued)

month. From 1 July 2016, TRG charged a monthly fee of \$5,000 plus GST per month for Administration Services, which has been paid in full by the Group on ordinary terms, rather than being accrued.

Simon Trevisan (an Executive Director of the Company) is a Director and Shareholder of the Transcontinental Investments.

Matrix Partners Pty Ltd

A Company associated with Mr. Lane provides accounting, taxation and business advisory services in connection with the operations of the Group.

Amounts are charged on a time taken basis by the relevant staff members and invoiced monthly by Matrix Partners Pty Ltd on 30 days terms. The transactions are based on normal commercial terms and conditions.

Andrew Lane (a Non-Executive Director of the Company) is a Director and Shareholder of Matrix Partners Pty Ltd.

The amount owing to Matrix Partners Pty Ltd at 31 December 2016 is disclosed below.

Related party loan receivable

A related party loan receivable was acquired with the acquisition of AssetOwl Pty Ltd; this amount is owed by the Group's CEO.

	31 December 2016	30 June 2016
	\$	\$
Related party loan receivable	53,081	-
	53,081	-

The related party loan receivable is interest free and is being paid by the CEO \$5,000 per month.

Related party loans payable

R&D Funding Loan

The R&D funding loan outstanding at 31 December 2016 in the amount of \$503,848 is owed to various counter parties including a company which Mr Andrew Lane, a non-executive director of AssetOwl Limited, is a director, the amount owed to this company represents 23.6% (\$118,791) of the outstanding loan balance.

Detail on the terms and conditions of this loan is disclosed at note 9.

Matrix Partners Pty Ltd

The amount owing to Matrix Partners Pty Ltd at 31 December 2016 is \$33,836 (inclusive of GST).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. CHANGE IN ACCOUNTING POLICY

As described in Note 1 (b) (i) as a result of the change in accounting policy the prior year financial statements had to be restated. The below table shows the adjustments recognized for each individual line item, line items not affected by the change have not been included.

Statement of Profit or Loss and Other Comprehensive Income (Extract)

	31 December 2015 (Previously stated) \$	Impact of restatement \$	31 December 2015 Restated \$
Revenue from continuing operations	352		352
Accounting expenses	(14,419)	-	(14,419)
Legal expenses	(11,738)	-	(11,738)
Corporate and administrative expenses	(109,363)	-	(109,363)
Management and Service fees	(60,000)	-	(60,000)
Exploration expenditure	(2,748)	(25,326)	(28,074)
Other expenses	(35,902)	-	(35,902)
LOSS BEFORE INCOME TAX	(233,818)	(25,326)	(259,144)
Income tax benefit	-	-	-
LOSS AFTER INCOME TAX	(233,818)	-	(259,144)
Other Comprehensive Income	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(233,818)	-	(259,144)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. CHANGE IN ACCOUNTING POLICY (continued)

Statement of Financial Position (Extract)

	30 June 2016 (Previously stated) \$	Impact of restatement	30 June 2016 (Restated) \$
CURRENT ASSETS			
Cash and cash equivalents	1,097,149	-	1,097,149
Trade and other receivables	11,818	-	11,818
Total Current Assets	1,108,967	-	1,108,967
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	1,582,707	(1,582,707)	-
TOTAL NON-CURRENT ASSETS	1,582,707	(1,582,707)	-
TOTAL ASSETS	2,691,674	(1,582,707)	-
CURRENT LIABILITIES			
Trade and other payables	76,703	-	76,703
Employee Benefit Obligation	1,928	-	1,928
Total Current Liabilities	78,631	-	78,631
TOTAL LIABILITIES	78,631	-	78,631
NET ASSETS	2,613,043	(1,582,707)	1,030,336

As a result of this restatement there was an impact on opening retained earnings at 1 July 2015 and 1 July 2016 of:

	1 July 2015 (Previously stated) \$	Impact of restatement \$	1 July 2015 Restated \$
Accumulated Losses	(8,720,656)	(1,492,653)	(10,213,309)

	1 July 2016 (Previously stated) \$	Impact of restatement \$	1 July 2016 Restated \$
Accumulated Losses	(9,150,720)	(1,582,707)	(10,733,427)

19. EVENTS OCCURRING AFTER THE REPORTING PERIOD

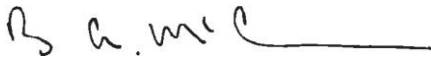
No matters or circumstances have occurred subsequent to reporting date that would have a material impact on the consolidated financial statements.

DIRECTORS' DECLARATION

In the opinion of the directors of AssetOwl Limited:

1. The financial statements and notes set out on pages 8 to 29, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated financial position as at 31 December 2016 and of its performance, for the half year ended on that date; and
 - (b) complying with Australian Accounting Standards AASB 134 Interim Financial Reporting, the Corporation Regulations 2001 and the mandatory professional reporting requirements; and
2. There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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



Bruce McCracken

Executive Director

Dated at Perth, Western Australia, this 28th of February 2017

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AssetOwl Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of AssetOwl Limited, which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entity it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of AssetOwl Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of AssetOwl Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of AssetOwl Limited is not in accordance with the Corporations Act 2001 including:

- (i) Giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink. The first part of the signature is 'BDO' in a stylized, blocky font. Below it, the name 'J Prue' is written in a cursive script.

Jarrad Prue

Director

Perth, 28 February 2017