



RESULTS FOR ANNOUNCEMENT TO THE MARKET

APPENDIX 4D HALF YEAR INFORMATION GIVEN TO ASX UNDER LISTING RULE 4.2A

Name of entity	iWebGate Limited
ABN	55 141 509 426
Half year ended	31 December 2014
Previous corresponding period	30 June 2014

The information contained in this report should be read in conjunction with the most recent annual financial report.

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1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

			<u>31 December 2014</u>	<u>30 June 2014</u>
			(6 months)	(12 months)
Revenue from ordinary activities	Down	83%	268,122	1,569,331
(Loss) from ordinary activities after income tax attributable to members	Up	109%	(3,951,491)	(1,889,175)
Total comprehensive loss attributable to members	Up	107%	(3,941,105)	(1,899,434)

On 5 December 2014 iWebGate Limited (formerly My ATM Holdings Limited) completed the acquisition of iWebGate Technology Limited and its controlled subsidiaries ("iWebGate Group"). Under the Australian Accounting Standards iWebGate Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which iWebGate Group acquires the net assets and listing status of iWebGate Limited.

Accordingly the consolidated financial statements of iWebGate Limited have been prepared as a continuation of the business and operations of iWebGate Group. As the deemed acquirer, iWebGate Group has accounted for the acquisition of iWebGate Limited from 5 December 2014. The comparative information for the 6 months ended 31 December 2013 is not available for the iWebGate Group therefore the comparative information presented in the consolidated financial statements is that of iWebGate Group as presented in its last set of year-end audited financial statements.

The net loss for the consolidated entity after providing for income tax amounted to \$3,951,491 (30 June 2014 \$1,889,175). The loss for the period includes:

- a one off non-cash expense of \$1,057,229 from the Australian Accounting Standards treatment of the acquisition of the iWebGate Group plus a one off cost of \$200,000 for the issue of facilitation shares,
- development and commercialisation of the networking and internet security systems expenses of \$1,865,792,
- financing expenses of \$409,097, and
- an operating loss of \$408,988.

The financial position of the consolidated entity depends on sales from the commercialisation of the networking and internet security systems. The networking and internet security industry is a fast moving industry and the rate of technological change is significant. The main risk for the consolidated entity, and therefore the focus of management, is sales from the commercialisation of the networking and internet security systems.

2. NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA backing)

Current period	Previous corresponding period
6.28 cents	(26.28) cents

3. DETAILS OF CONTROLLED ENTITIES

3.1 Control gained over entities during the period – 100% of iWebGate Technology Limited and its controlled subsidiaries being iWebgate APAC Pty Ltd, iWebGate Inc, and GhostNetwork Corp.

3.2 Loss of control of entities during the period - Nil

4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

4.1 Equity accounted Associates and Joint Venture Entities - Nil

5. DIVIDENDS

No dividends have been declared for the half year ended 31 December 2014 or for the previous corresponding period.

6. ACCOUNTING STANDARDS

AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Interpretations have been used in compiling the information in this Appendix 4D.

7. REVIEW STATUS

The Half Year Interim Financial Report has been reviewed.



IWEBGATE LIMITED

A.C.N. 141 509 426

INTERIM FINANCIAL REPORT

HALF-YEAR ENDED 31 DECEMBER 2014

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DIRECTORS' REPORT



The Directors of iWebGate Limited (formerly My ATM Holdings Limited) present their report on the Consolidated Entity consisting of iWebGate Limited ("Company" or "iWebGate") and the entities it controlled at the end of, or during, the half-year ended 31 December 2014 ("Consolidated Entity" or "Group").

Directors

The names of directors who held office during or since the end of the half year are:

- Adam Sierakowski (appointed 23 July 2012)
- Timothy Gooch (appointed 10 December 2014)
- Mark Harrell (appointed 10 December 2014)
- KC Ong (resigned 10 December 2014)
- Richard Wolanski (resigned 10 December 2014)

Significant change in the State of Affairs

On 5 December 2014 iWebGate Limited (formerly My ATM Holdings Limited) completed the acquisition of iWebGate Technology Limited and its controlled subsidiaries ("iWebGate Group"). Under the Australian Accounting Standards iWebGate Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which iWebGate Group acquires the net assets and listing status of iWebGate.

Accordingly the consolidated financial statements of the iWebGate Limited Group have been prepared as a continuation of the business and operations of iWebGate Group. As the deemed acquirer iWebGate Group has accounted for the acquisition of iWebGate Limited from 5 December 2014. The comparative information for the 6 months ended 31 December 2013 is not available for the iWebGate Group therefore the comparative information presented in the consolidated financial statements is that of iWebGate Group as presented in its last set of year-end audited financial statements.

There were no other significant changes in the state of affairs of the Consolidated Entity other than those disclosed in other areas of this Annual Financial Report.

Principal activities

Since the completion of the acquisition of the iWebGate Group the principal activities of the Group is the development and commercialisation of networking and internet security systems.

Review of operations

The net loss for the consolidated entity after providing for income tax amounted to \$3,951,491 (30 June 2014 \$1,889,175). The loss for the period includes:

- a one off non-cash expense of \$1,057,229 from the Australian Accounting Standards treatment of the acquisition of the iWebGate Group plus a one off cost of \$200,000 for the issue of facilitation shares,
- development and commercialisation of the networking and internet security systems expenses of \$1,865,792,
- financing expenses of \$409,097, and
- an operating loss of \$408,988.

The financial position of the consolidated entity depends on sales from the commercialisation of the networking and internet security systems. The networking and internet security industry is a fast moving industry and the rate of technological change is significant. The main risk for the consolidated entity, and therefore the focus of management, is sales from the commercialisation of the networking and internet security systems.

DIRECTORS' REPORT (continued)



ATM Business

Following the acquisition of the iWebGate Group the Company will no longer pursue its ATM business.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 3 for the half year ended 31 December 2014.

This report is signed in accordance with a resolution of the Board of Directors

A handwritten signature in black ink, appearing to read "Adam Sierakowski". The signature is written in a cursive style with a large loop at the end.

Adam Sierakowski
Director

Perth

Dated this 27 day of February 2015

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF IWEBGATE LIMITED

As lead auditor for the review of iWebGate Limited for the half-year ended 31 December 2014, 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 iWebGate Limited and the entities it controlled during the period.



Dean Just
Director

BDO Audit (WA) Pty Ltd
Perth, 27 February 2015

Consolidated statement of profit or loss and other comprehensive income for the half year ended 31 December 2014



		Consolidated Half Year ended 31 December 2014	Consolidated Full Year ended 30 June 2014
Income	Note	\$	\$
Sales		259,856	492,017
Grants		-	1,070,882
Interest		8,266	6,432
		<hr/> 268,122	<hr/> 1,569,331
Expenses			
Sales, Marketing, Travel		373,130	628,378
Admin, Office, Corporate		314,365	278,070
Development & Commercialisation		1,865,792	2,299,203
Finance costs		409,097	252,855
Listing fee expense on acquisition of iWebGate	6(c)	1,257,229	-
		<hr/> 4,219,613	<hr/> 3,458,506
(Loss) before income tax		(3,951,491)	(1,889,175)
Income tax expense		-	-
(Loss) for the period		<hr/> (3,951,491)	<hr/> (1,889,175)
Other comprehensive income			
<i>Items that will be classified to profit or loss:</i>			
Exchange differences on translation of foreign operations		10,386	(10,259)
Other comprehensive loss for the period, net of income tax		<hr/> 10,386	<hr/> (10,259)
Total comprehensive loss for the period		<hr/> (3,941,105)	<hr/> (1,899,434)
(Loss)/profit attributable to members of the parent entity		(3,951,491)	(1,889,175)
Total comprehensive loss attributable to members of the parent entity		(3,941,105)	(1,899,434)
Earnings/(Loss) per share from continuing operations			
- basic earnings per share (cents)	4	(0.02)	(0.17)
- diluted earnings per share (cents)	4	(0.02)	(0.17)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the attached notes to the consolidated financial statements.

**Consolidated statement of financial position
As at 31 December 2014**



	Note	Consolidated Half Year ended 31 December 2014 \$	Consolidated Full Year ended 30 June 2014 \$
Current assets			
Cash and cash equivalents		2,881,306	539,368
Trade and other receivables		477,880	243,226
Total current assets		3,359,186	782,594
Non-current assets			
Property, plant and equipment		34,144	20,130
Other		-	17,785
Total non-current assets		34,144	37,915
Total assets		3,393,330	820,509
Current liabilities			
Trade and other payables		401,470	147,588
Total current liabilities		401,470	147,588
Non-current liabilities			
Borrowings		1,286,318	3,678,235
Total non-current liabilities		1,286,318	3,678,235
Total liabilities		1,687,788	3,825,823
Net assets (deficit)		1,705,542	(3,005,314)
Equity			
Issued equity	3	11,434,368	2,782,407
Reserves		127	(10,259)
Retained earnings (losses)		(9,728,953)	(5,777,462)
Total equity		1,705,542	(3,005,314)

The consolidated statement of financial position should be read in conjunction with the attached notes to the consolidated financial statements.

**Consolidated statement of changes in equity for the half
year ended
31 December 2014**



Consolidated	Issued capital \$	Foreign currency translation reserve	Retained earnings (losses) \$	Total \$
At 1 July 2013	2,632,407	-	(3,888,287)	(1,255,880)
Total comprehensive loss for the period	-	(10,259)	(1,889,175)	(1,899,434)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 3)	150,000	-	-	150,000
Balance at 30 June 2014	2,782,407	(10,259)	(5,777,462)	(3,005,314)
At 1 July 2014	2,782,407	(10,259)	(5,777,462)	(3,005,314)
Total comprehensive loss for the period	-	10,386	(3,951,491)	(3,941,105)
<i>Transactions with owners in their capacity as owners:</i>				
Share issue	5,000,500	-	-	5,000,500
Capital raising costs	(344,524)	-	-	(344,524)
Cost of listing (Facilitation shares)	200,000	-	-	200,000
Share based payment – acquisition of asset	3,795,985	-	-	3,795,985
Balance at 31 December 2014	11,434,368	127	(9,728,953)	1,705,542

The consolidated statement of changes in equity should be read in conjunction with the attached notes to the consolidated financial statements.

Consolidated Statement of cash flows for the half year ended 31 December 2014



	Consolidated Half Year ended 31 December 2014 \$	Consolidated Full Year ended 30 June 2014 \$
Cash flows from operating activities		
Receipts from customers	278,382	752,982
Payments to suppliers and employees	(2,770,245)	(3,324,988)
	(2,491,863)	(2,572,006)
Grants received	-	1,070,882
Interest received	8,266	6,432
Net cash (used in) operating activities	10 (2,483,597)	(1,494,692)
Cash flows from investing activities		
Payments for property, plant and equipment	(18,322)	(1,965)
Cash acquired on acquisition	53,574	-
Net cash (used in) investing activities	35,253	(1,965)
Cash flows from financing activities		
Proceeds from issue of shares	5,000,500	150,000
Share issue transaction costs	(344,524)	-
Proceeds from borrowings	1,000,000	1,650,000
Repayment of borrowings	(865,694)	(90,000)
Net cash provided by financing activities	4,790,282	1,710,000
Net change in cash and cash equivalents held	2,341,938	213,342
Cash and cash equivalents at beginning of financial period	539,368	326,026
Cash and cash equivalents at end of financial period	2,881,306	539,368

The consolidated statement of cash flows should be read in conjunction with the attached notes to the consolidated financial statements.

Note 1: Basis of preparation

These general purpose financial statements for the interim half year reporting period ended 31 December 2014 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New and amended standards adopted by the entity

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. There may be some changes to the disclosures in the 30 June 2015 annual report as a consequence of these amendments.

Impact of standards issued but not yet applied by the entity

There were no new standards issued since 30 June 2014 that have been applied by iWebGate Group. The 30 June 2014 annual report disclosed that iWebGate Group anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2014

Acquisition of iWebGate Group

On 5 December 2014 iWebGate Limited (formerly My ATM Holdings Limited) completed the acquisition of iWebGate Technology Limited and its controlled subsidiaries ("iWebGate Group"). Under the Australian Accounting Standards iWebGate Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which iWebGate Group acquires the net assets and listing status of iWebGate.

Accordingly the consolidated financial statements of the iWebGate Limited Group have been prepared as a continuation of the business and operations of iWebGate Group. As the deemed acquirer iWebGate Group has accounted for the acquisition of iWebGate Limited from 5 December 2014. The comparative information for the 6 months ended 31 December 2013 is not available for the iWebGate Group therefore the comparative information presented in the consolidated financial statements is that of iWebGate Group as presented in its last set of year-end audited financial statements.

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

- a) Statement of profit or loss and other comprehensive income
 - The 2014 Statement of profit or loss and other comprehensive income comprises the total comprehensive income for the financial year.
 - The Statement of profit or loss and other comprehensive income comparatives comprises the full financial year for iWebGate Group only.
- b) Statement of financial position
 - The 2014 Statement of financial position as at 31 December 2014 represents the combination of iWebGate Group and iWebGate.

- The Statement of financial position comparative represents iWebGate Group only as at 30 June 2014.

c) Statement of changes in equity

- The 2014 Statement of changes in equity comprises:
 - The equity balance of iWebGate Group as at the beginning of the financial year (1 July 2014).
 - The total comprehensive income for the half financial year and transactions with equity holders, being the 6 months from iWebGate Group for the period ended 31 December 2014 and the period from 5 December 2014 until 31 December 2014 for iWebGate.
 - The equity balance of the combined iWebGate Group and iWebGate at the end of the half financial year (31 December 2014).
- The Statement of changes in equity comparatives comprises the full financial year for iWebGate Group for the 12 months ended 30 June 2014.

d) Statement of cash flows

- The 2014 Statement of cash flows comprises:
 - The cash balance of iWebGate Group at the beginning of the financial year (1 July 2014).
 - The transactions for the half financial year for the 6 months from iWebGate Group for the period ended 31 December 2014 and the period from 5 December 2014 until 31 December 2014 for iWebGate.
 - The cash balance of the combined iWebGate Group and iWebGate at the end of the period (31 December 2014).
- The Statement of cash flows comparatives comprises the full financial year of iWebGate Group for the year ended 30 June 2014.

Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Group to continue as a going concern is dependent upon the Group successfully commercialising its products, raising further equity as required and/ or reducing expenditure and commitments.

The directors have reviewed the Group's financial position and are of the opinion that the going concern basis of preparation is appropriate having regard to these matters.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Group be unable to continue as a going concern.

Foreign currency translation

The financial statements are presented in Australian dollars, which is IWebGate's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

Note 2: Fair Value Measurement

Due to their short-term nature, the carrying amount of the current receivables, current payables and current borrowings is assumed to approximate their fair value. Loans and borrowings are recognised at the fair value of the consideration received, net of transaction costs.

Note 3: Share capital

	Ordinary Shares	\$
Balance 1 July 2013	11,342,893	2,632,406
Issues of shares	92,025	150,000
Less: Capital raising costs	-	-
Balance at 30 June 2014	<u>11,434,918</u>	<u>2,782,406</u>
Issues of shares	12,501,250	5,000,500
Less: Capital raising costs	-	(344,524)
Facilitation shares	5,000,000	200,000
Shares for acquisition of iWebGate Group, Deemed consideration on acquisition (Note 6)	465,972,916	3,795,985
Shares in iWebGate on completion of acquisition	115,360,438	-
iWebgate Group shares eliminated on completion of acquisition	(11,434,918)	-
Balance at 31 December 2014	<u>598,834,604</u>	<u>11,434,368</u>

Note 4: Earnings per share

	Half Year ended 31 December 2014	Full Year ended 30 June 2014
(Loss) used in the earnings per share calculation	\$(3,951,491)	\$(1,889,175)
Weighted average number of ordinary shares	165,560,841	11,434,918
Loss per share (cents)	(0.02)	(0.17)

Note 5: Operating Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources. The reportable segment is represented by the primary statements forming this financial report.

Note 6: Share Based Payment Acquisition

On 5 December 2014 iWebGate Limited (formerly My ATM Holdings Limited) completed the acquisition of iWebGate Technology Limited and its controlled subsidiaries ("iWebGate Group"). Under the Australian Accounting Standards iWebGate Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which iWebGate Group acquires the net assets and listing status of iWebGate.

Note 6(a): Deemed Consideration for reverse acquisition

The deemed consideration was the issue of 465,972,916 shares in iWebGate (legal parent) to the shareholders of iWebGate Group and is deemed to have a value of \$3,795,985. In addition, 5,000,000 shares were issued to advisors of the transaction relating to services for facilitating the transaction. These shares had a value of \$200,000 which was based on the share price of iWebGate Limited at the date of the facilitation share arrangement being entered into and have been included as a transaction cost, as part of the listing expense below.

Note 6(b): Deemed iWebGate share capital

	\$
Historical issued capital balance 30 June 2014	4,086,489
Issue of shares before acquisition (net of issue costs)	928,348
Elimination of iWebGate issued capital	(5,014,837)
Deemed consideration on acquisition (note 6a)	3,795,985
Total iWebGate share capital on completion	<u>3,795,985</u>

Note 6(c): iWebGate Retained Losses Pre-completion

	\$
Historical balance 30 June 2014	(1,942,968)
Losses from 1 July 2014 to 5 December 2014	(333,112)
Elimination of iWebGate losses	2,276,081
Deemed consideration on acquisition (note 6a)	3,795,985
Less net assets iWebGate pre-acquisition	(2,738,757)
Total iWebGate losses on completion	<u>1,057,229</u>
Facilitation shares	200,000
Total listing expense	<u>1,257,229</u>

Note 6(d): Assets and liabilities acquired (at fair value at the date of acquisition)

	\$
Cash and cash equivalents	53,574
Trade and other receivables	235,823
Loan receivable	2,600,000
Total assets	<u>2,889,397</u>
Trade and other payables	150,640
Total liabilities	<u>150,640</u>
Net assets	<u><u>2,738,757</u></u>

Note 7: Events subsequent to reporting date

There has been no material event subsequent to the half year ended 31 December 2014.

Note 8: Related party

Directors' transactions with the Company

A number of directors of the Company, or their director-related entities, held positions in other entities during the financial year that result in them having control or significant influence over the financial or operating policies of those entities.

The terms and conditions of the transactions with directors and their director related entities were no more favorable to the directors and their director related entities than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis. The aggregate amounts recognised during the half year (excluding re-imburement of expenses incurred on behalf of the Company) relating to directors and their director-related entities were as follows:

Legal fees

For the period ending 31 December 2014, \$233,368 of legal fees was paid to Price Sierakowski (of which Mr Adam Sierakowski is a Director) As at the 31 December 2014, \$2,057 is payable to Price Sierakowski.

Company secretarial fees and accounting fees

For the period ending 31 December 2014, \$48,876 of company secretarial fees and accounting fees was paid to Trident Management Services Pty Ltd (of which Mr Adam Sierakowski and Mr KC Ong are Directors).

General office services, corporate advisory fees, and capital raising

For the period ending 31 December 2014, \$248,715 of general office services, corporate advisory, and capital raising fees was paid to Trident Capital Pty Ltd (of which Mr Adam Sierakowski is a Director).

Director fees

For the period ending 31 December 2014, \$30,800 of director fees was paid to Trident Capital Pty Ltd (of which Mr Adam Sierakowski is a Director). For the period ending 31 December 2014, \$20,790 of director fees was paid to KC Ong & Associates (of which Mr KC Ong is a Director).

Loan payable

As at 31 December 2014 \$56,317 is owed to Talks One Pty Ltd as trustee for the Gooch Family Trust (of which Tim Gooch is a director and beneficiary). For the period ending 31 December 2014 \$30,972 interest has accrued on the loan and \$865,694 loan repayments had been made.

As at 31 December 2014 \$28,403 is owed to Mark Harrell as trustee for Harrell Family Trust (of which Mark Harrell is trustee and a beneficiary). For the period ending 31 December 2014 \$1,092 interest has accrued on the loan.

Facilitation Shares

In accordance with the share sale agreement relating to the acquisition of iWebGate Technology Limited, Trident Capital Pty Ltd (of which Mr Adam Sierakowski is a Director) was issued 2,500,000 shares for services relating to the facilitation of the acquisition. These shares which had a value of \$100,000 have been included in the listing expense in the statement of profit or loss and other comprehensive income.

Note 10: Reconciliation of loss after income tax to net cash from operating activities

	Half Year ended 31 December 2014	Full Year ended 30 June 2014
Loss after income tax expense for the year	(3,951,491)	(1,889,175)
Adjustments for:		
Depreciation and amortisation	4,308	18,140
Interest accrued on loans	73,777	151,010
Listing fee expense on acquisition of iWebGate	1,257,229	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	35,409	246,022
Decrease/(increase) in other operating assets	(6,497)	4,685
Increase/(decrease) in trade and other payables	103,668	(25,374)
Net cash deficit from operating activities	<u>(2,483,597)</u>	<u>(1,494,692)</u>

Note 11: Contingent Liabilities

There has been no changes in contingent liabilities since the end of the previous annual reporting period, 30 June 2014.

DIRECTORS' DECLARATION



The directors of the Company declare that:

1. The Financial Statements and Notes, as set out on pages 4 to 12 are in accordance with the *Corporations Act 2001*, including:
 - a) giving a true and fair view of the Consolidated entity's financial position as at 31 December 2014 and of its performance for the half year ended on that date; and
 - b) complying with Accounting Standard AASB 134 "Interim Financial Reporting".
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

A handwritten signature in black ink, appearing to read 'Adam Sierakowski', written over a light blue grid background.

Adam Sierakowski
Director

Perth

Dated this 27 day of February 2015

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of iWebGate Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of IWebGate Limited, which comprises the consolidated statement of financial position as at 31 December 2014, 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 entities 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 2014 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 IWebGate 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 IWebGate 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 IWebGate Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the consolidated entity successfully commercialising its products, raising further equity as required and/ or reducing expenditure and commitments. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Dean Just', written over a faint, larger 'BDO' watermark.

Dean Just

Director

Perth, 27 February 2015