

**Voltage IP Limited**  
**Appendix 4E**  
**Preliminary final report**

**1. Company details**

Name of entity:	Voltage IP Limited
ABN:	83 057 884 876
Reporting period:	For the year ended 30 June 2013
Previous period:	For the year ended 30 June 2012

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**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	down	87.31% to	17
Profit from ordinary activities after tax attributable to the owners of Voltage IP Limited	up	140.69% to	106,054
Profit for the year attributable to the owners of Voltage IP Limited	up	140.69% to	106,054

*Dividends*

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

*Comments*

The Profit for the consolidated entity after providing for income tax amounted to \$106,054 (30 June 2012: loss of \$260,655). During the year accruals relating to directors fees and interest were reversed, resulting in a profit for the year. Further details and commentary can be found in the financial report attached.

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**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.86)</u>	<u>(1.08)</u>

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**4. Control gained over entities**

Not applicable.

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**5. Loss of control over entities**

Not applicable.

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**6. Dividends**

*Current period*

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

*Previous period*

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

**7. Dividend reinvestment plans**

Not applicable.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

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

Not applicable.

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**10. Audit qualification or review**

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

The financial statements have been audited and an unqualified opinion with an emphasis of matter in relation to going concern has been issued.

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**11. Attachments**

*Details of attachments (if any):*

The Annual Report of Voltage IP Limited for the year ended 30 June 2013 is attached.

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**12. Signed**

Signed \_\_\_\_\_

Date: 25 September 2015

**Voltage IP Limited**

**ABN 83 057 884 876**

**Annual Report - 30 June 2013**

**Voltage IP Limited**  
**Contents**  
**30 June 2013**

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**Voltage IP Limited**  
**Corporate directory**  
**30 June 2013**

Directors	Pok Seng Kong Chin Hing How Henry Hon Fai Choo
Company secretary	Andrew Metcalfe
Registered office	Level 2 470 Collins Street Melbourne VIC 3000
Principal place of business	Level 2 470 Collins Street Melbourne VIC 3000
Share register	Boardroom Limited Level 7 207 Kent Street Sydney NSW 2000 Investor phone number: (Aus) 1300 737 760 Investor phone number: (Overseas) +61 (0) 2 9290 9600
Auditor	Crowe Horwath Melbourne Level 17, 181 William Street Melbourne VIC 3000
Stock exchange listing	Voltage IP Limited shares are listed on the Australian Securities Exchange (ASX code:VIP)  The shares are currently suspended from trading on the ASX

**Voltage IP Limited**  
**Directors' report**  
**30 June 2013**

The directors present their report, together with the financial statements, on the company (referred to hereafter as the 'company') for the year ended 30 June 2013.

**Directors**

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

Pok Seng Kong (Non-Executive Chairman)  
Chin Hing How (Non-Executive Director)  
Henry Hon Fai Choo (Non-Executive Director, appointed 5 December 2012)  
Don Patterson (Non-Executive Director, resigned 5 July 2012)  
Kit Foo Chye (Non-Executive Director, resigned 5 September 2012)

**Principal activities**

The principal activity of the company during the financial year was the seeking of new business activities for the company.

**Dividends**

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

**Review of operations**

The profit for the company after providing for income tax amounted to \$106,054 (30 June 2012: loss of \$260,655). The result is largely due to the reversal of accrued expenses. Accrued Directors' fees were reversed due to a decision by the Directors to forego all outstanding fees resulting in a negative expense of \$136,355. In addition, the directors also agreed to vary the terms of the loans they have provided to the Company. A recalculation of the interest using a 6% per annum simple interest rate on the cash advanced to the loan, applied from 1 July 2009, replacing the 1% per month compound interest rate. This resulted in a negative expense for the year of \$37,589.

During the financial year and to the date of this report, the company did not operate any business and the company's shares remain suspended from quotation on the Australian Securities Exchange Limited ('ASX') during the period. The company continues to seek possible business opportunities that would create value for shareholders.

The directors have resolved that based on all available facts and information currently available, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable and therefore operating as a going concern.

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Company during the financial year.

**Matters subsequent to the end of the financial year**

In June 2015, the Company entered into a Loan and Convertible Note Agreement for A\$250,000 at an issue price of \$0.03, whereby the notes convert to 8,333,333 ordinary shares on successful listing of the Company's shares on ASX. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

In June 2015, the Company entered into a Term Sheet that was announced to the ASX on 26<sup>th</sup> June 2015 for a planned reverse takeover transaction with KLE Products Sdn Bhd, a Malaysian based engineering group, whereby Voltage IP Ltd will acquire all shares in KLE Products Sdn Bhd and in turn issue 210,526,300 ordinary shares and 20,000,000 options in the Company to the shareholders of KLE Products Sdn Bhd, subject to meeting certain conditions precedent, including raising capital via a prospectus offer and regulatory compliance.

In September 2015, the Company entered into a Loan and Convertible Note Agreement for A\$150,000 whereby the notes convert to ordinary shares at similar terms to the Convertible Notes issued in June 2015. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

Other than the above, no matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Likely developments and expected results of operations**

On successful completion of the planned reverse takeover transaction reported above, the Company's shares will be requoted on the ASX.

## **Environmental regulation**

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

## **Information on directors**

**Name:** **Pok Seng Kong**  
**Title:** Non-Executive Chairman  
**Qualifications:** FCCA  
**Experience and expertise:** Mr Kong is a Fellow of the Association of Chartered Certified Accountants (ACCA) UK. He completed his professional exams in London in 1979 and undertook his professional training in the UK before establishing a professional Audit & Financial Advisory practice in Malaysia which he has operated for 13 years. As financial advisor and auditor for public and private companies in Malaysia in a wide spectrum of businesses, Mr Kong has gained valuable networking and management experience in the manufacturing, mining, and construction and retail industries. Since 2005, Mr Kong has settled in Melbourne, Australia.  
**Other current directorships:** Genesis Resources Ltd.  
**Former directorships (last 3 years):** None  
**Special responsibilities:** None  
**Interests in shares:** None

**Name:** **Chin Hing How**  
**Title:** Non-executive Director  
**Qualifications:** B.Economics (Accounting)  
**Experience and expertise:** Mr How has over 25 years' experience in business. Mr How is an accountant by profession having worked in audit in Malaysia and Australia. More recently he has been involved in a number of business ventures and in a variety of management roles and holds equity interests in Australian and Malaysian companies.  
**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Special responsibilities:** None  
**Interests in shares:** None

**Name:** **Henry Hon Fai Choo** (appointed 5/12/2012)  
**Title:** Non-executive Director  
**Experience and expertise:** B.Computer Science  
**Other current directorships:** Mr Choo has over 15 years of direct investment and operations experience within the venture capital/private equity and securities' industry. Henry is the Director of Investments at Sanston Securities Australia Pty Ltd. - a Corporate Advisory and Investment firm based in Melbourne with strong linkages and networks throughout Australia and Asia-Pacific companies.  
**Former directorships (last 3 years):** None  
**Special responsibilities:** None  
**Interests in shares:** None

**Name:** **Don Patterson**  
**Title:** Non-executive Director (resigned 5 July 2012)  
**Name:** **Kit Foo Chye**  
**Title:** Non-executive Director (resigned 5 September 2012)

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

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

## **Company secretary**

Andrew Metcalfe (B.Bus, CPA, FGIA, MAICD) is a qualified accountant with over 25 years' experience across a variety of industry sectors, holding the position of Company Secretary, governance advisor and CFO for a number of ASX listed entities and unlisted public entities, Not-for-profit organisations and government entities for property, retail, energy, media and technology industries. Andrew is employed by Accosec & Associates and assists the company in Company Secretarial practice and procedures and governance issues.

### **Meetings of directors**

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2013, and the number of meetings attended by each director were:

	Full Board Attended	Held
Pok Seng Kong	1	1
Chin Hing How	1	1
Henry Hon Fai Choo	-	-
Don Patterson	-	1
Kit-Foo Chye	-	1

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

### **Remuneration report (audited)**

The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

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

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information

#### ***Principles used to determine the nature and amount of remuneration***

The performance of the company depends upon the quality of its directors and executive officers. To prosper, the company must attract, motivate and retain highly skilled personnel. To this end the Company:-

- Works to attract the appropriate staff by providing a competitive remuneration structure and a productive working environment.
- Reviews and recommend remuneration, HR policies, performance management and procedures for the company and company, including:
  - directors of each subsidiary;
  - the chief executive officer; and
  - executive and senior management.
- Assures that all compliance, governance, accounting, legal approvals and disclosure requirements associated with company's employment practices are satisfied.

The Board of Directors (the 'Board') has not established a Remuneration and Nomination Committee. Therefore the Board is responsible for determining and reviewing compensation arrangements for the directors and the executive officers. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of an experienced and high quality Board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms including cash and superannuation salary sacrifice. The directors' emoluments are comparable to similar sized companies in the resources industry.

#### ***Company performance and link to remuneration***

There is no formal link between the company's and company's performance and the directors' emoluments as the company's and company's exploration operations represent no guarantee of their future value.

#### ***Remuneration structure***

In accordance with corporate governance principles and recommendations, the company substantially complies with the guidelines for executive remuneration packages and non-executive director remuneration.

#### ***Non-executive directors remuneration***

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time-to-time by a general meeting. The latest determination was at the Annual General Meeting held 28 November 2003 when shareholders approved an aggregate remuneration of \$150,000 per annum to be apportioned amongst non-executive directors.



**Voltage IP Limited**  
**Directors' report**  
**30 June 2013**

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

On appointment, non-executive directors are advised of their directors duties and responsibilities and the remuneration fee to be paid to that director in carrying out their individual duties. This fee covers the Board position where the non-executive director is a member.

Non-executive director's aggregate emoluments are detailed in section B below. The non-executive directors do not receive retirement benefits, nor do they participate in any incentive programs.

*Executive remuneration*

The Company aims to reward its executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company, so as to reward executives for meeting or exceeding targets set by reference to appropriate benchmarks; align the interests of executives with those of shareholders; and ensure remuneration is competitive by market standards.

Remuneration consists of the following key elements:

- fixed remuneration (base salary, superannuation and non-monetary benefits)
- variable remuneration - short-term incentive ('STI')

*Fixed remuneration - objective:*

Fixed remuneration is reviewed at the end of each contract term by the Board. The process consists of a review of the company and individual performance, relevant comparative remuneration externally and internally and, where appropriate external advice on policies and practices.

*Fixed remuneration - structure:*

Executives receive their fixed (primary) remuneration in form of cash payments to their nominated accounts (with appropriate PAYG tax deducted) and superannuation funds. The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board as part of an assessment on that executive's performance. The Board has access to external independent advice if necessary.

*Use of remuneration consultants*

During the financial year ended 30 June 2013, the company did not engage the use of remuneration consultants.

*Voting and comments made at the Company's 2011 Annual General Meeting ('AGM')*

At the last AGM shareholders voted to adopt the remuneration report for the year ended 30 June 2011. An AGM has not been held for 2012, and consequently the remuneration report for the year ended 30 June 2012 has not been put before shareholders. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

***Details of remuneration***

*Amounts of remuneration*

Details of the remuneration of the key management personnel of the Company are set out in the following tables.

The key management personnel of the Company during the financial year consisted of the following directors of Voltage IP Limited:

Pok Seng Kong (Chairman)

Chin Hing How

Henry Hon Fai Choo (appointed 5 December 2012)

Kit Foo Chye (resigned 5 September 2012)

Don Patterson (resigned 5 July 2012)

**Voltage IP Limited**  
**Directors' report**  
**30 June 2013**

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
2013	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Pok Seng Kong	-	-	-	-	-	-	-
Chin Hing How	-	-	-	-	-	-	-
Henry Hon Fai Choo	-	-	-	-	-	-	-
Kit Foo Chye	-	-	-	-	-	-	-
Don Patterson	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

The Directors elected to not take any fees during the year. In addition, the directors agreed to forego all outstanding accrued fees from previous periods, resulting in a write back to profit or loss of \$136,355.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
2012	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Pok Seng Kong	45,952	-	-	-	-	-	45,952
Chin Hing How	6,000	-	-	-	-	-	6,000
Kit Foo Chye	6,000	-	-	-	-	-	6,000
Don Patterson	-	-	-	-	-	-	-
	57,952	-	-	-	-	-	57,952

All fees accrued during the 2012 year were subsequently reversed in 2013 as the Directors elected to forego all outstanding accrued fees.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2013	2012	2013	2012	2013	2012
<i>Non-Executive Directors:</i>						
Pok Seng Kong	-	100%	-	-	-	-
Chin Hing How	-	100%	-	-	-	-
Henry Hon Fai Choo	-	-	-	-	-	-
Kit Foo Chye	-	100%	-	-	-	-
Don Patterson	-	-	-	-	-	-

**Service agreements**

The company does not have any service agreements with directors. Key management personnel have no entitlement to termination payments in the event of removal for misconduct

**Share-based compensation**

*Issue of shares*

There were no shares issued to directors and other key management personnel as part of compensation during the years ended 30 June 2013 or 30 June 2012.

**Voltage IP Limited**  
**Directors' report**  
**30 June 2013**

*Options*

There were no options over ordinary shares issued to or that vested with directors and other key management personnel as part of compensation that were outstanding as at 30 June 2013 or 30 June 2012.

**Loans from directors**

During the period loans were provided to the Company by the Directors. Mr Kong provided cash advances of \$16,390 (including payments directly to creditors), and interest of \$14,194 was accrued. The balance of the loan outstanding at 30 June 2013 was \$283,565.

Mr Chye provided cash advances of \$30,702 (including payments directly to creditors), and interest of \$12,328 was accrued. The balance of the loan outstanding at 30 June 2013 was \$249,378.

During the year the interest accrued was recalculated from 1 July 2009 at 6% per annum on capital. As a result the amount provided as at 1 July 2012 was reduced by \$64,110.

**Additional information**

The earnings of the Company for the four years to 30 June 2013 are summarised below:

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
	\$	\$	\$	\$	\$
Revenue and other income	55	37	5	134	17
Profit/(Loss) before interest and tax	(295,096)	(232,178)	(140,441)	(260,655)	106,054
Profit/(Loss) after income tax	(295,096)	(232,178)	(140,441)	(260,655)	106,054

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
	\$	\$	\$	\$	\$
Share price at financial year end (\$A)	-	-	-	-	-
Basic earnings/(loss) per share (cents per share)	(2.28)	(0.44)	(0.18)	(0.33)	0.13

The last traded price of the Company's shares on 2 May 2007, being the date the shares were suspended from trading on ASX, was \$0.15 (15 cents) per share.

***This concludes the remuneration report, which has been audited.***

**Shares under option**

There were no unissued ordinary shares of Voltage IP Limited under option outstanding at the date of this report.

**Shares issued on the exercise of options**

There were no ordinary shares of Voltage IP Limited issued on the exercise of options during the year ended 30 June 2013 and up to the date of this report.

**Indemnity and insurance of officers**

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company did not arrange Directors and Officers Liability Insurance for its directors and officers.

**Indemnity and insurance of auditor**

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

**Voltage IP Limited**  
**Directors' report**  
**30 June 2013**

**Proceedings on behalf of the Company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

**Non-audit services**

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

**Officers of the Company who are former audit partners of Crowe Horwath Melbourne**

There are no officers of the Company who are former audit partners of Crowe Horwath Melbourne.

**Auditor's independence declaration**

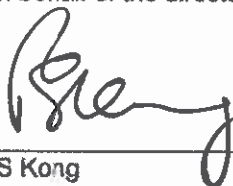
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

**Auditor**

Crowe Horwath Melbourne continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors



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PS Kong  
Director

25 September 2015

# Auditor Independence Declaration Under S307C of the *Corporations Act 2001* to the Directors of Voltage IP Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been no contraventions of:

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



**CROWE HORWATH MELBOURNE**



**DAVID MUNDAY**

**Partner**

**Melbourne Victoria  
25 September 2015**

**Voltage IP Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2013**

	<b>Note</b>	<b>2013 \$</b>	<b>2012 \$</b>
<b>Revenue</b>	5	17	134
<b>Expenses</b>			
Employee benefits expense	15	136,355	(57,952)
Lodgement fees		(19,693)	(17,461)
Secretarial and share registry fees		(25,242)	(39,868)
Legal and professional fees		(21,180)	(79,375)
General and administrative expense		(1,792)	(7,383)
Finance costs	6	37,589	(58,750)
<b>Profit/(Loss) before income tax expense</b>		106,054	(260,655)
Income tax expense	7	-	-
<b>Profit/(Loss) after income tax expense for the year attributable to the owners of Voltage IP Limited</b>		106,054	(260,655)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the owners of Voltage IP Limited</b>		<u>106,054</u>	<u>(260,655)</u>
		<b>Cents</b>	<b>Cents</b>
Basic profit/(loss) per share	23	0.13	(0.33)
Diluted profit/(loss) per share	23	0.13	(0.33)

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

**Voltage IP Limited**  
**Statement of financial position**  
**As at 30 June 2013**

	<b>Note</b>	<b>2013</b> <b>\$</b>	<b>2012</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	347	16,390
Trade and other receivables	9	501	1,436
Total current assets		<u>848</u>	<u>17,826</u>
<b>Total assets</b>		<u>848</u>	<u>17,826</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	164,918	297,453
Borrowings	11	<u>532,943</u>	<u>573,440</u>
Total current liabilities		<u>697,861</u>	<u>870,893</u>
<b>Total liabilities</b>		<u>697,861</u>	<u>870,893</u>
<b>Net liabilities</b>		<u>(697,013)</u>	<u>(853,067)</u>
<b>Equity</b>			
Issued capital	12	46,485,796	46,435,796
Accumulated losses		<u>(47,182,809)</u>	<u>(47,288,863)</u>
<b>Total equity</b>		<u>(697,013)</u>	<u>(853,067)</u>

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

**Voltage IP Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2013**

	<b>Issued capital \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2011	46,435,796	(47,028,207)	(592,412)
Loss after income tax expense for the year	-	(260,655)	(260,655)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(260,655)	(260,655)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	-	-	-
Balance at 30 June 2012	<u>46,435,796</u>	<u>(47,288,863)</u>	<u>(853,067)</u>
	<b>Issued capital \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2012	46,435,796	(47,288,863)	(853,067)
Profit after income tax expense for the year	-	106,054	106,054
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	106,054	106,054
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	50,000	-	50,000
Balance at 30 June 2013	<u>46,485,796</u>	<u>(47,182,809)</u>	<u>(697,013)</u>

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



**Voltage IP Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2013**

	<b>Note</b>	<b>2013</b> <b>\$</b>	<b>2012</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Payments to suppliers		(41,060)	(53,840)
Interest received		17	134
		<hr/>	<hr/>
Net cash used in operating activities	21	(41,043)	(53,706)
<b>Cash flows from investing activities</b>			
		<hr/>	<hr/>
Net cash used in investing activities		-	-
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		25,000	20,000
Proceeds from issue of convertible notes		-	50,000
		<hr/>	<hr/>
Net cash from financing activities		25,000	70,000
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		(16,043)	16,294
Cash and cash equivalents at the beginning of the financial year		16,390	96
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	8	347	16,390

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

**Note 1. General information**

The financial statements cover Voltage IP Limited as a single entity. The financial statements are presented in Australian Dollars, which is Voltage IP Limited's presentation currency and functional currency.

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

Level 2  
470 Collins Street  
Melbourne VIC 3000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 September 2015. The directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

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

**New, revised or amending Accounting Standards and Interpretations adopted**

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

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

Any significant impact on the accounting policies of the Company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

The following Accounting Standards and Interpretations are most relevant to the Company:

*AASB 101 Presentation of Financial Statements*

The Company has applied amendments to AASB 101 outlined in AASB 2011-9 "Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income". The amendments requires grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The amendments also introduced the term 'Statement of profit or loss and other comprehensive income' clarifying that there are two discrete sections, the profit or loss section (or separate statement of profit or loss) and other comprehensive income section. The change in accounting policy has had no impact on earnings per share and has been applied retrospectively.

**Basis of preparation**

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

*Historical cost convention*

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

*Critical accounting estimates*

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

**Note 2. Significant accounting policies (continued)**

**Going Concern**

The Company reported a profit of \$106,054 (2012: loss of \$260,655), after reversing non-cash accrued expenses of \$136,355, and operating cash outflows of \$41,043 (2012: \$53,706) during the year. At 30 June 2013 the company has net liabilities of \$697,013 (2012: \$853,067). The company also has ongoing corporate expenditure requirements to maintain its operations.

At 30 June 2013 the Company's liabilities consisted of loans and accrued interest to third parties of \$532,943 and trade and other payables and accrued expenses of \$164,918. The Company had cash on hand of \$347 at 30 June 2013.

The Company is reliant upon funding provided by related parties to pay its debts as and when they fall due. At the date of this report, while the related parties have pledged their support, no formal arrangements have been made. Should this funding not be provided, the Company may not be able to pay its debts as and when they fall due.

These matters give rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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

The company is actively seeking new business opportunities and undertaking fundraising activities that directors expect will provide future value to the company and its shareholders.

The directors are aware that a material uncertainty exists due to the above events which may cast doubt upon the company's ability to continue as a going concern. However, the directors are confident that the organisation will receive further funding and consider the company is a going concern, but recognise that it is dependent on the matters mentioned above and in the financial statements.

On the basis that sufficient funding is expected to be raised to meet the Company's expenditure forecasts, the directors consider that the Company remains a going concern and these financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

**Operating segments**

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

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Interest*

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

*Other revenue*

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

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

**Note 2. Significant accounting policies (continued)**

Deferred tax assets have not been recognised for deductible temporary differences and unused tax losses as it is not considered probable that future taxable amounts will be available to utilise those temporary differences and losses.

**Current and non-current classification**

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any provision for impairment.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred

**Provisions**

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

**Note 2. Significant accounting policies (continued)**

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Issued capital**

Ordinary shares are classified as equity.

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

**Earnings per share**

*Basic earnings per share*

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

*Diluted earnings per share*

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

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2013. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

**Note 2. Significant accounting policies (continued)**

*AASB 9 Financial Instruments and its consequential amendments*

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2018 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The adoption of the amendments from 1 July 2018 will not have a material impact on the Company.

*AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements and AASB 12 Disclosure of Interests in Other Entities* all relate to investments in other entities and do not apply to the Company.

*AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13*

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and it provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach would be used to measure assets whereas liabilities would be based on transfer value. As the standard does not introduce any new requirements for the use of fair value, its impact on adoption by the consolidated entity from 1 July 2013 should be minimal, although there will be increased disclosures where fair value is used.

*AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities*

The amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2013 will not have a material impact on the Company.

*AASB 2012-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets*

These amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2013 may increase the disclosures by the Company.

*Annual Improvements to IFRSs 2010-2012 Cycle*

These amendments are applicable to annual reporting periods beginning on or after 1 July 2013 and affects several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The adoption of these amendments from 1 July 2015 will not have a material impact on the Company.



**Note 2. Significant accounting policies (continued)**

*Annual Improvements to IFRSs 2011-2012 Cycle*

These amendments are applicable to annual reporting periods beginning on or after 1 July 2013 and affects four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The adoption of these amendments from 1 July 2015 will not have a material impact on the Company.

*IFRS 15 Revenue*

In May 2013 the IASB issued IFRS 15 Revenue which sets out the requirements for recognising revenue that apply to all contracts with customers (except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments). The adoption of the requirements of this standard will not have a material impact on the Company.

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Income tax*

The Company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on the Company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

*Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

**Note 4. Operating segments**

*Identification of reportable operating segments*

The company has only one continuing segment and operates in one geographic segment being Australia. There is no aggregation of operating segments.

**Note 5. Revenue**

	2013 \$	2012 \$
Interest	17	134

**Note 6. Expenses**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Profit before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Borrowing costs paid to related parties	(37,589)	58,750

The negative finance cost expense arose from a decision to recalculate interest accrued on loans made to the company at 6% per annum, replacing the previous 1% per month compounding interest. All previous interest accrued was reversed.

**Note 7. Income tax expense**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Income tax expense</i>		
Current tax	-	-
Deferred tax - origination and reversal of temporary differences	-	-
Aggregate income tax expense	-	-
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit/(Loss) before income tax expense	106,054	(260,655)
Tax at the statutory tax rate of 30%	31,816	(78,197)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Legal expenses	-	15,938
Other disallowable/deductible expenses	-	-
	31,816	(62,259)
Current year deferred taxes not recognised	-	62,259
Utilisation of tax losses previously not recognised	(31,816)	-
Income tax expense	-	-

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	33,736,028	33,728,438
Potential tax benefit @ 30%	10,120,809	10,118,531

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the loss making entity generates taxable income and the continuity of ownership test is passed, or failing that, the same business test is passed.



**Note 7. Income tax expense (continued)**

	2013 \$	2012 \$
<i>Deferred Tax assets arising from temporary differences not recognised</i>		
Accrued expenses	4,200	18,136
Total deferred tax assets arising from temporary differences not recognised	<u>4,200</u>	<u>18,136</u>

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

**Note 8. Current assets - cash and cash equivalents**

	2013 \$	2012 \$
Cash at bank	<u>347</u>	<u>16,390</u>

**Note 9. Current assets - trade and other receivables**

	2013 \$	2012 \$
GST recoverable	<u>501</u>	<u>1,436</u>

**Note 10. Current liabilities - trade and other payables**

	2013 \$	2012 \$
Trade payables	104,436	105,616
Amounts owing to shareholders	46,482	46,482
Other payables and accruals	<u>14,000</u>	<u>145,355</u>
	<u>164,918</u>	<u>297,453</u>

Refer to note 14 for further information on financial instruments.

Amounts owing to shareholders represent capital distributions that individually are less than \$20 per shareholder. Amounts owing will be paid as and when a valid claim is received by the company.

**Note 11. Current liabilities - borrowings**

	2013 \$	2012 \$
Loans from related parties	532,943	523,440
Convertible Note	<u>-</u>	<u>50,000</u>
	<u>532,943</u>	<u>573,440</u>

Refer to note 14 for further information on financial instruments.

Loans from related parties accrue interest at 6% per annum.

**Note 11. Current liabilities - other (continued)**

The convertible notes were issued on 5 October 2011, were unsecured and carried no interest. The notes were converted into 2,500,000 ordinary shares of the company on 11<sup>th</sup> July 2012

**Note 12. Equity - issued capital**

	<b>2013 Shares</b>	<b>2012 Shares</b>	<b>2013 \$</b>	<b>2012 \$</b>
Ordinary shares - fully paid	<u>81,475,757</u>	<u>78,975,757</u>	<u>46,485,796</u>	<u>46,435,796</u>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2011	78,975,757		46,435,796
Balance	30 June 2012	78,975,757		46,435,796
Issue of ordinary shares on conversion of convertible notes	11 July 2012	2,500,000		50,000
Balance	30 June 2013	<u>81,475,757</u>		<u>46,485,796</u>

*Ordinary shares*

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

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

*Share buy-back*

There is no current on-market share buy-back.

*Capital risk management*

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

Management are constantly adjusting the capital structure to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management may issue further shares on the market for the purpose of continuing its exploration activities and to ensure an optimum working capital level.

The company is not subject to any externally imposed capital requirements.

The capital risk management policy has been reviewed and updated according to the needs and position of the Company.

**Note 13. Equity - dividends**

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

## Note 14. Financial instruments

### **Financial risk management objectives**

The overall financial risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance and protect future financial security.

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The Board reviews and agrees policies for managing each of the risks identified.

The company uses different methods to measure different types of risk to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The company's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Group has exposure to the following risks from their use of financial instruments:

- market risk
- credit risk
- liquidity risk

### **Market risk**

#### *Foreign currency risk*

The Company is not exposed to any significant foreign currency risk.

#### *Price risk*

The Company is not exposed to any significant price risk.

#### *Interest rate risk*

The company's main interest rate risk arises from its cash and deposit balances. The company's loans outstanding, totalling \$532,943 (2012: \$523,440), accrue interest at 6% per annum and are fixed interest loans. The company constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing, alternative hedging positions and the mix of fixed and variable interest rates

Consequently the Company is not exposed to any significant interest rate risk.

### **Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company trades only with recognised, creditworthy third parties and high rated financial institutions to minimise the risk of default of counterparties. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not have any significant credit risk.

### **Liquidity risk**

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

The company objective is to maintain a balance between continuity of funding and flexibility through the use of shareholder loans, bank overdrafts, bank loans, preference shares, finance leases and committed available credit lines

**Note 14. Financial instruments (continued)**

*Remaining contractual maturities*

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

	Interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
2013	%	\$	\$	\$	\$	\$
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-%	104,436	-	-	-	104,436
Other payables	-%	14,000	-	-	-	14,000
Other loans	-%	46,482	-	-	-	46,482
<i>Interest-bearing – fixed</i>						
Other loans	6.00%	532,943	-	-	-	532,943
Total non-derivatives		697,861	-	-	-	697,861
<hr/>						
	Interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
2012	%	\$	\$	\$	\$	\$
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-%	105,616	-	-	-	105,616
Other payables	-%	145,355	-	-	-	145,355
Other loans	-%	46,482	-	-	-	46,482
Convertible notes		50,000				50,000
<i>Interest-bearing - fixed</i>						
Other loans	12.00%	523,440	-	-	-	523,440
Total non-derivatives		870,893	-	-	-	870,893

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

**Fair value of financial instruments**

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The borrowings are carried at amortised cost, with an interest rate of 6% per annum. The short term nature of the borrowings, and the expected settlement upon the completion of relisting as outlined in subsequent events (note 20), mean that this value best approximates fair value.

**Note 15. Key management personnel disclosures**

*Directors*

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

Pok Seng Kong	(Non-Executive Chairman)
Chin Hing How	(Non-Executive Director)
Henry Hon Fai Choo	(Non-Executive Director, appointed 5 December 2012)
Kit Foo Chye	(Non-Executive Director, resigned 5 September 2012)
Don Patterson	(Non-Executive Director, resigned 5 July 2012)

**Note 15. Key management personnel disclosures (continued)**

*Compensation*

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

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	(136,355)	57,952
Post-employment benefits	-	-
	<u>(136,355)</u>	<u>57,952</u>

During the year the Directors decided to suspend all Key Management Personnel payments whilst the Company remains suspended and not trading. They also decided to forego all outstanding Directors' fees from previous periods.

*Shareholding*

There were no shares held by directors or management in the company during the financial year ended 30 June 2013.

*Options*

There were no options held by directors or management in the company during the financial year ended 30 June 2013.

*Related party transactions*

Related party transactions are set out in note 19.

**Note 16. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Crowe Horwath Melbourne, the auditor of the Company, and its network firms:

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services - Crowe Horwath Melbourne</i>		
Audit or review of the financial statements	<u>6,000</u>	<u>5,700</u>

**Note 17. Contingent liabilities**

The Company has no contingent liabilities as at 30 June 2013 (2012: None).

**Note 18. Commitments**

The Company has no commitments as at 30 June 2013 (2012: None).

**Note 19. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 15 and the remuneration report in the directors' report.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year, other than those recorded in note 15 and those noted below.

*Receivable from and payable to related parties*

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

**Note 19. Related party transactions (continued)**

*Loans to/from related parties*

The following loans were from related parties at the current and previous reporting date.

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Loan from Pok Seng Kong	283,565	293,163
Loan from Kit Foo Chye	249,378	230,277
	<u>532,943</u>	<u>523,440</u>
Reconciliation of the loan balance from opening to closing during the year were as follows:		
Balance at 1 July	523,440	444,689
Loans advanced	47,092	20,000
Interest charged	26,521	58,751
Reversal of interest previously accrued	(64,110)	-
	<u>532,943</u>	<u>523,440</u>

*Convertible Note*

Convertible notes were issued to Skydawn Pty Ltd, a related party of Mr Don Patterson, who was a director of the Company at the time of the issue. The notes raised \$50,000, were unsecured and bore no interest. Mr Patterson resigned as a Director on 5 July 2012. The notes were converted to 2,500,000 ordinary shares on 16 July 2012.

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at rates negotiated at arm's length.

**Note 20. Events after the reporting period**

In June 2015, the Company entered into a Loan and Convertible Note Agreement for A\$250,000 at an issue price of \$0.03, whereby the notes convert to 8,333,333 ordinary shares on successful listing of the Company's shares on ASX. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

In June 2015, the Company entered into a Term Sheet that was announced to ASX on 26<sup>th</sup> June 2015 for a planned reverse takeover transaction with KLE Products Sdn Bhd, a Malaysian based engineering group, whereby Voltage IP Ltd will acquire all shares in KLE Products Sdn Bhd and in turn issue 210,526,300 ordinary shares and 20,000,000 options in the Company to the shareholders of KLE Products Sdn Bhd, subject to meeting certain condition precedent, including raising capital via a prospectus offer and regulatory compliance.

In September 2015, the Company entered into a Loan and Convertible Note Agreement for A\$150,000 whereby the notes convert to ordinary shares at similar terms to the Convertible Notes issued in June 2015. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

No other matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Note 21. Reconciliation of profit after income tax to net cash from/(used in) operating activities**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) after income tax expense for the year	106,054	(260,655)
Adjustments for:		
Interest accrued on loans	(37,589)	58,751
Trade and other payables paid by loan providers	16,390	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	935	(838)
(Decrease)/Increase in trade and other payables	(126,833)	149,038
Net cash from/(used in) operating activities	<u>(41,043)</u>	<u>(53,706)</u>

**Note 22. Non-cash investing and financing activities**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Conversion of debt to equity shares	<u>50,000</u>	<u>-</u>

**Note 23. Earnings per share**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) after income tax attributable to the owners of Voltage IP Limited	<u>106,054</u>	<u>(260,655)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>81,400,415</u>	<u>78,975,757</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>81,400,415</u>	<u>78,975,757</u>
	<b>Cents</b>	<b>Cents</b>
Basic loss per share	0.13	(0.33)
Diluted loss per share	0.13	(0.33)

Convertible notes outstanding at 30 June 2012 were not dilutive as the Company made a loss in the year ended 2012.

**Voltage IP Limited**  
**Directors' declaration**  
**30 June 2013**

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the directors



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PS Kong  
Chairman  
25 September 2015



# Independent Auditor's Report to the Members of Voltage IP Limited

## Report on the financial report

We have audited the accompanying financial report of Voltage IP Limited ("the Company"), which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Company.

## Directors' responsibility for the financial report

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

## Auditor's responsibility

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

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

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

## Independence

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

## Auditor's opinion

In our opinion:

- a) the financial report of the company is in accordance with the *Corporations Act 2001*, including:

- I. giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
  - II. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

## Report on the Remuneration Report

We have audited the remuneration report included in pages 5 to 8 of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

## Auditor's opinion

In our opinion the remuneration report of Voltage IP Limited for the year ended 30 June 2013 complies with s300A of the *Corporations Act 2001*.

## Emphasis of Matter

Without modification to our conclusion, we draw attention to Note 2 in the financial report, which indicates that as at 30 June 2013, the Company is reliant upon funding provided by related parties to pay its debts as and when they fall due.

These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.



**CROWE HORWATH MELBOURNE**



**DAVID MUNDAY**

**Partner**

**Melbourne Victoria  
25 September 2015**

**Voltage IP Limited**  
**Shareholder information**  
**30 June 2015**

The shareholder information set out below was applicable as at 31 August 2015.

**Distribution of equitable securities**

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

	Number of holders of ordinary shares
1,001 to 5,000	155
5,001 to 10,000	37
10,001 to 100,000	67
100,001 and over	26
	<hr/>
	285
	<hr/>
Holding less than a marketable parcel	370
	<hr/>

**Equity security holders**

*Twenty largest quoted equity security holders*

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

	Ordinary shares % of total shares issued
Number held	
MR HOCK GUAN NG	57,277,536 70.300
AMADEUS CONSULTING PTY LTD	2,427,420 2.979
MR ANDREW FOX	2,427,420 2.979
MR JAMES DONALD HANSON	2,142,768 2.630
SKYDAWN PTY LTD <A/C SKYDAWN SUPER>	2,000,000 2.455
DIANE CURRIE	1,826,613 2.242
OSCAR HAUPTMAN	1,798,386 2.207
INFO INVESTMENTS PTY LIMITED	1,276,300 1.566
BAILE CAPITAL CORPORATION LTD	1,155,194 1.418
MR DAVE HELMAN	825,005 1.013
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	681,838 0.837
ACCADIA LIMITED	592,833 0.728
MR ROBERT KLEIN	585,094 0.718
NETWORK BOX PTY LTD	500,000 0.614
SKYDAWN PTY LTD	500,000 0.614
MR PAUL ZAMBON	467,277 0.574
DEKO CORPORATION PTY LTD	438,000 0.538
BYRNE TRUST COMPANY LIMITED <UNIFUL WORLDWIDE S/F A/C>	367,388 0.451
MR JOHN BRIAN PITCHER	307,232 0.377
MR ACHAL KAPILA	293,864 0.361
	<hr/>
	77,890,168 95.599
	<hr/>

*Unquoted equity securities*

There are no unquoted equity securities.

**Voltage IP Limited**  
**Shareholder information**  
**30 June 2015**

**Substantial holders**

Substantial holders in the Company are set out below:

	<b>Ordinary shares</b>	
	<b>Number held</b>	<b>% of total shares issued</b>
MR HOCK GUAN NG	57,277,536	70.300

**Voting rights**

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

*Ordinary shares*

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

There are no other classes of equity securities.

## CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Voltage IP Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Voltage IP Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

The table below summarises the Company's compliance with the ASX Corporate Governance Council's Principles and Recommendations.

Principles and Recommendations	Compliance	Comply
<b>Principle 1 – Lay solid foundations for management and oversight</b>		
1.1 Establish the functions reserved to the Board of directors (Board) of Voltage IP Limited (Company) and those delegated to manage and disclose those functions	<p>The Board is responsible for the overall corporate governance of the company.</p> <p>The Board has adopted a Board charter that formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management.</p> <p>The Board has not adopted a formal Delegations of Authority that sets limits of authority for senior executives. Given the size and operations of the company, the Directors closely monitor the financial position of the Company.</p> <p>On appointment of a director, the company issues a letter of appointment setting out the terms and conditions of appointment to the Board.</p>	<p>Complies.</p> <p>A formal Delegations of Authority will be established once the Company has secured future business operations.</p>
1.2 Disclose the process for evaluating the performance of senior executives	<p>During the financial year the company did not employ senior executives. The day-to-day operational and finance matters are managed by the Company Secretary/CFO, and overseen by the Directors.</p> <p>There is no review of the Board's performance.</p>	<p>Does not comply. A review of the composition of the Board will be undertaken when the company has secured future business operations.</p>
1.3 Provide the information indicated in <i>Guide to reporting on Principle 1</i>	<p>A performance evaluation process is included in the Board Charter, which has been disclosed and is summarised in the Corporate Governance Statement.</p> <p>The Board did not conduct a formal performance evaluation for senior executives in the financial year.</p>	<p>Complies</p>
<b>Principle 2 – Structure the Board to add value</b>		

Principles and Recommendations	Compliance	Comply
2.1 A majority of the Board should be independent directors	<p>As at the date of this statement, the Board comprises two non-executive independent directors and one non-executive director of the company. The majority of the Board's directors are independent. A director is considered independent when he substantially satisfies the test for independence as set out in the ASX Corporate Governance Recommendations.</p> <p>Mr. Henry Choo and Mr. Chin Hing How are both independent directors.</p> <p>Mr Pok Seng Kong is the non-executive chairman</p>	Complies
2.2 The chair should be an independent director	Mr. Pok Seng Kong is a non-executive director of the Board, but not independent.	Does not comply however the position of Chair will be reviewed once the Company establishes new business operations.
2.3 The roles of chair and chief executive officer should not be exercised by the same individual	The Company has not appointed a chief executive officer. The day-to-day operational and finance matters are managed by the Company Secretary/CFO, and overseen by the Directors.	Does not comply as the Company has not appointed a chief executive officer. The Company will consider this position once it has secured future business operations.
2.4 The Board should establish a nomination committee	The Nomination Committee should comprise two non-executive directors and the CEO as an ex-officio member. Given the size of the Board, it was determined that the Board will execute the functions of a nomination committee and that a separate nomination committee is unnecessary.	Does not comply for reasons given under 2.6 below.
2.5 Disclose the process for evaluating the performance of the Board, its committees and individual directors.	The Company did not conduct a performance evaluation of the Board, and has not adopted a performance evaluation policy	Does not comply. Refer 1.2 above.
2.6 Provide the information indicated in the <i>Guide to reporting on Principle 2</i>	The skills and experience of each director has been disclosed (where applicable) in the directors' report	Given the size of the Board, the Directors determined that it will

Principles and Recommendations	Compliance	Comply
	<p>attached to this Corporate Governance Statement</p> <p>After securing future business operations, the Board will consider the current mix of skills and experience of members of the Board and its senior management to meet the requirements of the Company.</p> <p>A director is considered independent when he substantially satisfies the test for independence as set out in the ASX Corporate Governance Recommendations.</p> <p>Members of the Board are able to take independent professional advice at the expense of the Company.</p> <p>The Board supports the nomination and re-election of the non-executive directors at the company's Annual General Meeting.</p>	<p>execute the functions of a nomination committee and that a separate nomination committee is unnecessary.</p>
<b>Principle 3 – Promote ethical and responsible decision making</b>		
<p>3.1 Establish a code of conduct and disclose the code or a summary of the code</p>	<p>The Board has adopted a code of conduct. The code establishes a clear set of values that emphasise a culture encompassing strong corporate governance, sound business practices and good ethical conduct.</p> <p>The code is summarised in this Corporate Governance Statement.</p>	<p>Complies.</p>
<p>3.2 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and to assess annually both the objectives and progress in achieving them.</p>	<p>The Board has undertaken a review of the mix of skills and experience on the Board in light of the company's principal activities and direction.</p> <p>The Company has not adopted a Diversity Policy as the Company has been dormant and has not business operations. A Diversity Policy, when adopted, will consider the following: benefits of diversity, factors to be taken into account in the selection process of candidates for Board and senior management positions in the company, education programs to develop skills and experience in preparation for Board and senior management positions, and</p>	<p>Does Not Comply.</p> <p>A review of the composition of the Board will be undertaken when the company has secured future business operations.</p>

Principles and Recommendations		Compliance	Comply
3.3	Provide the information indicated in <i>Guide to reporting on Principle 3</i>	<p>processes to include a review and appointment of directors.</p> <p>The Board has not adopted a Diversity Policy as the Company is not in a position where a Diversity Policy is required until it has established future business operations.</p>	Does not comply.
<b>Principle 4 – Safeguard integrity in financial reporting</b>			
4.1	The Board should establish an audit committee	As at the date of this statement the Board does not have an audit committee.	Does not comply. With respect to this compliance issue, the Board will review its position annually.
4.2	The audit committee should be structured so that it consists of only non-executive directors, a majority of independent directors, is chaired by an independent chair who is not chair of the Board and have at least 3 members	As at the date of this statement, the Board does not comply with Recommendation 4.1 and 4.2 as there was no audit committee appointed.	Given the size of the Board, the directors determined that the Board will execute the functions of an audit committee and that a separate audit committee is unnecessary. The Board considers the qualification, skills and experience of its independent non-executive directors allows the Board to act in the best interests of shareholders.
4.3	The audit committee should have a formal charter	An audit committee has not been established by the Board. The functions of an audit committee are reserved for the Board and operate under the Audit Committee Charter.	Does not comply, for reasons given in 4.1 above.
4.4	Provide the information indicated in <i>Guide to reporting on Principle 4</i>	<p>In accordance with the information suggested in <i>Guide to Reporting on Principle 2</i>, this has been disclosed in the directors' report attached to this Corporate Governance Statement and is summarised in the Corporate Governance Statement.</p> <p>When formally constituted, the members of an audit committee are appointed by</p>	Does not comply, for reasons given in 4.1 and 4.2 above.



Principles and Recommendations	Compliance	Comply
	the Board and recommendations from the committee are presented to the Board for further discussion and resolution.	
<b>Principle 5 – Make timely and balanced disclosure</b>		
5.1 Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies	The Company has adopted a continuous disclosure policy, to ensure that it complies with the continuous disclosure regime under the ASX Listing Rules and the <i>Corporations Act 2001</i> .	Complies.
5.2 Provide the information indicated in the <i>Guide to reporting on Principle 5</i>	The Company's continuous disclosure policy is available on request.	Complies.
<b>Principle 6 – Respect the rights of shareholders</b>		
6.1 Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy	The Company has adopted a shareholder communications policy. The Company uses the annual report, market announcements and media disclosures to communicate with its shareholders, as well as encourage participation at general meetings.	Complies.
6.2 Provide the information indicated in the <i>Guide to reporting on Principle 6</i>	The Company's shareholder communications policy is available on request.	Complies.
<b>Principle 7 – Recognise and manage risk</b>		
7.1 Establish policies for the oversight and management of material business risks and disclose a summary of these policies	The Company has not adopted a risk management statement.	Does not comply. However ultimate responsibility for risk oversight and risk management rests with the Board , and operates under the Board Charter.

Principles and Recommendations	Compliance	Comply
7.2 The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	The Company has identified key risks within the business.  In the ordinary course of business, management monitor and manage these risks.  Key operational and financial risks, when identified, are presented to and reviewed by the Board at each Board meeting.	Complies
7.3 The Board should disclose whether it has received assurance from the chief executive officer and chief financial officer that the declaration provided in accordance with section 295A of the <i>Corporations Act 2001</i> is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to the financial reporting risks.	The Chairman in conjunction with the CFO, have made a declaration under section 295A of the <i>Corporations Act 2001</i> that the financial accounting system is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to the financial reporting risks.	Complies
7.4 Provide the information indicated in <i>Guide to reporting on Principle 7</i>	The Board has not adopted a risk management statement, however has identified key risks within the business.	Complies
<b>Principle 8 – Remunerate fairly and responsibly</b>		
8.1 The Board should establish a remuneration committee	The Board has not established a remuneration committee and has not adopted a remuneration committee charter.	Does not comply. With respect to this compliance issue, the Board will review its position annually.
8.2 Clearly distinguish the	The Company complies with the	Complies.

Principles and Recommendations	Compliance	Comply
<p>structure of non-executive directors' remuneration from that of executive directors and senior executives.</p> <p>8.3 Provide the information indicated in <i>the Guide to reporting on Principle 8</i></p>	<p>guidelines for non-executive director remuneration.</p> <p>The Board has not adopted a remuneration committee charter.</p> <p>The Company does not have any schemes for retirement benefits.</p>	<p>Does not comply.</p> <p>Given the size of the Board, the Board has determined that it will execute the functions of a remuneration committee and that a separate remuneration committee is unnecessary. With respect to this compliance issue, the Board will review its position annually.</p>

Voltage IP Limited's corporate governance practices were in place for the financial year ended 30 June 2013 and to the date of signing the accompanying Directors' Report.

Various corporate governance practices are discussed within this Corporate Governance Statement.

### Board functions

The role of the Board of Voltage IP Limited is as follows:

- Representing and serving the interests of shareholders by overseeing the operational, financial and human resource components of the Company to meet its objectives.
- Protecting and optimising the Company to establish and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed.
- Responsible for the overall Corporate Governance of Voltage IP Limited including monitoring the strategic direction of the Company and those entities, formulating goals for management and monitoring the achievement of those goals.
- Setting, reviewing and ensuring compliance with the Company's values (including the establishment and observance of high ethical standards).
- Ensuring shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.

Responsibilities/functions of the Board include:

- selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning for the successor of, a Chief Executive Officer (CEO);

- reviewing procedures in place for appointment of senior management and monitoring their performance, and for succession planning. This includes ratifying the appointment and the removal of the Chief Financial Officer and the Company Secretary;
- input into and final approval of management development of corporate strategy, including setting performance objectives and approving operating budgets;
- reviewing and guiding systems of risk management and internal control and ethical and legal compliance. This includes reviewing procedures in place to identify the main risks associated with the Company's businesses and the implementation of appropriate systems to manage these risks;
- monitoring corporate performance and implementation of strategy and policy;
- approving major capital expenditure, acquisitions and divestitures, and monitoring capital management;
- monitoring and reviewing management processes in place aimed at ensuring the integrity of financial and other reporting;
- monitoring and reviewing policies and processes in place relating to occupational health and safety, compliance with laws, and the maintenance of high ethical standards; and
- performing such other functions as are prescribed by law or are assigned to the Board.

In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board committee, a Director, employee or other person subject to ultimate responsibility of the Directors under the *Corporations Act 2001*.

Matters which are specifically reserved for the Board or its committees include the following:

- appointment of a Chair;
- appointment and removal of a CEO;
- appointment of Directors to fill a vacancy or as additional Director;
- establishment of Board committees, their membership and delegated authorities;
- approval of dividends;
- development and review of corporate governance principles and policies;
- approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management;
- calling of meetings of shareholders; and
- any other specific matters nominated by the Board from time to time.

## Structure of the Board

The Company's constitution governs the regulation of meetings and proceedings of the Board.

The Board determines its size and composition, subject to the terms of the constitution. The Board does not believe that it should establish a limit on tenure other than stipulated in the Company constitution.

While tenure limits can help to ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight in the Company and its operation and, therefore, an increasing contribution to the Board as a whole. It is intended that the Board should comprise a majority of independent Non-executive Directors and comprise Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds. It is also intended that the Chair should be an independent Non-executive Director. The Board regularly reviews the independence of each Director in light of the interests disclosed to the Board.

The Board only considers Directors to be independent when they operate independently of management and are free of any business or other relationship that could materially interfere with – or could reasonably be perceived to interfere with – the exercise of their unfettered and independent judgment. The Board has adopted a definition of independence based on that set out in Principal 2 of the ASX Corporate Governance Revised Principals and Recommendations. The Board will review the independence of each Director in light of interests disclosed to the Board from time to time.

In accordance with the definition of independence above, and the materiality thresholds set, the following Directors of Voltage IP Limited are considered to be independent:

<b>Name</b>	<b>Position</b>
Mr Henry Choo	Non-executive Director
Mr Chin Hing How	Non-executive Director

There are procedures in place, agreed by the Board, to enable Directors in furtherance of their duties to seek independent professional advice at the Company's expense.

The term in office held by each Director in office at the date of this report is as follows:

<b>Name</b>	<b>Position</b>	<b>Term in Office</b>
Pok Seng Kong	Non-executive Chairman	Appointed 22 October 2009
Chin Hing How	Non-executive Director	Appointed 13 May 2009
Mr Henry Choo	Non-executive Director	Appointed 5 December 2013

Further details on each director can be found in the Directors' Report attached to this Corporate Governance Statement.

## Securities trading policy

Under the company's Guidelines for Dealing in Securities Policy, a director or company employee ('Relevant Persons') must not trade in any securities of the company at any time when they are in possession of unpublished price sensitive or 'inside' information in relation to those securities.

Relevant Persons are permitted to buy or sell the company's securities throughout the year, except during the period up to 14 days preceding the:

- release of the company's financial results; or
- holding of a shareholders meeting.

and ending two days after the end of the day of the announcement of the company's financial results or the holding of the shareholders meeting to allow the market to absorb the contents of the announcement (Non Trading Period).

Outside of the Non Trading Period (before commencing to trade) a director must first obtain the approval of the Chairman to do so; the Chairman must first obtain approval from the Board; and all other employees must inform and receive approval from the Company Secretary.

As required by the ASX Listing Rules, the company notifies the ASX of any transaction conducted by directors in the securities of the company within five days of the transaction taking place.

### **Audit and Risk**

The Board has not established an Audit and Risk Committee. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

### **Risk Management**

The responsibility of overseeing risk falls within the responsibilities of the Board. The Company identifies areas of risk within the Company and management and the Board continuously undertakes a risk assessment of the Company's operations, procedures and processes. The risk assessment is aimed at identifying the following:

- a culture of risk control and the minimisation of risk throughout the Company, which is being done through natural or instinctive process by employees of the Company;
- a culture of risk control that can easily identify risks as they arise and amend practices;
- the installation of practices and procedures in all areas of the business that are designed to minimise an event or incident that could have a financial or other effect on the business and its day to day management; and
- adoption of these practices and procedures to minimise many of the standard commercial risks, i.e. taking out the appropriate insurance policies, or ensuring compliance reporting is up to date.

### **Remuneration**

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality Board and Executive team by remunerating Directors and key Executives fairly and appropriately with reference to relevant employment market conditions. To assist in achieving this objective, the Board, in assuming the responsibilities of assessing remuneration to employees, links the nature and amount of Executive Directors' and officers' remuneration to the Company's financial and operational performance. The expected outcomes of the remuneration structure are:

- retention and motivation of key Executives;
- attraction of high quality management to the Company; and
- performance incentives that allow Executives to share in the success of Voltage IP Limited.

For a more comprehensive explanation of the Company's remuneration framework and the remuneration received by Directors and key Executives in the current period, please refer to the Remuneration Report, which is contained within the Directors' Report.

There is no scheme to provide retirement benefits to Non-Executive (or Executive) Directors.

The Board is responsible for determining and reviewing compensation arrangements for the Directors themselves and the Chief Executive Officer and Executive team.