livehire

Annual Report 2019

Contents

Empowering the flow of the world's talent.

Chairman's Address

On behalf of the LiveHire Limited Board, it is my pleasure to present our Company's Annual Report for the year ended 30 June 2019.

Before I touch on LiveHire's year under review, it is worth contextualising the talent acquisition industry that LiveHire is disrupting globally. In the United States alone, well over $200 billion is spent each year on talent acquisition[1], but with considerable inefficiencies in an increasingly dynamic and global labour market.

LiveHire aims to change that. We are using our technology to forge a new direction in recruitment that is smarter, cheaper, more efficient and better connected. Importantly, our continued investment in the long-term mission to empower the flow of the world's talent is fully funded, thanks to the support and trust of our shareholders.

LiveHire's market penetration strategy has both sharpened and expanded this year, under the leadership of CEO Christy Forest, who was appointed to the team this time last year, having served as a non-executive Director previously.

The initial focus was to reshape the leadership team and install marketing, commercial and data privacy capabilities then rapidly build process, product and teams for three critical elements of meaningful growth.

This Annual Report provides details of the early traction we see from **expansion into the US**, a broader **partner strategy** and network, and a **direct sales team** expansion in Australia.

Last year, with Christy's appointment as CEO, we announced that co-founder Antonluigi (Gigi) Gozzi would transition to the newly created and integral role of Chief Products Officer. Gigi has always strived to improve our product and technology development and I'm delighted to say that the transition has allowed him to focus on the critical technology path for LiveHire's future. Similarly, LiveHire's other co-founder Dr Mike Haywood resigned from the board to dedicate his full attention to the key commercial growth initiatives in the US and Australian markets. LiveHire is now significantly

1 Josh Bersin: 2019 HR Technology Market.

strengthened with its co-founders deep within the business driving growth, innovation and keeping the Company's entrepreneurial spirit burning brightly – I thank both gentlemen for their ongoing support and leadership.

LiveHire is well funded after raising $15 million from institutional and sophisticated investors. We finished the year with a cash balance of $34 million, sending a clear message that LiveHire is investing in, and supporting our channel partners and large companies with technology to help them better deliver quality sourcing and recruitment, and improve candidate experiences on a global scale.

We are also investing significantly in Artificial Intelligence (**AI**) and Machine Learning to help transform our company to be capable of connecting candidates and companies in a meaningful way. We continue to integrate with the major global sources of talent, and the use of AI search tools are integral to this strategy.

I would like to take this opportunity to thank our management and staff for the fantastic effort they have put in over the last 12 months, driving change ang innovation. I also take this opportunity to thank my fellow directors, for their continued efforts and support throughout the year and of course we could do none of this without our shareholders who continue to support and believe in our vision.

The year ahead will again be a busy and a productive one, and the Board is excited to share that journey with you all.

Geoffrey Keith Morgan AM
Chairman, LiveHire Limited

CEO's Address

Reflecting on my first full year at the helm of LiveHire, I'm delighted to say that our globally unique platform is solving an acute problem for organisations. After a busy year, we are well positioned to partner and scale globally.

We have actively aligned our product, strategy and organisational structure to achieve growth. Thanks to the support of our shareholders, we are able to deploy capital on projects that accelerate our international expansion and facilitate "self-service" deployment of LiveHire technology via a meaningfully expanded channel partner network over the next few years.

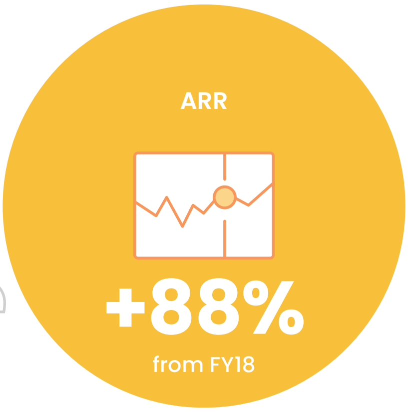
We delivered strong results in FY19, with Annualised Recurring Revenue (**ARR**) up by 88% on FY18 to $2.53 million, recurring revenue up 76% to $1.96 million and cash receipts increasing by 56% to $3.12 million. We signed 41 new clients through our Direct Sales and Partner Channels, and grew our Talent Community Connections (TCCs) by 65% to more than 1.1 million candidates. I am very pleased with our achievements and believe we have a strong foundation on which to build meaningful future growth.

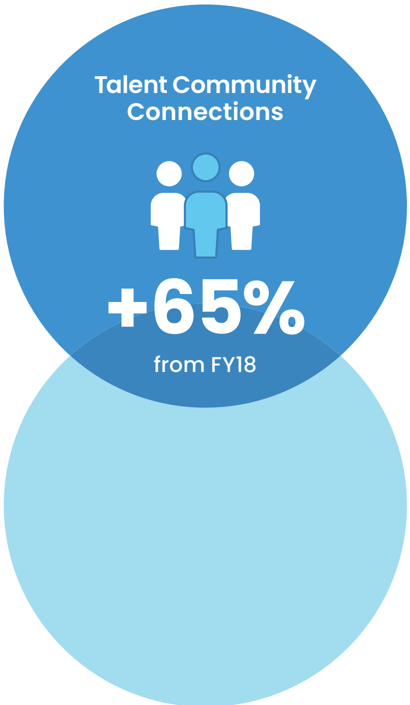
FY19 was characterised by a brave transformational strategy to reshape the leadership team and build new capabilities to help accelerate our entry into the US market, launch a broadened channel partner strategy and deliver wins from a new and expanded Australian direct sales team.

The three critical elements to meaningful LiveHire revenue growth ahead are:

- **US market penetration**, initially through channel partners, to bring speed to revenue generation and early reference clients.
- An expanded **channel partner strategy**, in Australia and the US, with a focus not only on Recruitment Process Outsourcers (**RPOs**) but also Managed Service Providers (**MSPs**) and Technology System Implementers (**SIs**) such as Rizing/Synchrony.
- Accelerated wins from our recently expanded **Direct Sales** team in Australia with continued meaningful pipeline growth and new logo acquisition.

Taking each in turn, the US market represents a massive opportunity for LiveHire, as it is 15 times larger than Australia. With its own unique challenges and competition, the US shows positive signs of receptivity to LiveHire's innovative and consumer-oriented approach, embraced by partners who will help us achieve scale and trusted relationships with end clients. The US





Talent Acquisition market is innovative and further along the adoption curve, with LiveHire seen as differentiated and uniquely proven to deliver results.

Our expanded channel partnership strategy in both Australia and the US is now underway with a focus on RPOs as well as MSPs and SIs in the HR space. With this broadened focus across the last two quarters, we ended the year with six partners and built a pipeline for further expansion of the partner ecosystem whilst we enable each of their sales teams for revenue contribution.

Finally, even as we expand via Partners and into the US, we continue to build pipeline with our Direct Sales team in Australia. Our Australian business will continue to grow meaningfully, whilst our US-based ARR will accelerate alongside, eventually overtaking the Australian contribution.

Our products and technology team delivered significant new modules of the LiveHire Talent Acquisition & Engagement Platform in FY19. These new additions both complement and differentiate the LiveHire product offering as a modern and award-winning solution provider, increasing our reach and competitiveness in our markets.

To launch in the US, LiveHire rapidly adapted all of its functionality for that market and went live with our first end client within just a few months. The product localisation for the US is now complete, with important changes required on both the employer and candidate sides.

We also developed and launched an innovative module to deliver the power of big data for Reporting and Analytics to all LiveHire clients. This new product is a full suite of secured and scalable talent Business Intelligence (**BI**) tools, powerful insights and interactive dashboards, delivering a fast and self-service solution for all users.

Finally, our investment in Artificial Intelligence (**AI**) technologies delivers real-time Job Matching for candidates and recruiters. This new major development will allow candidates to engage directly with an employer's Talent Communities and use AI to find and apply for the exact jobs that best match their profiles.

Over the past 12 months, user traffic on the LiveHire platform increased by 350%. To deal with this sudden increase in usage and to enable significant future growth, our engineering team has upgraded our software and infrastructure to maximise its performance, reliability, scalability and security.

Whilst all these activities have certainly kept the LiveHire team busy during the year, their efforts have not gone unnoticed. I would like to thank all of our staff and my management team for what they have achieved during the year, and for the passion and commitment they continue to demonstrate toward our mission.

I would also like to thank the shareholders for all of their support. I am really pleased with what we achieved in FY19 and look forward to leading the team to maximise our potential for scalability, sustainability, and meaningful revenue growth in the coming 12 months.

Christy Forest
Chief Executive Officer, LiveHire Limited

Directors' Report

The Directors submit their report of LiveHire Limited (**LiveHire** or **the Company**) for the financial year ended 30 June 2019 (**Financial Year**).

1. INFORMATION ON THE BOARD OF DIRECTORS

The Directors of the Company at the date of this report are as follows:

Mr Geoffrey Morgan AM

Non-Executive Director and Chairman

With over 30 years in the industry, Geoff is one of Australia's leading recruitment and human resources executives. He is also a very active philanthropist.

Geoff co-founded recruitment firm Morgan & Banks in 1985, building the company into one of the Asia Pacific's most prominent recruitment companies. Geoff floated Morgan & Banks on the ASX in 1994 and grew the company to over $700 million in revenues before its acquisition by TMP Worldwide, a US company listed on the NASDAQ, for $380 million.

Geoff then co-founded talent management firm Talent2, building it into a leading recruitment HR outsourcing firm and listing it on the ASX in 2004. Talent2 was privatised in 2012, before the company was sold to leading US private talent management firm Allegis Group in 2014.

Geoff has co-authored several books on recruiting and is an experienced investor in human resources technology. In 2004, Geoff was the recipient of the "Ernst & Young Master Entrepreneur of the Year Award" given for sustained success in business. Geoff was recognised as a Member of the Order of Australia in 2015, and is also a member of the Australian Institute of Company Directors.

During the past three years, Geoff held the following directorships in other ASX listed companies:

- Non-Executive Director of Reffind Limited (resigned 23 November 2016).

Board Committee Membership:

- Chairman of the Board
- Member of the Audit & Risk Committee
- Member of the Nomination & Remuneration Committee.

Ms Christy Forest

Chief Executive Officer

Christy Forest is the CEO and Executive Director at LiveHire.

Christy joined the LiveHire Board in September 2017 with a strong interest in the LiveHire platform and transformational business model that changes the way people find meaningful work. In June 2018 she was appointed as CEO.

Christy brings more than 20 years of experience in leading high-growth talent and technology businesses. As the Global Head of Member Services and the first woman on CEB's Executive Committee, she developed a passion for delivering and scaling high quality customer experiences worldwide. As the MD APAC for CEB, she pioneered new markets, products and processes, consistently delivering the highest regional growth for the company.

Best known for balancing the drive for performance with collaboration and humanity in the workplace, Christy's greatest passion is animating a sense of purpose for teams and organisations.

Christy completed her undergraduate degree at the University of Virginia, has an MBA from Northwestern's Kellogg Graduate School of Management, and is a member of the Australian Institute of Company Director's. In her spare time, Christy is an avid yogi, wife, and mum of two.

During the past three years, Christy has not held directorships in any other ASX listed companies.

Board Committee Membership:

- Member of the Nomination & Remuneration Committee (until 18 October 2018).

Mr Antonluigi Gozzi

Executive Director, Chief Products Officer

Antonluigi is Founder, Executive Director and Chief Products Officer of LiveHire.

As Chief Products Officer, Antonluigi focuses on all aspects of product, technology, infrastructure and innovation for LiveHire. Antonluigi leads the development team and has managed the in-house development of LiveHire's technology platform and proprietary intellectual property since the incorporation of the Company.

Antonluigi's passions are technology, big data and network analytics, and businesses that use technology to improve the quality of life of their users and make society more efficient and transparent for all.

Prior to founding LiveHire in 2011, Antonluigi worked in management consulting and delivered projects for some of Australia's largest corporates, including BHP Billiton, Leighton and Fairfax, both in Australia and overseas.

Antonluigi has a Masters of Engineering from the University of Parma, Italy, and is a member of the Australian Institute of Company Directors.

During the past three years, Antonluigi has not held directorships in any other ASX listed companies.

Board Committee Membership:

- Member of the Audit & Risk Committee (from 10 August 2018)

Mr Adam Zorzi

Independent Non-Executive Director

Adam is an independent Non-Executive Director of LiveHire.

Adam joined the LiveHire board in April 2012, having been a foundational investor in the LiveHire business and served as Chairman prior to the appointment of Geoff Morgan.

As an experienced executive, Adam has over 15 years of corporate board experience. Adam is Executive Director of Australian Development Capital, a private fund manager specialising in the acquisition and management of property investment and development assets.

Adam also sits on the boards of a number of non-profits and charitable organisations, including Starlight Children's Foundation Australia (WA) and FORM – Building a State of Creativity.

Adam holds a Bachelor of Commerce from Curtin University of Technology with Double Majors in Property and Finance.

During the past three years, Adam has not held directorships in any other ASX listed companies.

Board Committee Membership:

- Chair of the Audit & Risk Committee
- Chair of the Nomination & Remuneration Committee

Directors' Report

Mr Michael Rennie

Independent Non-Executive Director

Michael is an independent Non-Executive Director of LiveHire.

Michael spent 33 years with McKinsey & Company, the world's leading management consultancy. He held various roles including Managing Partner of McKinsey in Australia for six years and a global leader of the organisation, people and HR practise for ten years. He also served on McKinsey's global board.

Michael's work has been focused around four themes: Human Resources, People and Change, Technology, and Growth and Innovation.

Michael oversaw McKinsey's global research on the future of technology in HR, which examined the top 50 major technology innovations that would impact clients of McKinsey in HR over the next 20 years, led by a Silicon Valley-based team.

Michael's experience and reputation led him to be put in charge of all of McKinsey's development programs globally for McKinsey's Cell Leaders (CEO style roles) and the 500 most senior partners from 2010 to 2017.

Michael's reputation with national global leaders, his deep knowledge and appreciation of the future of HR and technology, and his leadership coaching ability, will be a tremendous asset for the LiveHire team.

During the past three years, Michael has not held directorships in any other ASX listed companies.

Board Committee Membership:

- Member of the Nomination & Remuneration Committee (appointed 18 October 2018)

2. INFORMATION ON THE OFFICERS OF THE COMPANY

Mr Ben Malone
Chief Financial Officer

Ben Malone has held the role of Chief Financial Officer since February 2017.

Ben has extensive experience from previous roles in building and leading finance teams in leading national and international organisations, including REA Group, APN Property Group, Australian Unity, Deloitte and Ernst & Young. Ben's experience at these organisations includes large business acquisitions and integrations, international expansion and structuring, and scaling businesses through high growth phases.

Ben is a member of the Australian Institute of Chartered Accountants and holds a Bachelor of Commerce (Honours) and Executive MBA from Monash University. Ben is also a Graduate Member of the Australian Institute of Company Directors.

Ms Charly Duffy
Company Secretary

Charly Duffy (LLB) has held the role of Company Secretary since February 2016. Charly is a principal and director of cdPlus Corporate Services Pty Ltd and Coghlan, Duffy & Co Lawyers. Charly also acts as company secretary for The BetMakers Technology Group Limited (ASX: BET), Plukka Limited (ASX: PKA) and Splitit Payments Limited (ASX: SPT).

Directors' report

3. PRINCIPAL ACTIVITIES

During the financial year the principal continuing activities of the Company consisted of:

- Support of an increasing number of client implementations via direct sales and channel partners, and successful adoption of the LiveHire technology;
- Expansion of the Company's sales and marketing capabilities in Australia;
- Establishment of the Company's first US sales channels via channel partners, including the signing of the first US client to use the LiveHire technology;
- Continued product development of the LiveHire Talent Acquisition & Engagement Platform, including United States localisation and internationalisation, talent analytics and reporting, smart matching and artificial intelligence, agency management, volume recruitment, various third-party integrations, and continued investment in infrastructure and scale.

Purpose & Growth Strategy

LIVEHIRE'S PURPOSE AND INVESTMENT PROPOSITION

LiveHire's purpose is to empower the flow of the world's talent into and through organisations. LiveHire does this through a platform-based approach that is rapidly deployed, infinitely scalable, easily integrated with, and underpinned by a single unified (federated) profile of a candidate, providing a private and secure single source of truth of data for organisations and talent. LiveHire believes that as its ecosystem grows, the value to organisations and candidates grows exponentially.

Leading SaaS Talent Acquisition & Engagement Platform	LiveHire's platform allows mid to large clients (from ~200 FTE and above) to transform their Talent Acquisition process whilst delivering exceptional levels of engagement for an authentic and personal candidate experience. The next generation cloud-based platform creates measurable results for client companies in terms of speed, quality and cost of hire, along with improved diversity outcomes.
Architecture built for rapid scale	The way that companies recruit and share talent is rapidly changing, leading to more comfort in using the cloud to store, manage, protect, and share career and talent data. Through its cloud platform and unified candidate profile, LiveHire continues to build a valuable ecosystem of candidates who are able to privately connect to companies (creating a "Talent Community Connection"). This "one-click" connection to a company with a single live profile creates a highly scalable platform as well as a rich and growing live ecosystem.
Large market opportunity with significant organic growth runway	With well over US$200 billion spent on Talent Acquisition in the United States, of which only around 2.5% is attributed to the software and platform part of the market, there is a continued trend in Talent Acquisition budgets being reallocated towards technology[1]. Within Australia there are over 4,000 companies with over 200 FTEs[2]. In the United States, there are over 60,000 companies with over 200 FTEs[3]. Based on current ARRPC, this represents a significant addressable market of over $2 billion.
Strong Balance Sheet for growth	LiveHire has scope to pursue organic growth both domestically and internationally.
High recurring revenue and cash conversion	LiveHire's SaaS revenue model has generated >85% growth in Annualised Recurring Revenue (**ARR**) for the past two financial years, and 100% cash conversion, as customers pay annually in advance. Contract terms are 1–3 years, with a greater weighting to three-year contracts expected going forward.

The three critical elements to meaningful LiveHire revenue growth ahead are:

- **US market penetration**, initially through channel partners, to bring speed to revenue generation and early reference clients.
- An expanded **channel partner strategy** in Australia and the US, with a focus not only on Recruitment Process Outsourcers (RPOs) but also Managed Service Providers (MSPs) and Technology System Implementers (SIs) such as Rizing/Synchrony.
- Accelerated wins from our recently expanded **Direct Sales** team in Australia with continued meaningful pipeline growth and new logo acquisition.

1 Josh Bersin: 2019 HR Technology Market
2 Australian Bureau of Statistics (**ABS**).
3 North American Industry Classification System (**NAICS**).

3. PRINCIPAL ACTIVITIES (continued)

Further details on LiveHire's growth strategy, measuring success and milestones, can be found below:

Channel	Direct	Outsourced provider partners		Reseller/referrer partners
		RPO	MSP	System implementers
Description	• Direct Sales team, currently solely focused on the ANZ market only, with 200-5,000 FTEs	• Recruitment Process Outsource providers managing permanent hires on behalf of organisations.	• Managed Service Providers managing contingent (contractor) hires on behalf of organisations.	• System Implementers managing the implementation of enterprise management software.
How to track success?	• # of customers • ARR	• # of RPO partners • ARR • # of customers	• # of MSP partners • ARR • # of customers	• # of SI partners • ARR • # of customers
FY19 progress	• 27 new clients, $1 million in total contract value ($780,000 ARR) Plus $125,000 in revenue from pilot customers that are not reported as ARR • 10 person Direct Sales team and senior commercial leaders onboarded to productivity	• Seven new clients, $725,000 in total contract value ($495,000 ARR) • New clients wins through partnerships with both Korn Ferry and Manpower Group	• Seven new clients via two new partnerships delivering $175,000 ARR • Workforce Logiq (US) five client deals • CXC (ANZ) two client deals	• Rizing/Sunchrony (US/ANZ) • Leading New Zealand based SI

These channels provide LiveHire opportunity to access:

Australian market [1]
>4,000 companies with 200+ FTEs

US market [2]
>60,000 companies with 200+ FTEs

1 Australian Bureau of Statistics (**ABS**).
2 North American Industry Classification System (**NAICS**).

4. REVIEW OF OPERATIONS

The progress highlighted in the aforementioned Purpose & Growth Strategy section resulted in the following position as at 30 June 2019:

CHANNEL	DIRECT	OUTSOURCED PROVIDER PARTNERS	RESELLER/ REFERRER PARTNERS	TOTAL
ARR	$1.75m	$0.78m	–	$2.53m
# Customers	62	17	–	79
# Partners	N/A	4	2 [1]	6

1 2 x Reseller/Referrer partners in onboarding phase at 30 June 2019 (i.e. not revenue generating as at 30 June 2019).

4. REVIEW OF OPERATIONS (continued)

Other highlights and significant changes in state of affairs during the financial year included:

- **Annualised Recurring Revenue (ARR [1]) grew by 88% to $2,533,331** compared to the same period in FY18
- **Annualised Recurring Revenue Per Client (ARRPC) grew 26% to $32,067** at 30 June 2018 compared to $25,450 at 30 June 2018.
- **Revenue from contracts with customers for the period of $2,622,814. Recurring revenue for the period increased 76% to $1,963,631** compared to FY18.
- **Cash receipts for the period increased 56% to $3,120,986** compared to FY18.
- **Talent Community Connections (TCCs) grew by 65% to 1,110,149** compared to the same period in FY18.
- Strong financial position at the end of the period, **debt free with $34 million cash at bank**.
- **Signed 41 new agreements** through both the Direct Sales and Partner Channels, including Vodafone Australia, Dulux Group, ASICS, JD Sports, Flybuys, FujiXerox Australia, Grill'd, Hitachi, Xero, Calibre Group, Komatsu Australia, Nissan Australia, iSelect.
- **New partnerships** via Outsourced Providers Workforce Logiq (US) and CXC (ANZ), and Systems Implementers including Rizing/Synchrony (US/ANZ) and a leading NZ based SI. Channel partnerships enable LiveHire to achieve accelerated market penetration and scale in an ecosystem of partners who represent one-to-many relationships.
- **Continued traction through existing partners Korn Ferry and Manpower** Services (Aust) Pty Ltd. This included new enterprise agreements with **Korn Ferry** with an industrial/natural/financial group of businesses, an Australian top 4 bank, and major retailer Super Retail Group, as well as a significant contract supporting a large Federal Government agency that manages over 80,000 applicants per annum via **Manpower** Services (Aust) Pty Ltd.
- **Successfully raised $15 million** in March 2019 via a placement of 25 million ordinary shares at $0.60 per share to sophisticated and institutional investors. The funds raised will be deployed over a number of years on projects that accelerate international expansion and facilitate fast organic "self-service" deployment of LiveHire technology through channel partners.
- **US product localisation and internalisation** rapidly developed to facilitate US Talent Community launches.
- Product features developed and launched to facilitate self-service client **Talent Analytics & Reporting**.
- New major product feature successfully delivered in **Agency Management**.
- Continued enhancements and investment in **Smart Matching and Artificial Intelligence (A.I.)**, additional product features developed to service RPO specific requirements, **volume recruitment** feature developed, and various **technology integrations** delivered.
- Appointed Robbert Lammers on 18 July 2018 to its senior leadership team as **Director of Marketing**.
- Appointed Jacqueline Davy on 14 August 2018 to its senior leadership team as **General Counsel and Privacy Officer**.
- Appointed Chris Tithof on 3 December 2018 to its senior leadership team as **Head of Channel Development**.
- Appointed Chris Cooper on 4 December 2018 to its senior leadership team as **Commercial Director**.

5. DIRECTORS' SHARE AND OPTION HOLDINGS

The following table sets out each current Director's relevant interest in shares, performance rights and options to acquire shares of the Company or a related body corporate as at the date of this report.

DIRECTORS	FULLY PAID ORDINARY SHARES	PERFORMANCE RIGHTS	UNLISTED OPTIONS
Geoffrey Morgan AM	2,307,029	–	2,000,000
Adam Zorzi	4,073,145	–	1,000,000
Michael Rennie	2,378,948	–	–
Christy Forest	1,667,473	1,499,580	–
Antonluigi Gozzi	27,265,101	–	3,600,000

1 ARR represents Monthly Recurring Revenue at any point in time, multiplied by 12. It provides a 12 month forward view of recurring revenue at a point in time. We believe this common SaaS metric, which is a Non-GAAP measure, provides useful information for readers to assist in understanding the Company's financial performance. These measures have not been independently audited or reviewed.

6. DIRECTORS' MEETINGS

The number of Directors' meetings held during the financial year and the number of meetings attended by each Director during the time the Director held office are:

	FULL BOARD		REMUNERATION & NOMINATION COMMITTEE		AUDIT & RISK MANAGEMENT COMMITTEE	
DIRECTORS	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Geoffrey Morgan AM	11	9	2	2	3	3
Adam Zorzi	11	9	2	2	3	3
Michael Rennie	11	9	1	1	–	–
Christy Forest	11	11	1	–	–	–
Antonluigi Gozzi	11	11	–	–	3	3
Michael Haywood	11	11	–	–	–	–
Patrick Grant Galvin	1	1	–	–	–	–

Committee Membership

As at the date of this report the Company has a Remuneration & Nomination Committee and an Audit & Risk Management Committee.

Members of the **Remuneration & Nomination Committee** during the financial year were:

Adam Zorzi (Chairman), Geoffrey Morgan, Christy Forest (until 18 October 2018), Michael Rennie (from 18 October 2018).

Members of the **Audit & Risk Management Committee** during the financial year were:

Adam Zorzi (Chairman), Geoffrey Morgan, Patrick Grant Galvin (until 31 July 2018), Antonluigi Gozzi (from 10 August 2018).

7. FINANCIAL PERFORMANCE

The financial results of the Company for the year ended 30 June 2019 are:

	30-JUN-19	30-JUN-18	% CHANGE
Recurring Revenue ($)	**1,963,631**	1,112,793	76%
Non-recurring revenue ($)	**659,183**	537,724	23%
Total Revenue from continuing operations ($)	**2,622,814**	1,650,517	59%
Net loss after tax ($)	**(13,792,699)**	(10,096,222)	37%
Loss per share ($)	**(0.050)**	(0.041)	24%

8. REMUNERATION REPORT (AUDITED)

This report for the year ended 30 June 2019 outlines the remuneration arrangements of the company, in accordance with the requirements of the *Corporations Act 2001* (**the Act**) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (**KMP**) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the company.

Individual KMP disclosure

Details of KMP of the Company who held office during the year are as follows:

DIRECTORS	POSITION	TERM AS KMP
Geoffrey Morgan AM	Non-Executive Director & Chairman	Full financial year
Adam Zorzi	Independent Non-Executive Director	Full financial year
Michael Rennie	Independent Non-Executive Director	Full financial year
Christy Forest	Chief Executive Officer & Executive Director	Full financial year
Antonluigi Gozzi	Executive Director – Chief Products Officer	Full financial year
Michael Haywood	Executive Director	Full financial year
Patrick Grant Galvin	Executive Director	Ceased 31 July 2018

OTHER KMP	POSITION	APPOINTED
Ben Malone	Chief Financial Officer	Full financial year

Since the reporting date and up to the date that the financial report was authorised for issue one change has been made to the above, being the resignation of Michael Haywood as Executive Director, effective 24 July 2019.

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

A. Remuneration Philosophy
B. Remuneration Governance, Structure and Approvals
C. Remuneration and Performance
D. Details of Remuneration
E. Contractual Arrangements
F. Share-based Compensation
G. Equity Instruments Issued on Exercise of Remuneration Options
H. Voting and comments made at the Company's 2016 Annual General Meeting
I. Loan instruments to KMP
J. Other transactions with KMP

A. Remuneration Philosophy

KMP have authority and responsibility for planning, directing and controlling the activities of the Company. KMP of LiveHire comprise the Board of Directors and the CFO.

The performance of the Company depends upon the quality of its KMP. To prosper the Company must attract, motivate and retain appropriately skilled Directors and Executives.

The Company's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

8. REMUNERATION REPORT (AUDITED) (continued)

B. Remuneration Governance, Structure and Approvals

The Board has established a separate Remuneration & Nomination Committee, which comprises Adam Zorzi (Chairman), Geoff Morgan and Michael Rennie (appointed 18 October 2018).

The Remuneration & Nomination Committee is primarily responsible for:

- The over-arching executive remuneration framework;
- Operation of the incentive plans which apply to executive directors and senior executives (the executive team), including key performance indicators and performance hurdles;
- Remuneration levels of executives; and
- Non-executive director fees.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company.

Non-Executive Director Remuneration Structure

The remuneration of Non-Executive Directors consists of Directors' fees, payable in arrears. The Board, in accordance with the Company's Constitution and the ASX listing rules specify that the Non-Executive Directors fee pool shall be determined from time to time by a general meeting. The Board did not seek any increase for the Non-Executive Director pool at the 2018 AGM. Accordingly, as set out in section 5.3(f) of the Company's Replacement Prospectus lodged with the ASX on 23 May 2016, the Non-Executive Director fee pool is an aggregate of A$600,000 per annum. The Board will not seek any increase for the Non-Executive Director pool at the 2019 AGM.

Remuneration of Non-Executive Directors is based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors. Non-Executive Directors do not receive retirement benefits but are able to participate in share-based incentive programmes in accordance with Company policy.

The remuneration of Non-Executive Directors is detailed in Section D – Table 1a and Table 1b, and their contractual arrangements are disclosed in "Section E – Contractual Arrangements".

Non-Executive Director Remuneration Approvals

The Board, in accordance with the Company's Constitution, sets the aggregate remuneration of Non-Executive Directors, subject to shareholder approval. Within this pre-approved aggregate remuneration pool, fees paid to Non-Executive Directors are approved by the Remuneration Committee and are set at levels to reflect market conditions and encourage the continued services of the Directors.

Remuneration may also include an invitation to participate in share-based incentive programmes in accordance with Company policy.

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a company of similar size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors.

Executive Remuneration Structure

The nature and amount of remuneration of executives are assessed on a periodic basis with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Executives.

The main objectives sought when reviewing executive remuneration is that the Company has:

- Coherent remuneration policies and practices to attract and retain Executives;
- Executives who will create value for shareholders;
- Competitive remuneration offered benchmarked against the external market; and
- Fair and responsible rewards to Executives having regard to the performance of the Company, the performance of the Executives and the general pay environment.

The remuneration of Executives is detailed in Section D – Table 1a and Table 1b, and their contractual arrangements are disclosed in "Section E – Contractual Arrangements".

8. REMUNERATION REPORT (AUDITED) (continued)

Executive Remuneration Approvals

The Company aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and aligned with market practice. Executive remuneration is reviewed annually by the Remuneration Committee, for their approval. The process consists of a review of company, business unit and individual performance, relevant comparative remuneration internally and externally and, where appropriate, external advice independent of management.

Executive remuneration and incentive policies and practices must be aligned with the Company's vision, values and overall business objectives. Executive remuneration and incentive policies and practices must be designed to motivate management to pursue the Company's long-term growth and success and demonstrate a clear relationship between the Company's overall performance and the performance of executives.

C. Remuneration and Performance

The following table shows the gross revenue, losses and share price of the Company as at 30 June for the last five financial years:

	30-JUN-19	30-JUN-18	30-JUN-17	30-JUN-16	30-JUN-15
Revenue ($)	**2,622,814**	1,650,517	775,845	310,061	101,856
Net loss after tax ($)	**(13,792,699)**	(10,092,222)	(4,652,153)	(3,669,059)	(1,944,961)
Share Price ($)	**0.41**	0.59	0.60	0.18	N/A

Long Term Incentive Package

Loan Back Shares:

The CEO, Executive Directors, and other KMP each hold Loan Back Shares that vest subject to:

- CEO: Performance hurdles linked to ARR vesting milestones which can be achieved over a two-year period after grant date
- Executive Directors: Performance hurdles linked to TCCs over a two-year period. Note these performance hurdles for the 2018 grant were not achieved for FY19 and the Loan Back Shares were subsequently cancelled on 23rd July 2019
- Other KMP: Service period. 50% vested on 30 June 2019, 50% vesting on 30 June 2020

Performance Rights:

The CEO and other KMP each hold Performance Rights that vest subject to:

- CEO: Service period. 50% vested 12 months after date of issue, 50% vesting 24 months after date of issue
- Other KMP: Service period. 50% vested 12 months after date of issue, 50% vesting 24 months after date of issue

Options:

All options previously issued to Directors and KMP have vested based on service period vesting conditions being met.

The Board is of the opinion that the expiry date and exercise price of the equity instruments currently on issue to the Directors, other KMP and its Executives is a sufficient, long term incentive to reward Executives in a manner which aligns the element of remuneration with the creation of shareholder wealth.

8. REMUNERATION REPORT (AUDITED) (continued)

D. Details of Remuneration

During the financial year ended 30 June 2019 and 30 June 2018 KMP received short-term employee benefits, post-employment benefits, long-term employee benefits and share-based payments.

Table 1a: Remuneration of KMP of the Company for the year ended 30 June 2019 is set out below:

	SHORT-TERM EMPLOYEE BENEFITS[3]	POST-EMPLOYMENT BENEFITS	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS			
30-JUN-19	SALARY & FEES $	SUPER-ANNUATION $	ANNUAL & LONG SERVICE LEAVE $	OPTIONS[2] $	LOAN BACK SHARES[2] $	PERFORMANCE RIGHTS[2] $	TOTAL $
NON-EXECUTIVE DIRECTORS							
Geoffrey Morgan AM	136,986	13,014	–	–	–	–	150,000
Adam Zorzi	78,264	7,435	–	–	–	–	85,699
Michael Rennie	54,795	5,205	–	–	–	–	60,000
Sub-total	270,045	25,654	–	–	–	–	295,699
EXECUTIVE DIRECTORS							
Christy Forest	315,669	20,531	20,572	–	243,289	617,704	1,217,765
Antonluigi Gozzi	241,344	20,531	25,195	–	(62,276)[4]	–	224,794
Michael Haywood	159,950	15,081	17,882	–	(35,586)[4]	–	157,327
Patrick Grant Galvin[1]	16,767	1,583	(7,957)	–	(35,586)[4]	–	(25,193)
Sub-total	733,730	57,726	55,692	–	109,841	617,704	1,574,694
OTHER KMP							
Ben Malone	211,344	19,766	11,735	18,551	91,722	105,219	458,337
Sub-total	211,344	19,766	11,735	18,551	91,722	105,219	458,337
Total	1,215,119	103,146	67,427	18,551	201,563	722,923	2,328,729

1 Patrick Grant Galvin ceased being an Executive Director on 31 July 2018.
2 Options, Shares/Loan Back Shares, Performance Rights. The value is expensed over the vesting period and are a non-cash accounting expense. The value is determined by an independent valuation using Black-Scholes option pricing methodology. Loan back shares are accounted for as options.
3 No non-monetary short-term benefits were granted to KMP during FY19.
4 During FY19 these KMP forfeited loan-back shares where the performance hurdles were not met. As an expense relating to these loan-back shares had been recognised in prior years, this had to be added back on forfeiture, hence the negative expense in FY19.

8. REMUNERATION REPORT (AUDITED) (continued)

Table 1b: Remuneration of KMP of the Company for the year ended 30 June 2018 is set out below:

	SHORT-TERM EMPLOYEE BENEFITS[3]	POST-EMPLOYMENT BENEFITS	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS			
30-JUN-18	SALARY & FEES $	SUPER-ANNUATION $	ANNUAL & LONG SERVICE LEAVE $	OPTIONS $	LOAN BACK SHARES $	PERFORMANCE RIGHTS $	TOTAL $
NON-EXECUTIVE DIRECTORS							
Geoffrey Morgan AM	136,986	13,014	–	41,994	–	–	191,994
Adam Zorzi	72,937	6,929	–	20,997	–	–	100,863
Michael Rennie[1]	17,714	1,683	–	–	–	–	19,397
Sub-total	**227,637**	**21,626**	**–**	**62,991**	**–**	**–**	**312,254**
EXECUTIVE DIRECTORS							
Christy Forest[2]	66,717	6,338	1,468	–	9,273	33,272	117,068
Antonluigi Gozzi	221,200	19,074	22,731	75,590	290,029	–	628,624
Michael Haywood	201,200	18,075	22,336	62,991	263,340	–	567,942
Patrick Grant Galvin	201,200	18,075	11,809	62,991	263,340	–	557,415
Sub-total	**690,317**	**61,562**	**58,344**	**201,572**	**825,982**	**33,272**	**1,871,049**
OTHER KMP							
Ben Malone	192,867	18,075	12,589	90,920	27,979	–	342,430
Sub-total	**192,867**	**18,075**	**12,589**	**90,920**	**27,979**	**–**	**342,430**
Total	**1,110,821**	**101,263**	**70,933**	**355,483**	**853,961**	**33,272**	**2,525,733**

1 Michael Rennie appointed 5 March 2018.
2 Christy Forest appointed as Non-Executive Director 1 September 2017. Commenced as CEO 12 June 2018. Included in the remuneration package for Christy becoming CEO is the provision of 1,500,000 loan-back shares (linked to revenue hurdles) and $900,000 of performance rights vesting over a two-year service period. As these were subject to approval by Shareholders at a Special General Meeting, an estimated expense recognised in the period was included above. This estimate was based on a valuation using the Black-Scholes model with inputs to that model being as at 29th June 2018.
3 Non non-monetary short-term benefits were granted to KMP during FY18.

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	FIXED REMUNERATION		AT RISK – LTI (%)	
	2019	2018	2019	2018
NON-EXECUTIVE DIRECTORS				
Geoffrey Morgan AM	**100%**	78%	**–**	22%
Adam Zorzi	**100%**	79%	**–**	21%
Michael Rennie	**100%**	100%	**–**	–
EXECUTIVE DIRECTORS				
Christy Forest	**29%**	64%	**71%**	36%
Antonluigi Gozzi	**100%**	42%	**–**	58%
Michael Haywood	**100%**	43%	**–**	57%
Patrick Grant Galvin[1]	**100%**	41%	**–**	59%
OTHER KMP				
Ben Malone	**53%**	65%	**47%**	35%

1 Based on remuneration earned whilst serving as Executive Director.

Shareholdings excluding Loan Back Shares of KMP (Direct and Indirect Holdings)

30-JUN-19	BALANCE AT 1/07/2018	ON EXERCISE OF OPTIONS	PURCHASED/(SOLD) ON MARKET	BALANCE AT 30/06/2019
NON-EXECUTIVE DIRECTORS				
Geoffrey Morgan AM	3,091,752	–	(784,723)	**2,307,029**
Adam Zorzi	3,684,196	–	–	**3,684,196**
Michael Rennie [1]	2,378,948	–	–	**2,378,948**
Sub-total	**9,154,896**	**–**	**(784,723)**	**8,370,173**
EXECUTIVE DIRECTORS				
Christy Forest	–	–	167,473	**167,473**
Antonluigi Gozzi	26,865,101	–	–	**26,865,101**
Michael Haywood	25,778,222	–	–	**25,778,222**
Grant Galvin [2]	1,058,543	1,668,903	–	**2,727,446**
Sub-total	**53,701,866**	**1,668,903**	**167,473**	**55,538,242**
OTHER KMP				
Ben Malone	22,727	–	(22,727)	**–**
Sub-total	**22,727**	**–**	**(22,727)**	**–**
Total	**62,879,489**	**1,668,903**	**(639,977)**	**63,908,415**

1 Shares were held prior to appointment as Non-Executive Director
2 Based on securities held by those entities in which Grant Galvin held a relevant interest as at the date of his resignation as a director of the Company, being 31 July 2018.

Loan back shareholdings of KMP (Direct and Indirect Holdings)

NON-EXECUTIVE DIRECTORS	BALANCE AT 1/07/2018	GRANTED AS REMUNERATION [1]	FORFEITED DURING THE YEAR	BALANCE AT 30/06/2019	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS					
Geoffrey Morgan AM	–	–	–	**–**	–
Adam Zorzi	388,949	–	–	**388,949**	388,949
Michael Rennie	–	–	–	**–**	–
Sub-total	**388,949**	**–**	**–**	**388,949**	**388,949**
EXECUTIVE DIRECTORS					
Christy Forest	–	1,500,000	–	**1,500,000**	250,000
Antonluigi Gozzi	2,900,000	–	(2,500,000)	**400,000**	400,000
Michael Haywood	2,400,000	–	(2,000,000)	**400,000**	400,000
Grant Galvin [2]	14,212,257	–	(2,000,000)	**12,212,257**	12,212,257
Sub-total	**19,512,257**	**1,500,000**	**(6,500,000)**	**14,512,257**	**13,262,257**
OTHER KMP					
Ben Malone	55,625	400,000	–	**455,625**	255,625
Sub-total	**55,625**	**400,000**	**–**	**455,625**	**255,625**
Total	**19,956,831**	**1,900,000**	**(6,500,000)**	**15,356,831**	**13,906,831**

1 Shares the subject of loan arrangements under the Company's employee incentive plan.
2 Based on securities held by those entities in which Grant Galvin held a relevant interest as at the date of his resignation as a director of the Company, being 31 July 2018.

8. REMUNERATION REPORT (AUDITED) (continued)

Option holdings of KMP (Direct and Indirect Holdings)

30-JUN-19	BALANCE AT 1/07/2018	GRANTED AS REMUNERATION	EXERCISED	BALANCE AT 30/06/2019	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS					
Geoffrey Morgan AM	2,000,000	–	–	**2,000,000**	2,000,000
Adam Zorzi	1,000,000	–	–	**1,000,000**	1,000,000
Michael Rennie	–	–	–	**–**	–
Sub-total	**3,000,000**	**–**	**–**	**3,000,000**	**3,000,000**
EXECUTIVE DIRECTORS					
Christy Forest	–	–	–	**–**	–
Antonluigi Gozzi	3,600,000	–	–	**3,600,000**	3,600,000
Michael Haywood	3,000,000	–	–	**3,000,000**	3,000,000
Patrick Grant Galvin [1]	3,000,000	–	(3,000,000)	**–**	–
Sub-total	**9,600,000**	**–**	**–**	**6,600,000**	**6,600,000**
OTHER KMP					
Ben Malone	1,000,000		–	**1,000,000**	1,000,000
Sub-total	**1,000,000**	**–**	**–**	**1,000,000**	**1,000,000**
Total	**13,600,000**	**–**	**–**	**13,600,000**	**10,600,000**

1 Based on securities held by those entities in which Patrick Grant Galvin held a relevant interest as at the date of his resignation as a director of the Company, being 31 July 2018.

Performance Rights holdings of KMP (Direct and Indirect Holdings)

30-JUN-19	BALANCE AT 1/07/2018	GRANTED AS REMUNERATION	EXPIRED	BALANCE AT 30/06/2019	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS					
Geoffrey Morgan AM	–	–	–	**–**	–
Adam Zorzi	–	–	–	**–**	–
Michael Rennie	–	–	–	**–**	–
Sub-total	**–**	**–**	**–**	**–**	**–**
EXECUTIVE DIRECTORS					
Christy Forest	–	1,499,580	–	**1,499,580**	749,790
Antonluigi Gozzi	–	–	–	**–**	–
Michael Haywood	–	–	–	**–**	–
Patrick Grant Galvin	–	–	–	**–**	–
Sub-total	**–**	**1,499,580**	**–**	**1,499,580**	**749,790**
OTHER KMP					
Ben Malone	–	270,000	–	**270,000**	135,000
Sub-total	**–**	**270,000**	**–**	**270,000**	**135,000**
Total	**–**	**1,769,580**	**–**	**1,769,580**	**884,790**

E. CONTRACTUAL ARRANGEMENTS

Contractual arrangements with executive KMPs

COMPONENT	CHIEF EXECUTIVE OFFICER DESCRIPTION	EXECUTIVE DIRECTOR DESCRIPTION	CFO DESCRIPTION
Fixed remuneration (inclusive of super)	$335,000	Range between $240,900 and $280,900	$240,900
Contract duration	Two years	Ongoing contract	Ongoing contract
Notice by the individual/company	12 weeks/12 weeks	6 months/3 months	3 months/3 months
Termination benefits	Vested and unexercised Options can be exercised within a period of 120 days from termination. The Company has the discretion to call in repayment of any non-recourse loans attached to any Loan Back Shares on issue under the Employee Incentive Plan.		

Contracts for Executive KMPs allow for short term cash incentive payments linked to KPI's however no such short-term incentive cash payments were approved by the Board during the financial year. No short-term cash incentive KPI's were set for the current financial year.

Contractual arrangements with non-executive directors

Non-executive directors receive a board fee and fees for chairing or participating on board committees, see table below. They do not receive performance-based pay or retirement allowances. The fees are inclusive of superannuation. The chairman does not receive additional fees for participating in or chairing committees.

COMPONENT	GEOFF MORGAN (CHAIR)	ADAM ZORZI	MICHAEL RENNIE
Base Fee	$150,000	$65,700	$60,000
Audit & risk committee Chair	–	$10,000	–
Nomination & remuneration committee Chair	–	$10,000	–
Term	Ongoing subject to termination provisions and re-election by shareholders as and when required by the Listing Rules of ASX		

8. REMUNERATION REPORT (AUDITED) (continued)

F. SHARE-BASED COMPENSATION

The Company rewards Directors and senior management for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options and/or shares. Share-based compensation is at the discretion of the Board and no individual has a contractual right to participate in any share-based plan or to receive any guaranteed benefits.

Performance Rights

During the current financial year, 1,769,580 performance rights were issued as remuneration to Directors or other KMP (2018 financial year – nil). The terms and conditions of these performance rights are as follows:

CLASS	GRANT DATE	VESTING DATE	DATE OF EXPIRY	EXERCISE PRICE	VALUE PER OPTION AT GRANT DATE	PERCENTAGE VESTED	NUMBER OF LOAN BACK SHARES
Performance Rights	2/7/2018	30/6/2019	2/7/2022	–	$0.56	100%	135,000
Performance Rights	2/7/2018	30/6/2020	2/7/2022	–	$0.56	0%	135,000
Performance Rights	2/10/2018	12/6/2019	2/10/2022	–	$0.59	100%	749,790
Performance Rights	2/10/2018	12/6/2020	2/10/2022	–	$0.59	0%	749,790
							1,769,580

The performance rights detailed above are all subject to service-based vesting criteria.

Loan Back Shares

During the current financial year, 1,900,000 loan back shares were issued as remuneration to Directors or other KMP. The terms and conditions of these loan back shares are as follows:

CLASS	GRANT DATE	VESTING DATE	DATE OF EXPIRY	EXERCISE PRICE	VALUE PER OPTION AT GRANT DATE	PERCENTAGE VESTED AS AT 30 JUNE 2019	NUMBER OF LOAN BACK SHARES
Loan back shares	2/7/2018	30/06/2019	2/7/2022	$0.5638	$0.317	100%	200,000
Loan back shares	2/7/2018	30/06/2020	2/7/2022	$0.5638	$0.317	0%	200,000
Loan back shares	2/10/2018	12/6/2020	2/10/2022	$0.6001	$0.332	17%	1,500,000
							1,900,000

The two tranches of 200,000 loan back shares are subject to time-based vesting criteria. The 1,500,000 loan back shares are subject to time-based and performance-based vesting criteria (linked to ARR).

During the 2018 financial year, 7,755,625 loan back shares were issued as remuneration to Directors or other KMP. The terms and conditions of these loan back shares are as follows:

CLASS	GRANT DATE	VESTING DATE	DATE OF EXPIRY	EXERCISE PRICE	VALUE PER OPTION AT GRANT DATE	PERCENTAGE VESTED AS AT 30 JUNE 2019	NUMBER OF LOAN BACK SHARES
Loan back shares	20/09/2017	No vesting conditions		$0.85	$0.503	100%	55,625
Loan back shares	23/11/2017	30/06/2018	23/11/2021	$0.98	$0.569	100%	600,000
Loan back shares	23/11/2017	30/06/2019	23/11/2021	$0.98	$0.569	100%	600,000
Loan back shares	23/11/2017	30/06/2019	23/11/2021	$0.98	$0.569	0%	6,500,000
							7,755,625

G. EQUITY INSTRUMENTS ISSUED ON EXERCISE OF REMUNERATION OPTIONS

During the current financial year, 3,000,000 options were exercised for 1,668,903 Ordinary Shares by Patrick Grant Galvin pursuant to the cashless exercise facility.

H. VOTING AND COMMENTS MADE AT THE COMPANY'S 2018 ANNUAL GENERAL MEETING

The adoption of the Remuneration Report for the financial year ended 30 June 2018 was put to the shareholders of the Company at the AGM held 7 November 2018. The resolution was passed without amendment, on a show of hands. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

I. OTHER TRANSACTIONS WITH KMP

There are no other transactions with KMP during the financial year ended 30 June 2019 (2018: nil).

End of Audited Remuneration Report

9. OPTIONS & PERFORMANCE RIGHTS

At the date of this report, there were 14,600,000 unissued ordinary shares of LiveHire under option. No person entitled to exercise these options had or has any right by virtue of the option to participate in any share issue of any other body corporate.

At the date of this report, there were 5,079,727 performance rights on issue. No person entitled to exercise these performance rights had or has any right by virtue of the option to participate in any share issue of any other body corporate.

10. 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 purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

11. INDEMNIFYING OFFICERS

During the financial year, the Company paid a premium in respect of a contract insuring all its Directors and current and former executive officers against a liability incurred as such a Director or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer of the Company against a liability incurred as such an officer.

12. INDEMNIFYING AUDITORS

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

13. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

LiveHire will continue to focus on driving significant growth and market share via:

- The **US entry**, initially through our channel partner strategy. Scaling through partners there brings speed to generating revenue and important early reference clients.
- Our expanded **channel partner strategy**, focusing on a broad portfolio of partners in both Australia and the US, and particularly technology system implementers (**SI**) like Rizing/Synchrony.
- Accelerating wins from our **Direct Sales** team in Australia, as proven in the June quarter, with continued pipeline expansion and new logo expansion in Australia.
- To achieve a satisfactory balance when managing LiveHire's significant growth opportunities with potential risks, the Company has a well-developed Risk Management Framework which follows accepted standards and guidelines for managing risk.
  Key business risks include the following:

RISK	RESPONSE
Failure to scale and commercialise at a sufficient rate.	To execute the Company growth strategy, the Company has invested in several senior commercial roles, including the CEO, Commercial Director, Marketing Director, and Head of Channel Development. This investment has led to a strong team and business structure to execute on the multi-channel growth strategy across ANZ and the US. The company also continues to invest in the platform to maintain competitive with global competition.
Data Security and Privacy	LiveHire understands that privacy compliance is critical to maintaining client and candidate trust. In FY19 the Company appointed an experienced Privacy Officer and engaged a third-party Data Security expert. This investment has resulted in the development and implementation of a robust privacy compliance framework and data security processes and policies.

14. CORPORATE GOVERNANCE STATEMENT

LiveHire Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board is responsible for ensuring that the Company has an appropriate corporate governance framework to protect and enhance company performance and build sustainable value for shareholders.

The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council. The Corporate Governance Statement is available on the company's website at www.livehire.com/investors.

15. EVENTS SINCE THE END OF THE FINANCIAL YEAR

No matter or circumstance has arisen since 30 June 2019 that has significantly affected the company's operations, results or state of affairs, or may do so in future years.

16. NON-AUDIT SERVICES

During the year the following fees were paid or payable for non-audit services provided by the external auditor.

	30-JUN-19 $	30-JUN-18 $
Taxation Services	**31,446**	29,355
Executive Remuneration Review	–	30,900
	31,446	**60,255**

The board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard for independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit, Risk and Compliance Committee, in line with the Committee Charter, to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

17. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Independence Declaration by the lead auditor under Section 307C is included on the following page to these annual financial statements.

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

Christy Forest
Chief Executive Officer/Executive Director

Melbourne, 28 August 2019

Auditor’s Independence Declaration

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8 Exhibition Street
Melbourne VIC 3000 Australia
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Auditor’s Independence Declaration to the Directors of LiveHire Limited

As lead auditor for the audit of the financial report of LiveHire Limited for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of LiveHire Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

David Petersen
Partner

28 August 2019

Financial Report contents

Statement of Profit or Loss and Other Comprehensive Income

	NOTES	30-JUN-19	30-JUN-18
Revenue from continuing operations			
Revenue from contracts with customers	6	**2,622,814**	1,650,517
Other Income	6	**42,622**	465,565
Total revenue and other income		**2,665,436**	2,116,082
Employee benefits expense	7	**(8,910,588)**	(5,956,917)
Operating expenses	7	**(4,938,822)**	(3,323,520)
Share based payment expense	16	**(2,451,554)**	(2,878,757)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**(13,635,528)**	(10,043,112)
Depreciation and amortisation expense	7	**(842,608)**	(610,866)
Loss before interest and tax (EBIT)		**(14,478,136)**	(10,653,978)
Net finance income	7	**685,437**	557,756
Loss before income tax		**(13,792,699)**	(10,096,222)
Income tax expense	8	**–**	–
Loss from continuing operations		**(13,792,699)**	(10,096,222)
Other comprehensive income for the year, net of tax		**–**	–
Total comprehensive loss for the year		**(13,792,699)**	(10,096,222)
Loss per share attributable to ordinary equity holders			
– - Basic loss per share	17	**(0.050)**	(0.041)
– - Diluted loss per share	17	**(0.050)**	(0.041)

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

Balance Sheet

	NOTES	30-JUN-19 $	30-JUN-18 $
ASSETS			
Current assets			
Cash and cash equivalents	9	**34,013,420**	30,073,106
Trade and other receivables	10	**1,059,734**	1,094,511
Total current assets		**35,073,154**	31,167,617
Non-current assets			
Plant and equipment		**477,740**	105,861
Intangible assets	11	**3,536,070**	2,423,066
Non-current contract commission costs		**51,219**	–
Non-current financial assets		**184,872**	519,591
Total non-current assets		**4,249,901**	3,048,518
Total assets		**39,323,055**	34,216,135
LIABILITIES			
Current liabilities			
Trade and other payables	12	**1,465,557**	1,056,951
Provisions	13	**625,781**	396,833
Deferred revenue	6	**1,045,950**	406,764
Total current liabilities		**3,137,288**	1,860,548
Non-current liabilities			
Provisions	13	**88,367**	64,547
Other non-current liabilities		**70,354**	–
Total non-current liabilities		**158,721**	64,547
Total liabilities		**3,296,009**	1,925,095
Net assets		**36,027,046**	32,291,040
EQUITY			
Issued capital	14	**61,757,495**	46,680,344
Reserves	15	**9,452,791**	7,001,237
Accumulated losses		**(35,183,240)**	(21,390,541)
Total equity		**36,027,046**	32,291,040

The Balance Sheet is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity

	ISSUED CAPITAL $	SHARE-BASED PAYMENT RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
At 1 July 2018	**46,680,344**	**7,001,237**	**(21,390,541)**	**32,291,040**
Comprehensive income:				
Loss for the year	**–**	**–**	**(13,792,699)**	**(13,792,699)**
Other comprehensive income	**–**	**–**	**–**	**–**
Total comprehensive loss for the year	**–**	**–**	**(13,792,699)**	**(13,792,699)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of costs	**15,077,151**	**–**	**–**	**15,077,151**
Share option expense	**–**	**2,451,554**	**–**	**2,451,554**
At 30 June 2019	**61,757,495**	**9,452,791**	**(35,183,240)**	**36,027,046**

	ISSUED CAPITAL $	SHARE-BASED PAYMENT RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
At 1 July 2017	27,247,225	4,122,480	(11,294,319)	20,075,386
Comprehensive income:				
Loss for the year	–	–	(10,096,222)	(10,096,222)
Other comprehensive income	–	–	–	–
Total comprehensive loss for the year	–	–	(10,096,222)	(10,096,222)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of costs	19,433,119	–	–	19,433,119
Share option expense	–	2,878,757	–	2,878,757
At 30 June 2018	46,680,344	7,001,237	(21,390,541)	32,291,040

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

Statement of Cash Flows

	NOTES	30-JUN-19 $	30-JUN-18 $
Cash flows from operating activities			
Receipts from customers		**3,120,986**	2,006,716
Payment to suppliers and employees		**(13,745,153)**	(8,514,290)
Interest Income		**704,867**	566,095
Interest Expense		**(629)**	–
Receipt of Research & Development Tax Incentive		**42,622**	167,530
Net cash outflow from operating activities	9	**(9,877,307)**	(5,773,949)
Cash flows from investing activities			
Payment for intangible assets		**(2,079,249)**	(1,449,964)
Receipt/(Payment) for other non-current financial assets		**334,719**	(519,591)
Receipt of Research & Development Tax Incentive		**928,770**	816,205
Payment for plant and equipment		**(443,770)**	(118,227)
Net cash outflow from investing activities		**(1,259,530)**	(1,271,577)
Cash flows from financing activities			
Proceeds from the issue of shares		**15,649,716**	20,241,854
Related transaction costs		**(572,565)**	(871,698)
Net cash inflow from financing activities		**15,077,151**	19,370,156
Net increase in cash and cash equivalents		**3,940,314**	12,324,630
Cash and cash equivalents at the beginning of the year		**30,073,106**	17,748,476
Cash and cash equivalents at the end of the year	9	**34,013,420**	30,073,106

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

Notes to the Financial Statements

1. CORPORATE INFORMATION

The financial statements of LiveHire Limited (referred to as '**LiveHire**' or the '**Company**') for the financial year ended 30 June 2019 (the '**Financial Year**') were authorised for issue in accordance with a resolution of the directors on 28 August 2019 and covers LiveHire as an entity as required by the *Corporations Act 2001*. LiveHire is a for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars.

LiveHire is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (listed on ASX on 8 June 2016).

The address of the registered office and principal place of business is Level 10, 461 Bourke Street, Melbourne VIC 3000.

2. BASIS OF PREPARATION

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 periods presented, unless otherwise stated.

Basis of Preparation

This financial report is a general purpose financial report, prepared by a 'for profit' entity, in accordance with the requirements of the Australian *Corporations Act 2001*, Accounting Standards applicable in Australia and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). It also complies with International Financial Reporting Standards (**IFRS**) an Interpretations published by the International Accounting Standards Board (**IASB**).

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The accounts have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

3. KEY JUDGEMENTS AND ESTIMATES

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. Judgements and estimates which are material to the financial report are found in the following notes:

- Note 11 – Intangible Assets
- Note 16 – Share-Based Payments

4. OTHER ACCOUNTING POLICIES

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The AASB has issued a number of new standards which became effective from 1 January 2018 (financial year ending 30 June 2019 for the company). The company assessed the impact of each new standard, as detailed in the 30 June 2018 financial report. There has been no material impact from the adoption of new standards.

The company applies, for the first time, AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments*. The nature and effect of these changes are disclosed below.

AASB 15 *Revenue from Contracts with Customers*

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The company adopted AASB 15 using the full retrospective method of adoption to those contracts that were not completed at the date of initial application. The adoption of AASB 15 did not have a material impact.

LiveHire's core product offering is its Talent Community Platform (the Platform) that is sold under a software-as-a-service (**SaaS**) arrangement that has several distinct revenue streams as noted below.

(a) Hosting fees

Access to, and use of, the Platform is granted to customers via a subscription hosting fee. Hosting fees are considered by management as a single performance obligation.

Hosting fee revenue is recognised on a straight-line basis over the period the SaaS arrangement is based on the output method as the customer simultaneously receives and consumes the benefit as LiveHire performs the services.

(b) Maintenance fees

Where the Platform is integrated with other software systems that the customer uses, LiveHire may charge an annual maintenance fee. This fee is to ensure the integration is maintained across the period of the subscription.

Maintenance fee revenue is recognised on a straight-line basis over the period the SaaS arrangement is based on the output method as the customer simultaneously receives and consumes the benefit as LiveHire performs the services.

(c) Implementation fees and Integration fees

Most of LiveHire's customers pay an upfront fee at contract inception which relates to the implementation of the Platform for that customer and may also pay a separate fee that relates to the integration of the Platform with other software systems that the customer uses.

In order for the implementation and integration services to be considered separately identifiable from the hosting fees under AASB 15, the Platform would need to remain functional without the implementation and integration services and the company's promise to provide the implementation and integration services must be separately identifiable from other promises within the contract. Management determined that both of these requirements were satisfied for all implementation and integration services and therefore each of these services are separate performance obligations.

Implementation and integration services are performed over a short period of time, usually between one and fourteen days, therefore fee revenue is recognised in the period these services are provided, as this reflects the period in which the customers have received benefit from the service.

(d) Post Contract Support Services (PCS) – Professional Services fees

LiveHire offers clients a professional services offering including training, broader recruitment services, and technical development services. This service is charged separately and is distinct from customer support services that are inherently included as part of hosting fees. This service is considered by management to be a separate performance obligation.

Professional Services fees are recognised on a straight-line basis over the period the services are provided as the services are transferred over time.

4. OTHER ACCOUNTING POLICIES (continued)

(e) Contract commissions costs

Contract commissions represent incremental costs of obtaining a contract with a customer and are recognised as an asset when the entity expects to recover these costs either directly through reimbursement or indirectly through margin inherent in the contract and as these costs would not have been incurred if the contract had not been obtained. These contract commissions costs are capitalised as an asset and amortised over the average expected duration of the customer.

(f) Contract liabilities

AASB 15 requires presentation of the following items separately in the statement of financial position: (i) 'contract liability' for the obligation to transfer goods and services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer; and (ii) 'receivable' for the right to consideration that is unconditional (only the passage of time is required before payment of that consideration is due). The company presented these separately in the Balance Sheet. The standard allows an entity to use alternative descriptions and therefore the company has used the description 'Deferred revenue' to refer to contract liabilities.

AASB 9 *Financial Instruments*

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. LiveHire adopted AASB 9 from 1 July 2018.

The company has applied AASB 9 using the modified retrospective approach. The application of AASB 9 did not have a material effect on the company's opening balance of retained earnings in the period and therefore no adjustment was made to retained earnings.

(a) Classification and measurement

Under AASB 9, the classification of debt instruments is based on two criteria: the company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the company's debt financial assets are, as follows:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the company's Trade and other receivables under Current assets and bank guarantees and term deposits under Non-current financial assets.

The assessment of the company's business models was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The accounting for the company's financial liabilities remains largely the same as it was under AASB 139.

(b) Impairment

The adoption of AASB 9 has changed the company's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (**ECL**) approach. AASB 9 requires the company to record an allowance for ECLs for all loans and other debt financial assets held at amortised cost.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For Trade and other receivables, the company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The company has established a provision matrix that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The company considers a financial asset in default when contractual payment are 90 days past due, unless there is external information indicating that the company is likely to receive the outstanding contractual amounts in full. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. The adoption of the ECL requirements of AASB 9 did not result in a material impact.

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

Activities in the operating segments are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of service line manager and area of income and expenditure. Discrete financial information about each of these areas is reported to the executive management team on a monthly basis.

Management has determined that the Company has one operating segment being the provision of online Talent Acquisition software. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing activities.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

	30-JUN-19 $	30-JUN-18 $
Revenue from contracts with customers		
– Hosting and Maintenance fees	**1,963,631**	1,112,793
– Implementation fees	**363,441**	348,125
– Integration fees	**157,250**	97,747
– Professional Services fees	**108,550**	59,700
– Other operating revenue	**29,942**	32,152
Total Revenue from contracts with customers	**2,622,814**	1,650,517
Other income		
– Research & Development Tax Incentive	**42,622**	465,565
	42,622	465,565
Total revenue and other income	**2,665,436**	2,116,082

RECOGNITION AND MEASUREMENT

Revenue

Revenue is recognised for various services in accordance with the accounting policies described in Note 4. All revenues are recognised over time. The following specific recognition criteria must also be met before revenue is recognised:

Hosting and maintenance fees

Hosting and maintenance fee revenue is recognised on a straight-line basis over the period the SaaS arrangement is based on the output method as the customer simultaneously receives and consumes the benefit as LiveHire performs the services.

Implementation fees and Integration fees

Implementation and integration fee revenue is recognised in the period the services are provided, as this reflects the period in which the customers have received benefit from the service.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME (continued)

RECOGNITION AND MEASUREMENT (continued)

Post Contract Support Services (PCS) – Professional Services fees

Professional Services fees are recognised on a straight-line basis over the period the services are provided as the services are transferred over time.

Deferred Revenue

The following table includes the revenue on existing contracts expected to be recognised in the future which relates to performance obligations that are unsatisfied at the reporting date:

BALANCE AT 01/07/2018	AMORTISED TO REVENUE DURING THE YEAR	ADDITIONAL DEFERRED REVENUE IN FY19	BALANCE AT 30/06/2019[1]
406,764	(346,248)	985,434	**1,045,950**

1 The deferred revenue balance as at 30 June 2019 will be amortised in line with the revenue treatment noted above and will be fully amortised by the end of FY20.

Contract Revenue

In addition to the deferred revenue balance at 30 June 2019, the following table includes the transaction price allocated to the remaining performance obligations of contracts with customers that has not yet been recognised as revenue:

YEAR REVENUE WILL BE RECOGNISED	$
FY20	157,377
FY21	286,715
FY22	100,457
Total	**544,549**

Government grants/research and development tax incentive

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is deducted from the asset to which it relates, the net value of which is amortised over its expected useful life. The Company is treating the receipt of the R&D Tax Incentive refund as a government grant.

Interest Income

Interest income is recognised when the Company gains control of the right to receive the interest payment.

All revenue is stated net of the amount of goods and services tax.

7. EXPENSES

	30-JUN-19 $	30-JUN-18 $
Loss before income tax includes the following specific expenses		
Employee benefits expense		
– Salaries and wages	**9,003,443**	5,992,492
– Capitalisation of salaries & wages	**(1,774,346)**	(1,210,231)
– Superannuation contributions	**832,308**	545,622
– Payroll tax	**596,413**	404,847
– Employee entitlement accrual	**252,770**	224,187
	8,910,588	5,956,917

	30-JUN-19 $	30-JUN-18 $
Operating expenses		
– Advertising and marketing expenses	**474,070**	225,855
– Consultants and contractor fees	**1,502,030**	717,303
– Capitalisation of consultants and contractor fees	**(304,904)**	(239,733)
– Technology related expenses	**1,187,019**	684,022
– Operating and administration expenses	**2,080,607**	1,936,073
	4,938,822	3,323,520

	30-JUN-19 $	30-JUN-18 $
Depreciation and amortisation expenses		
– Depreciation of fixed assets	**71,891**	18,568
– Amortisation of software development asset	**770,717**	592,298
	842,608	610,866

	30-JUN-19 $	30-JUN-18 $
Finance (income)/expense		
– Interest (income)	**(686,066)**	(557,756)
– Interest expense	**629**	–
	(685,437)	(557,756)

8. INCOME TAX EXPENSE

	30-JUN-19 $	30-JUN-18 $
(a) Income Tax Expense		
Reconciliation of income tax expense to prima facie tax payable:		
Loss before income tax expense	**(13,792,699)**	(10,096,222)
Prima facie income tax at 30%	**(4,137,810)**	(3,028,867)
Tax effect of amounts not deductible (taxable) in calculating taxable income	**732,926**	807,618
Deferred tax asset not brought to account on temporary differences & tax losses	**3,404,884**	2,221,249
Income tax effect	**–**	–
(b) Deferred tax assets not recognised		
Temporary differences	**671,618**	401,685
Tax losses – revenue	**6,236,922**	3,236,405
	6,908,540	3,638,090
Offset against deferred tax liabilities recognised	**(453,303)**	(568,464)
	6,455,237	3,069,626
Amounts in equity	**372,667**	327,289
Deferred tax assets not brought to account	**6,827,904**	3,396,915
(c) Deferred tax liability		
Temporary differences	**(453,303)**	(568,464)
Offset against deferred tax assets recognised	**453,303**	568,464
	–	–

The company has unrecognised tax losses of $20,789,739 (2018: $10,217,733) that are available indefinitely for offsetting against future profits of the company.

8. INCOME TAX EXPENSE (continued)

RECOGNITION AND MEASUREMENT

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

Current taxes

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

Deferred taxes

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

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

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

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

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

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

9. CASH AND CASH EQUIVALENTS

(a) Reconciliation to cash at the end of the year

	30-JUN-19 $	30-JUN-18 $
Cash on hand	**240**	240
Cash at bank	**4,351,660**	2,822,866
Term deposit	**29,661,520**	27,250,000
	34,013,420	30,073,106

(b) Reconciliation of net cash flows from operating activities

	NOTES	30-JUN-19 $	30-JUN-18 $
Loss for the financial year		**(13,792,699)**	(10,096,222)
Adjustments for:			
Amortisation and depreciation	7	**842,608**	610,866
Employee entitlements		**252,768**	209,185
Share based payments	16	**2,451,554**	2,878,757
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		**(749,684)**	(327,189)
Increase/(decrease) in trade payables and accruals		**478,960**	722,571
Increase/(decrease) in deferred income		**639,186**	228,083
Cash flows used in operating activities		**(9,877,307)**	(5,773,949)

RECOGNITION AND MEASUREMENT

Cash at bank and on deposit

Cash and cash equivalents include 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.

10. TRADE AND OTHER RECEIVABLES

	30-JUN-19 $	30-JUN-18 $
Trade receivables	**654,688**	175,995
GST receivable	**73,495**	45,736
Accrued interest	**34,316**	53,117
Research & Development Tax Incentive receivable	**–**	733,242
Prepaid expenditure	**243,115**	86,421
Contract commission costs	**54,120**	–
Total trade and other receivables	**1,059,734**	1,094,511

RECOGNITION AND MEASUREMENT

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Trade receivables are non-interest bearing and are generally on terms of 14 to 30 days.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (**GST**), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (**ATO**).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Contract commission costs

The company pays sales commissions to its employees for contracts they obtain with customers. These commissions are capitalised as an asset and amortised over the average expected duration of the customer.

11. INTANGIBLE ASSETS

	30-JUN-19 $	30-JUN-18 $
SOFTWARE DEVELOPMENT		
Cost	**7,536,656**	5,457,407
Research & Development Tax Incentive	**(2,030,382)**	(1,834,854)
Accumulated amortisation	**(1,970,204)**	(1,199,487)
Total intangible assets	**3,536,070**	2,423,066
MOVEMENT		
Net carrying amount at the beginning of the year	**2,423,066**	2,825,302
Additions	**2,079,249**	1,441,474
Research & Development Tax Incentive	**(195,528)**	(1,251,412)
Amortisation for the year	**(770,717)**	(592,298)
Net carrying amount at the end of the year	**3,536,070**	2,423,066

RECOGNITION AND MEASUREMENT

Software development

Software consists of capitalised development costs being an internally generated intangible asset.

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

A summary of the useful lives of intangible assets is as follows:

INTANGIBLE ASSET	USEFUL LIFE
Software	5 years

Key estimate: Impairment of intangible assets

If events or changes in circumstances indicate that the intangible assets may be impaired, the Company will carry out an impairment test on the asset to determine if a portion should be expensed to the statement of profit or loss and other comprehensive income.

Key judgement: Useful lives of intangible assets

The company determines the estimated useful lives and related amortisation charges for its software development asset. The useful lives could change significantly as a result of technical innovations or some other event.
The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

12. TRADE AND OTHER PAYABLES

	30-JUN-19 $	30-JUN-18 $
CURRENT		
Unsecured liabilities		
Trade payables	**472,804**	256,254
Sundry payables and accrued expenses	**463,296**	426,556
Payroll tax payable	**44,649**	52,812
PAYG payable	**236,595**	164,156
Superannuation payable	**228,112**	157,173
Lease incentive	**20,101**	–
	1,465,557	1,056,951

RECOGNITION AND MEASUREMENT

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

13. PROVISIONS

	30-JUN-19 $	30-JUN-18 $
CURRENT		
Employee benefits		
Balance at the beginning of the year	**396,833**	193,562
Provisions raised/(used) during the year	**228,948**	203,271
Balance at the end of the year	**625,781**	396,833

Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

	30-JUN-19 $	30-JUN-18 $
NON-CURRENT		
Employee benefits		
Balance at the beginning of the year	**64,547**	58,630
Provisions raised during the year	**23,820**	5,917
Balance at the end of the year	**88,367**	64,547

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

14. ISSUED CAPITAL

(a) Issued and fully paid

	30-JUN-19		30-JUN-18	
	$	NO.	$	NO.
Ordinary shares	**61,757,495**	**296,721,693**	46,680,344	261,403,947
	61,757,495	**296,721,693**	46,680,344	261,403,947

Ordinary shares

Ordinary shares are fully-paid and have no par value. They carry one vote per share. They bear no special terms or conditions affecting income or capital entitlements of the shareholders and 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.

(b) Movement Reconciliation

ORDINARY SHARES	DATE	QUANTITY	ISSUE PRICE	$
Balance 30 June 2017		231,992,077		27,247,225
– Exercise of performance rights	20/9/17	225,446	–	–
– Issue of shares to employees under loan purchases	20/9/17	1,927,657	–	–
– Issue of shares to employees under loan purchases	23/11/17	7,700,000	–	–
– Issue of shares through capital raising	14/12/17	19,047,619	1.05	20,000,000
– Transaction costs	–	–	–	(852,190)
– Exercise of performance rights	13/1/18	13,000		
– Exercise of performance rights	17/1/18	148,148		
– Exercise of performance rights	8/2/18	50,000		
– Issue of shares to employees under loan purchases	27/3/18	300,000	–	–
– Loan back shares repayments	–	–	–	285,309
Balance 30 June 2018		**261,403,947**		**46,680,344**
– Issue of shares to employees under loan purchases (Note 16(ii))	2/7/18	800,000	–	–
– Issue of shares to employees under loan purchases (Note 16(ii))	1/8/19	980,000	–	–
– Issue of shares to employees under loan purchases (Note 16(ii))	11/9/18	1,422,828	–	–
– Issue of shares to employees under loan purchases (Note 16(ii))	2/10/18	1,960,000	–	–
– Issue of shares to employees under loan purchases (Note 16(ii))	17/12/18	1,000,000	–	–
– Issue of shares to employees under loan purchases (Note 16(ii))	1/3/19	284,493	–	–
– Issue of shares through capital raising	26/3/19	25,000,000	0.6	15,000,000
– Transaction costs	–	–	–	(572,565)
– Exercise of performance rights	–	201,522	–	–
– Exercise of options		3,668,903		500,000
– Loan back shares repayments	–	–	–	149,716
Balance 30 June 2019		**296,721,693**		**61,757,495**

15. RESERVES

	30-JUN-19 $	30-JUN-18 $
MOVEMENT RECONCILIATION		
Share-based payment reserve		
Balance at the beginning of the year	**7,001,237**	4,122,480
Options, shares subject to loans and performance rights issued (refer Note 16)	**2,451,554**	2,878,757
Balance at the end of the year	**9,452,791**	7,001,237

Share-based payments reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 16 for further details of these plans.

16. SHARE-BASED PAYMENTS

	30-JUN-19 $	30-JUN-18 $
Share-based payments expense:		
Options issued to employees and consultants (i)	**27,676**	605,869
Shares issued under employee share scheme (ii)	**1,102,287**	1,820,426
	1,129,963	2,426,295
Performance rights issued to employees (iii)	**1,321,591**	452,462
	2,451,554	2,878,757

(i) Options issued to employees and consultants

Details of options outstanding during the period are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT BEGINNING OF PERIOD	GRANTED DURING PERIOD	EXERCISED DURING PERIOD	FORFEITED DURING PERIOD	BALANCE AT END OF PERIOD	EXERCISABLE AT END OF PERIOD
8-Apr-16	1-Jun-20	0.25	6,300,000	–	(3,000,000)	–	3,300,000	3,300,000
8-Apr-16	1-Jun-20	0.25	6,300,000	–	–	–	6,300,000	6,300,000
8-Apr-16	1-Jun-20	0.25	4,000,000	–	(2,000,000)	–	2,000,000	2,000,000
14-Oct-16	14-Oct-20	0.1884	2,500,000	–	–	(1,500,000)	1,000,000	1,000,000
12-Jan-17	12-Jan-21	0.3814	1,000,000	–	–	–	1,000,000	1,000,000
16-Jun-17	31-Jul-21	0.6036	2,500,000	–	–	(2,500,000)	–	–
8-Aug-17	9-Aug-21	0.6927	1,000,000	–	–	–	1,000,000	235,100
Total:			**23,600,000**	**–**	**(5,000,000)**	**(4,000,000)**	**14,600,000**	**13,835,100**

(ii) Shares issued under employee share scheme

Shares issued under employee share scheme to employees:

These shares are ordinary shares subject to loan arrangements under the Employee Incentive Plan. The loans relating to the Loan Back Shares must be repaid in accordance with the terms of the Employee Incentive Plan and in any event, within 4 years of the date of issue.

16. SHARE-BASED PAYMENTS (continued)

Summary of key loan terms:

Interest rate: 0%

Term of loan: 4 years

The loans are non-recourse except against the Shares held by the participant to which the loan relates.

(a) On 12 June 2018 the Company issued 1,500,000 Loan Back Shares to the Chief Executive Officer that were subject to approval by shareholders. These were subsequently granted after shareholder approval at the EGM on 2 October 2018 with a strike price of $0.6002/share. The shares vest based on achieving performance hurdles. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	2-Oct-18
Number of Loan Back Shares	1,500,000
Date of Expiry	1-Oct-22
Exercise Price	$0.6002
Share Price at Grant Date	$0.590
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.28%
Fair Value of each Loan Back Share	$0.332
Total Fair Value	**$498,667**
Value recognised during the current period:	$252,562
Value to be recognised in future periods[1]:	$246,104

1 Value subject to vesting criteria.

(b) On 2 July 2018 the Company issued 800,000 Loan Back Shares to two Senior Managers (400,000 each employee) with a strike price of $0.5638/share. The shares vest as follows:

- on 30 June 2019, 400,000; and
- on 30 June 2020, 400,000.

The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	2-Jul-18
Number of Loan Back Shares	800,000
Date of Expiry	1-Jul-22
Exercise Price	$0.5638
Share Price at Grant Date	$0.560
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.25%
Fair Value of each Loan Back Share	$0.317
Total Fair Value	**$253,350**
Value recognised during the current period:	$183,444
Value to be recognised in future periods[1]:	$69,906

1 Value subject to vesting criteria.

16. SHARE-BASED PAYMENTS (continued)

(c) On 1 August 2018 the Company issued 980,000 Loan Back Shares to two Senior Managers (180,000 to one and 800,000 to the other) with a strike price of $0.4583/share. The shares vest as follows:

- on 1 August 2019, 90,000;
- on 1 August 2020, 90,000; and
- 800,000 based on achieving performance hurdles.

The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	1-Aug-18
Number of Loan Back Shares	980,000
Date of Expiry	31-Jul-22
Exercise Price	$0.4583
Share Price at Grant Date	$0.480
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.32%
Fair Value of each Loan Back Share	$0.278
Total Fair Value	**$271,983**
Value recognised during the current period:	$126,286
Value to be recognised in future periods[1]:	$145,697

1 Value subject to vesting criteria.

(d) On 11 September 2018 the Company issued 1,422,828 Loan Back Shares, with a strike price of $0.5368/share. The table below represents the total fair value for the Loan Back Shares issued during the period. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	11-Sep-18
Number of Loan Back Shares	1,422,828
Date of Expiry	10-Sep-22
Exercise Price	$0.5368
Share Price at Grant Date	$0.520
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.20%
Fair Value of each Loan Back Share	$0.292
Total Fair Value	**$414,912**
Value recognised during the current period:	$414,912
Value to be recognised in future periods:	–

16. SHARE-BASED PAYMENTS (continued)

(e) On 2 October 2018 the Company issued 460,000 Loan Back Shares to a Senior Manager with a strike price of $0.6002/share. The shares vest based on achieving performance hurdles. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	2-Oct-18
Number of Loan Back Shares	460,000
Date of Expiry	1-Oct-22
Exercise Price	$0.6002
Share Price at Grant Date	$0.590
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.28%
Fair Value of each Loan Back Share	$0.333
Total Fair Value	**$152,924**

Value recognised during the current period:	$52,913
Value to be recognised in future periods[1]:	$100,011

1 Value subject to vesting criteria.

(f) On 17 December 2018 the Company issued 1,000,000 Loan Back Shares to two Senior Managers (500,000 each employee) with a strike price of $0.4729/share. The shares vest based on achieving performance hurdles. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	17-Dec-18
Number of Loan Back Shares	1,000,000
Date of Expiry	16-Dec-22
Exercise Price	$0.4729
Share Price at Grant Date	$0.535
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.12%
Fair Value of each Loan Back Share	$0.318
Total Fair Value	**$317,397**

Value recognised during the current period:	$79,024
Value to be recognised in future periods[1]:	$238,373

1 Value subject to vesting criteria.

16. SHARE-BASED PAYMENTS (continued)

(g) On 1 March 2019 the Company issued 284,493 Loan Back Shares which are ordinary shares subject to loan arrangements under the Employee Incentive Plan, with a strike price of $0.5484 (5-day VWAP). The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	1-Mar-19
Number of Loan Back Shares	284,493
Date of Expiry	1-Oct-22
Exercise Price	$0.5484
Share Price at Grant Date	$0.560
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	1.76%
Fair Value of each Loan Back Share	$0.318
Total Fair Value	**$90,383**

Value recognised during the current period:	$90,383
Value to be recognised in future periods:	$0

Performance rights issued to employees and contractors

Performance rights issued to employees:

(a) On 12 June 2018 the Company issued 1,499,580 Performance Rights to the Chief Executive Officer that were subject to approval by shareholders. These were subsequently granted after shareholder approval at the EGM on 2 October 2018. 749,790 rights will be convertible into one ordinary share 12 months after the date of issue and 749,790 rights will be convertible into one ordinary share 24 months after the date of issue. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	2-Oct-18
Number of Rights	1,499,580
Date of Expiry	1-Oct-22
Exercise Price	–
Share Price at Grant Date	$0.590
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.28%
Fair Value of each Performance Right	$0.590
Total Fair Value	**$884,752**

Value recognised during the current period:	$650,977
Value to be recognised in future periods[1]:	$233,775

1 Value subject to vesting criteria.

16. SHARE-BASED PAYMENTS (continued)

(b) On 2 July 2018 the Company issued 510,000 Performance Rights to two Senior Mangers (240,000 to one and 270,000 to the other). 255,000 rights will be convertible into one ordinary share on 30 June 2019 and 255,000 rights will be convertible into one ordinary share on 30 June 2020. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	2-Jul-18
Number of Rights	510,000
Date of Expiry	1-Jul-22
Exercise Price	–
Share Price at Grant Date	$0.560
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.25%
Fair Value of each Performance Right	$0.560
Total Fair Value	**$285,600**
Value recognised during the current period:	$198,747
Value to be recognised in future period [1]:	$86,853

1 Value subject to vesting criteria.

(c) On 1 August 2018 the Company issued 240,000 Performance Rights to a Senior Manager. 120,000 rights will be convertible into one ordinary share 12 months after the date of issue and 120,000 rights will be convertible into one ordinary share 24 months after the date of issue. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	1-Aug-18
Number of Rights	240,000
Date of Expiry	31-Jul-22
Exercise Price	–
Share Price at Grant Date	$0.480
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.32%
Fair Value of each Performance Right	$0.480
Total Fair Value	**$115,200**
Value recognised during the current period:	$73,541
Value to be recognised in future periods [1]:	$41,659

1 Value subject to vesting criteria.

16. SHARE-BASED PAYMENTS (continued)

(d) On 18 September 2018 the Company issued 175,000 Performance Rights to a Senior Manager. Each right will be convertible into one ordinary share 12 months after the date of issue. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	18-Sep-18
Number of Rights	175,000
Date of Expiry	17-Sep-22
Exercise Price	–
Share Price at Grant Date	$0.600
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.27%
Fair Value of each Performance Right	$0.600
Total Fair Value	**$105,000**
Value recognised during the current period:	$81,986
Value to be recognised in future periods [1]:	$23,014

1 Value subject to vesting criteria.

(e) On 2 October 2018 the Company issued 123,299 Performance Rights to a Senior Manager. 61,649 rights will be convertible into one ordinary share 12 months after the date of issue and 61,650 rights will be convertible into one ordinary share 24 months after the date of issue. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	2-Oct-18
Number of Rights	123,299
Date of Expiry	1-Oct-22
Exercise Price	–
Share Price at Grant Date	$0.590
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.28%
Fair Value of each Performance Right	$0.590
Total Fair Value	**$72,746**
Value recognised during the current period:	$37,793
Value to be recognised in future periods [1]:	$34,953

1 Value subject to vesting criteria.

16. SHARE-BASED PAYMENTS (continued)

(f) On 17 December 2018 the Company issued 338,352 Performance Rights to a Senior Manager. 169,176 rights will be convertible into one ordinary share 12 months after the date of issue and 169,176 rights will be convertible into one ordinary share 24 months after the date of issue. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	17-Dec-18
Number of Loan Back Shares	338,352
Date of Expiry	16-Dec-22
Exercise Price	$0.0000
Share Price at Grant Date	$0.535
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	2.12%
Fair Value of each Loan Back Share	$0.318
Total Fair Value	**$181,018**

Value recognised during the current period:	$69,805
Value to be recognised in future periods [1]:	$111,213

1 Value subject to vesting criteria.

(g) On 26 March 2019 the Company issued 600,000 Performance Rights to four Senior Managers (150,000 each employee). 200,000 rights will be convertible into one ordinary share 12 months after the date of issue, 200,000 rights will be convertible into one ordinary share 24 months after the date of issue and 200,000 rights will be convertible into one ordinary share 36 months after the date of issue. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	26-Mar-19
Number of Rights	600,000
Date of Expiry	25-Mar-23
Exercise Price	–
Share Price at Grant Date	$0.520
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	1.49%
Fair Value of each Performance Right	$0.520
Total Fair Value	**$312,000**

Value recognised during the current period:	$43,671
Value to be recognised in future periods [1]:	$268,329

1 Value subject to vesting criteria.

16. SHARE-BASED PAYMENTS (continued)

Performance rights issued to Contractors:

(h) On 26 March 2019 the Company issued 121,655 Performance Rights to a contractor. The rights will be convertible into one ordinary share at the completion of the contractors contract, being 30th June 2019. The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF PERFORMANCE RIGHTS	
Date of Grant	26-Mar-19
Number of Rights	121,655
Date of Expiry	25-Mar-23
Exercise Price	-
Share Price at Grant Date	$0.520
Volatility	75%
Expected dividend yield rate	0%
Risk free rate	1.49%
Fair Value of each Performance Right	$0.520
Total Fair Value	**$63,261**

Value recognised during the current period:	$63,261
Value to be recognised in future periods:	$0

Details of Performance Rights outstanding during the period are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT BEGINNING OF PERIOD	GRANTED DURING PERIOD	EXERCISED DURING PERIOD	FORFEITED DURING PERIOD	BALANCE AT END OF PERIOD	EXERCISABLE AT END OF PERIOD
14-Oct-16	13-Oct-20	0	328,535	–	(20,000)	–	308,535	308,535
20-Sep-17	19-Sep-21	0	1,107,760	–	(138,002)	–	969,758	69,758
2-Jul-18	1-Jul-22	0	–	510,000	–	–	510,000	255,000
1-Aug-18	31-Jul-22	0	–	240,000	–	–	240,000	–
18-Sep-18	17-Sep-22	0	–	175,000	–	–	175,000	–
2-Oct-18	1-Oct-22	0	–	1,622,879	–	–	1,622,879	749,790
17-Dec-18	16-Dec-22	0	–	338,352	–	–	338,352	–
26-Mar-19	26-Mar-23	0	–	121,655	–	–	121,655	121,655
26-Mar-19	26-Mar-23	0	–	600,000	–	–	600,000	–
Total:			**1,436,295**	**3,607,886**	**(158,002)**	**–**	**4,886,179**	**1,504,738**

RECOGNITION AND MEASUREMENT

Share-based payments expense

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black- Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. Market-based vesting conditions are also factored in but no account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Key estimate: Fair value of share-based payment transactions

The company determines the estimated fair value of share-based payment transactions based on the fair value of the equity instruments granted. For non-market conditions the company assigns a probability to meeting the vesting conditions and estimates the vesting period in which the share-based payment expense is recognised over. The key assumptions used in determining the fair value of share-based payments are described above.

17. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	30-JUN-19 $	30-JUN-18 $
Net loss attributable to the ordinary equity holders of the Company ($)	**(13,792,699)**	(10,096,222)
Weighted average number of ordinary shares for basis per share (No)	**274,409,391**	248,997,652
Continuing operations		
– Basic loss per share ($)	**(0.050)**	(0.041)
– Diluted loss per share ($)	**(0.050)**	(0.041)

18. AUDITORS' REMUNERATION

	30-JUN-19 $	30-JUN-18 $
Remuneration of the auditor, Ernst & Young, for:		
– Auditing or reviewing the financial report	**80,315**	69,000
– Technical advice on impact of future accounting standards	**8,000**	–
Remuneration of Ernst & Young, for:		
– Taxation services	**31,446**	29,355
– Remuneration Review Services	**–**	30,900
	119,761	98,355

19. RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation

Disclosures relating to KMP are set out in the remuneration report of the director's report.

The total remuneration paid to KMP of the company during the year are as follows:

	30-JUN-19 $	30-JUN-18 $
Short-term employee benefits	**1,215,119**	1,110,821
Post-employment benefits	**103,146**	101,263
Long-term employee benefits	**67,427**	70,933
Share-based payments	**943,037**	1,242,716
	2,328,729	2,525,733

Transactions with Related Parties

There were no related party transactions during the period.

20. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (being interest rate 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 Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives (Finance) under policies approved by the Board. These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks. Finance reports to the Board on a regular basis.

Market risk

Price risk

The Company is not exposed to any significant price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

No trade receivables were considered impaired at 30 June 2019.

As at 30 June 2019 trade receivables of $292,498 (2018 – $46,227) were past due but not considered impaired. The ageing analysis of these trade receivables is as follows:

	30-JUN-19 $	30-JUN-18 $
Up to 3 months	**233,978**	42,844
3 to 6 months	**58,520**	3,383
	292,498	46,227

Interest rate risk

Interest rate risk consists of cash flow interest rate risk (the risk that future cash flows of a financial instrument will vary due to changes in market interest rates) and fair value interest rate risk (the risk that the value of the financial instrument will vary due to changes in market interest rates).

Interest rate risk is the risk of financial loss and/or increased costs due to adverse movements in the values of the financial assets and liabilities as a result of changes in interest rates.

Sensitivity Analysis – Interest rate risk

The Company performed a sensitivity analysis relating to its exposure to interest rate at the reporting date. This sensitivity analysis demonstrates the effect on the current period results and equity which could result from a change in the interest rates on the average 12-month cash reserves:

	30-JUN-19 $	30-JUN-18 $
Change in loss from continuing operations:		
Increase by 1%	**294,406**	252,631
Decrease by 1%	**(294,406)**	(252,631)

20. FINANCIAL RISK MANAGEMENT (continued)

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

Remaining contractual maturities

The following tables detail the 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.

30-JUN-19	1 YEAR OR LESS $	BETWEEN 1 & 2 YEARS $	BETWEEN 2 & 5 YEARS $	REMAINING CONTRACTUAL MATURITIES $
NON-DERIVATIVES				
Non-interest bearing				
Trade & sundry payables	936,100	–	–	936,100
Other payables	529,457	–	–	529,457
Other non-current liabilities	–	70,354	–	70,354
Total non-derivatives	**1,465,557**	**70,354**	**–**	**1,535,911**

30-JUN-18	1 YEAR OR LESS $	BETWEEN 1 & 2 YEARS $	BETWEEN 2 & 5 YEARS $	REMAINING CONTRACTUAL MATURITIES $
NON-DERIVATIVES				
Non-interest bearing				
Trade & sundry payables	682,810	–	–	682,810
Other payables	374,141	–	–	374,141
Total non-derivatives	**1,056,951**	**–**	**–**	**1,056,951**

21. DIVIDENDS

No dividends have been paid or declared since the start of the financial year, and none are recommended.

22. COMMITMENTS

	30-JUN-19 $	30-JUN-18 $
Committed at the reporting date but not recognised as liabilities, payable:		
– not later than 12 months	427,554	80,955
– between 12 months and 5 years	637,546	211,646
– later than 5 years	–	–
	1,065,100	292,601

23. CONTINGENCIES

There are no contingent assets or contingent liabilities as at 30 June 2019 (30 June 2018: Nil).

24. SUBSEQUENT EVENTS

There have not been any significant events that have arisen since 30 June 2019 and up to the date of this report that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

25. OTHER ACCOUNTING POLICIES

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amended Accounting Standards that are mandatory for the current accounting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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

AASB 16 *Leases*

AASB 16 is effective for years commencing 1 July 2019. AASB 16 eliminates the classification of leases as either operating leases or finance leases as required by AASB 17 and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognise:

- assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and
- amortisation of lease assets separately from interest on lease liabilities in the Statement of Profit or Loss.

LiveHire's operating leases with terms of more than 12 months relate to office facilities leases. The adoption of AASB 16 will result in revised accounting for any operating leases in place at 1 July 2019 unless they meet the requirements of practical expedients.

The Company is yet to undertake a detailed assessment of the impact of AASB 16. However, the Company notes that it currently has a very limited number of leases which would be impacted by this change. LiveHire will adopt AASB 16 from 1 July 2019. On adoption the Company will measure the lease liability at the present value of remaining lease payments and the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application (not restating the comparative year).

The Company will elect to use the exemptions proposed by the standard on lease contracts for which the underlying asset is of low value. The Company has leases of certain office equipment (printing and photocopying machines) that are considered of low value.

Directors' Declaration

The Directors of the Company declare that:

(a) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, and:

  (i) give a true and fair view of the Company's financial position as at 30 June 2019 and its performance for the year ended on that date; and

  (ii) comply with Accounting Standard, Corporations Regulations 2001 and other mandatory professional reporting requirements.

(b) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with international Financial Reporting Standards.

(d) The Directors have been given the declarations by the Managing Director, acting in the capacity of Chief Executive Officer and the Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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

Christy Forest
Chief Executive Officer/Executive Director

Melbourne, 28 August 2019

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of LiveHire Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Company as at 30 June 2019 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Capitalisation of development costs

Why significant	How our audit addressed the key audit matter
The Company develops software related to the LiveHire cloud-based Human Resource productivity tool helping employers source and recruit talent. Development costs are capitalised and presented as intangible assets. The carrying value of intangible assets as at 30 June 2019 was $3.5 million representing 10% of total assets. The measurement of capitalised development costs is based on the time costs associated with individuals employed by the Company for the specific purpose of developing software. Capitalised development costs are amortised once the product is available for use. Capitalised development costs are amortised over a useful life of five years. Capitalised development costs was considered to be a key audit matter as product development is core to the Company's operations. This involves judgment to determine whether the costs meet the capitalisation criteria set out in Australian Accounting Standards. Refer to Note 11 of the financial report for disclosures relating to capitalised development costs.	Our audit procedures included the following: • Assessed key assumptions made in capitalising development costs, including an assessment of whether costs related to the development phase of a project and the generation of probable future economic benefits. • Selected a sample of overhead costs capitalised and assessed whether these costs were appropriately capitalised in accordance with Australian Accounting Standards. • Selected a sample of employee costs recorded within the capitalisation model, agreed the costs to employee timesheets and enquired with the Company regarding the development activities that were undertaken. This included an assessment of whether a sample of employees were directly involved in developing software. • Assessed the useful life and amortisation rate allocated to capitalised development costs. • Assessed the consistency of the capitalisation methodology applied by the Company in comparison to prior reporting periods. • Assessed the adequacy of the disclosures included in Note 11.

Accounting for Share Based Payments

Why significant	How our audit addressed the key audit matter
During the year the Company awarded share based payments in the form of 3.6 million performance rights and 6.4 million loan back shares to various executives and employees of the Company. The awards and those issued in prior periods vest subject to the achievement o various conditions. The share based payments expense for the year ended 30 June 2019 was $2.5 million. Due to the size of the expense and judgmental estimates used in accounting for the share based payment awards as well as the inclusion in the disclosed remuneration of Key Management Personnel, we considered the Company's calculation of the share based payment expense to be a key audit matter.	In performing our audit procedures, we assessed the Company's estimated fair value of the awards including the use of an appropriate valuation methodology and the appropriateness of the valuation inputs. We assessed whether the related expense has been recorded in accordance with the vesting of awards based on the relevant vesting conditions, including probability of meeting vesting conditions. We assessed the Company's judgments in determining the probability of meeting vesting conditions. We also assessed the adequacy of the disclosures in Note 16 of the financial report and the Remuneration Report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2019 Annual Report, but does not include the financial report and our auditor's report thereon.

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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 23 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of LiveHire Limited for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

David Petersen
Partner

Melbourne
28 August 2019

Shareholder information

The following information was applicable as at 9 August 2019.

1. SUBSTANTIAL SHAREHOLDERS

The following holders are registered by LVH as a substantial holder, having declared a relevant interest in accordance with the Corporations Act 2001 (Cth), in the voting shares below:

HOLDER NAME	DATE OF NOTICE	NUMBER OF ORDINARY SHARES [1]	% OF ISSUED CAPITAL [2]
Antonluigi Gozzi	8 August 2019	27,265,101	9.40%
Michael Haywood	8 August 2019	26,161,555	9.02%
FIL Limited	15 January 2019	22,509,725	8.38%
Patrick Grant Galvin	29 November 2017	15,270,800 [3]	6.31%
Telstra Super Pty Ltd	14 December 2017	13,285,195	5.49%
Regal Funds Management Pty Ltd	5 June 2019	14,851,653	5.01%

1 As disclosed in the last notice lodged with the ASX by the substantial shareholder.
2 The percentage set out in the notice lodged with the ASX is based on the total issued capital of the Company at the date of interest.
3 Two million of these shares were subsequently bought back and cancelled on 8 August 2019.

2. NUMBER OF SECURITY HOLDERS

SECURITIES	NUMBER OF HOLDERS
Ordinary Shares	2,373
Unlisted options (Options)	8
Performance Rights	18

3. VOTING RIGHTS

SECURITIES	VOTING RIGHTS
Ordinary Shares	Subject to any rights or restrictions for the time being attached to any class or classes at general meetings of shareholders or classes of shareholders: (a) each shareholder is entitled to vote and may vote in person or by proxy, attorney or representative; (b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and (c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held, or in respect of which he/she has appointed a proxy, attorney or representative, is entitled to one vote per share held.
Options	Options do not carry any voting rights.
Performance Rights	Performance Rights do not carry any voting rights.

4. DISTRIBUTION OF SHAREHOLDERS IS AS FOLLOWS:

	SHARES		
SPREAD OF HOLDINGS	HOLDERS	SECURITIES	% OF ISSUED CAPITAL
1–1,000	185	100,484	0.035%
1,001–5,000	463	1,407,215	0.485%
5,001–10,000	353	2,920,868	1.007%
10,001–100,000	1,112	39,517,160	13.624%
100,001–9,999,999,999	260	246,109,576	84.849%
Totals	**2,373**	**290,055,303**	**100.000%**

5. HOLDERS OF NON-MARKETABLE PARCELS

DATE	CLOSING PRICE OF SHARES	NUMBER OF HOLDERS
9 August 2019	$0.28	273

6. TOP 20 SHAREHOLDERS

The top 20 largest fully paid ordinary shareholders together hold 59.860% of the securities in this class and are listed below:

RANK	HOLDER NAME	SECURITIES	%
1	HSBC Custody Nominees (Australia) Limited	44,226,425	15.248%
2	Mr Antonluigi Gozzi <Voyager A/C>	26,665,101	9.193%
3	Mr Michael Haywood <Haywood Family A/C>	25,746,555	8.876%
4	J P Morgan Nominees Australia Pty Limited	25,535,919	8.804%
5	UBS Nominees Pty Ltd	18,940,070	6.530%
6	Mr Matt Ryan	4,252,994	1.466%
7	Mr Benjamin David Hawter <Hawter Investments A/C>	3,004,464	1.036%
8	APZ Nominees Pty Ltd <APZ A/C>	3,000,763	1.035%
9	Mr Alastair Ian Schirmer	2,559,566	0.882%
10	Now Hiring Pty Ltd	2,432,612	0.839%
11	Mr Michael Wayne Rennie	2,378,948	0.820%
12	Citicorp Nominees Pty Limited	2,063,403	0.711%
13	GK Morgan Investments Pty Ltd	1,774,380	0.612%
14	Kawaii Investments Pty Ltd <Kawaii Wipfli Family A/C>	1,690,836	0.583%
15	R & JS Smith Holdings Pty Ltd <R & JS Smith Super Fund A/C>	1,670,000	0.576%
16	Ms Christy Forest	1,667,473	0.575%
17	Alcock Superannuation Fund Pty Ltd <Alcock Super Fund A/C>	1,581,100	0.545%
18	MDCT Holdings Pty Ltd <The Michael Thomas A/C>	1,400,381	0.483%
19	Lex Talionis Pty Ltd <Carpe Diem A/C>	1,309,952	0.452%
20	Mr Russell John Delroy	1,250,318	0.431%
	Total	**173,151,260**	**59.697%**

7. ESCROWED SECURITIES

There are no shares on issue that are subject to voluntary escrow restrictions or mandatory escrow restrictions under ASX Listing Rules Chapter 9.

8. UNQUOTED SECURITIES

The following unlisted options over unissued ordinary shares (**Options**) are on issue:

CLASS	DATE OF ISSUE	DATE OF EXPIRY	EXERCISE PRICE	NUMBER OF OPTIONS
Unlisted Options	8/04/2016	1/06/2020	$0.25	11,600,000
Unlisted Options	14/10/2016	14/10/2020	$0.188446	1,000,000
Unlisted Options	12/01/2017	12/01/2021	$0.3814	1,000,000
Unlisted Options (subject to vesting conditions)	10/08/2017	10/08/2021	$0.6927	1,000,000
				14,600,000

The following holders hold more than 20% of the Options on issue:

HOLDER NAME	SECURITIES	PERCENTAGE
Mr Antonluigi Gozzi <Voyager A/C>	3,600,000	24.658%
Mr Michael Haywood <Haywood Family A/C>	3,000,000	20.548%

9. DISTRIBUTION OF OPTION HOLDERS IS AS FOLLOWS:

SPREAD OF HOLDINGS	HOLDERS	SECURITIES	%
1–1,000	0	0	0
1,001–5,000	0	0	0
5,001–10,000	0	0	0
10,001–100,000	0	0	0
100,001–9,999,999,999	8	14,600,000	100.00%
Totals	**8**	**14,600,000**	**100.00%**

10. PERFORMANCE RIGHTS

- There is a total of 5,079,727 unlisted performance rights on issue.
- The number of performance right holders is 18.
- The performance rights carry no dividend or voting rights.

11. DISTRIBUTION OF PERFORMANCE RIGHT HOLDERS IS AS FOLLOWS:

SPREAD OF HOLDINGS	HOLDERS	SECURITIES	%
1–1,000	0	0	0
1,001–5,000	0	0	0
5,001–10,000	0	0	0
10,001–100,000	1	69,758	1.373%
100,001–9,999,999,999	17	5,009,969	98.627%
Totals	**18**	**5,079,727**	**100.000%**

The following holder holds more than 20% of the Performance Rights on issue:

HOLDER NAME	SECURITIES	PERCENTAGE
Ms Christy Forest	1,499,580	29.521%

12. SHARE BUY-BACKS

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

Glossary of terms

ABBREVIATION	DEFINITION
AASB	Australian Accounting Standards Board
AI	Artificial Intelligence
ARR	Annualised Recurring Revenue
ARRPC	Annualised Recurring Revenue per Client
ASX	Australian Securities Exchange Limited
ATO	Australian Taxation Office
BI	Business Intelligence
Corporations Act	Corporations Act 2001 (Cth)
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECL	Expected credit loss
EY	Ernst & Young
Finance	senior finance executives
GST	Goods and Services Tax
HRIS	Human Resource Information System
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
KMP	Key Management Personnel
LiveHire	LiveHire Limited
MSP	Managed Service Provider
PCS	Post Contract Support Service
RPO	Recruitment Process Outsourcing
SaaS	Software -as-a-service
SI	System Implementer
TCCs	Talent Community Connections
the Act	Corporation Act 2001 (Cth)
the Board	Board of Directors
the Company	LiveHire Limited

DIRECTORS AND OFFICERS

Geoffrey Morgan AM
Non-Executive Director and Chairman

Christy Forest
Chief Executive Officer and Executive Director

Antonluigi Gozzi
Executive Director

Michael Haywood
Executive Director (resigned as Executive Director 24 July 2019)

Patrick Grant Galvin
Executive Director (resigned as Executive Director 31 July 2018)

Adam Zorzi
Independent Non-Executive Director

Michael Rennie
Independent Non-Executive Director

Ben Malone
Chief Financial Officer

Charly Duffy
Company Secretary

PRINCIPAL REGISTERED OFFICE

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DOMICILE AND COUNTRY OF INCORPORATION

Australia

AUSTRALIAN BUSINESS NUMBER

ABN 59 153 266 605

AUDITORS

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SECURITIES EXCHANGE

Australian Securities Exchange Limited (**ASX**)
ASX Code - LVH (Ordinary Shares)

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