

BPH Energy Limited

Appendix 4E - Preliminary Final Report

Name of Entity	BPH Energy Limited
ABN	41 095 912 002
Financial Year Ended	Year ended 30 June 2019
Previous Corresponding Reporting Period	Year ended 30 June 2018

Results for announcement to the market

\$A'000

Revenues from ordinary activities	Up	17.8%	to	278
Net profit from ordinary activities after tax attributable to members (i) (2018: \$1,506,758 loss)	N/A	N/A		304
Net profit for the period attributable to members (2018: \$1,506,758 loss)	N/A	N/A		304
Dividends (distributions)	Amount per security		Franked amount per security	
Final dividend	Nil		Nil	
Interim dividend	Nil		Nil	
Previous corresponding period	Nil		Nil	

- (i) Net profit from ordinary activities after tax is after recognising (i) a fair value gain of \$280,372 (2018: \$Nil)
(ii) \$Nil impairment charge with respect to Advent Energy Limited (2018: charge of \$1,003,001) and; (iii) \$332,102 consulting and legal costs (2018: \$311,680)

Ratios

Profit before tax / revenue Consolidated profit from ordinary activities before tax as a percentage of revenue	109%	N/A
Profit after tax / equity interests Consolidated net profit from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	5.7%	N/A
Net tangible asset backing per ordinary security (cents per share)	0.2	0.4

Details of Associates

Name of Entity	Percentage Held		Share of Net (Loss)	
	Current Period	Previous Period	Current Period (\$)	Previous Period (\$)
Advent Energy Ltd (i)	23	24	-	-
Molecular Discovery Systems Limited	20	20	(28,006)	(28,500)
Aggregate Share of Net (Loss)			(28,006)	(28,500)

Note (i): as of 1 January 2017 a judgement was made that, despite a shareholding of 27%, the Company no longer exercised significant influence over Advent Energy Ltd as required by the accounting standards and therefore it has ceased to be treated as an associate of BPH Energy Limited from that date. As a consequence of a legal settlement reached in August 2019 the Company has resumed significant influence over Advent Energy Limited.

Commentary on Results

The consolidated entity has reported an unaudited net profit after tax for the year ended 30 June 2019 of \$304,165 (2018: loss of \$1,506,758) and has a net cash outflow from operating activities of \$487,427 (2018: outflow of \$466,968). Revenue increased by 17.8% to \$278,227 as the company continued to accrue interest on its secured loans to its investee companies. The consolidated entity has a working capital deficit of \$941,825 (2018: deficit \$1,101,201). Included in trade creditors and payables is director fee accruals and accrued director consultant fees payable of \$1,310,055 (2018: \$1,265,671) for both current and past directors.

The net profit from ordinary activities after tax is after recognising (i) a fair value gain of \$280,372 (2018: \$Nil) (ii) \$Nil impairment charge with respect to Advent Energy Limited (2018: charge of \$1,003,001) and; (iii) \$332,102 consulting and legal costs (2018: \$311,680).

Capital Raising

During the year BPH issued 1,186,040,241 shares under a one for one non-renounceable entitlement issue ("Rights Issue") at an issue price of \$0.001 per share of which \$1,027,504 was received in cash and \$158,536 satisfied by debt set-off. In addition, during the period BPH raised \$148,000 cash from the issue of placement shares, issued 100,000,000 shares in exchange for 5,555,556 shares in MEC Resources Limited, issued 123,050,000 shares as settlement of consulting fees, and issued 20,000,000 shares as part of director remuneration.

Operations

On 21 August 2019 the Company announced that it intended to pursue a complementary strategy of making an investment (or investments) in the medical cannabis sector, as it is considered that an investment of this nature is in line with its investee company strategy and, in particular, its biomedical business.

The medical cannabis sector is showing significant growth with current developments boosting the sectors viability including the move to legalise cannabis in Canada and the announcement by the UK Government to legalise medical cannabis. In pursuing this strategy, BPH has agreed to acquire an initial investment of 10% (with the option to increase its percentage to 49%) in Patagonia Genetics Pty Ltd ("PG Aust"), the entity that owns a 100% interest in Patagonia Genetics SPA ("PG"), a Chilean entity.

The key terms are:

- (a) BPH agrees to acquire a total 10% interest in PG Aust in consideration for a subscription amount of \$50,000 in cash into the entity and the issue of 150,000,000 BPH shares and payment of \$50,000 by equal instalments over 6 months to the shareholders of PG Aust ("T1 transaction"). The amount of capital issued by BPH for the consideration represents approximately 5.5% of the capital of BPH; and
- (b) BPH is granted the option to acquire a total shareholding of 49% in PG Aust (that is, an additional 39% when added to the original acquisition of a 10% interest) in consideration for a subscription amount of \$700,000 into the entity and the issue of 450,000,000 shares in the capital of BPH ("T2 transaction").

The transaction will be conditional on appropriate due diligence, and for the T2 transaction, shareholder approval. There will be no requirement for a shareholder approval for the T1 transaction as the consideration will be met from the current cash position and the shares issued from the existing 15% capacity of BPH.

It is acknowledged as part of the terms sheet and it will be acknowledged in the warranties and representations in the formal agreement to be prepared that the licence applications are owned by PG and that PG Aust and PG will not apply for or pursue recreational cannabis licences nor make investments in the recreational cannabis space or in any activities or projects using Mistella (unless the transactions have been otherwise approved by ASX).

Developments in the Company's investments include:

Cortical Dynamics Ltd ("Cortical")

Cortical announced a number of developments during the period which included:-

- On 16 October 2018 Mr. Gary Todd was appointed as Managing Director of BPH investee Cortical. Mr Todd has extensive sales experience gained over the last thirty years both in Australia and internationally in Medical Devices, FMCG and IT&T markets
- Sydney Adventist Private Hospital in Sydney trialled the Brain Anaesthesia Response Monitoring System known as "BARM" during the first two weeks of July 2019 and positive comments were received from all four anaesthetists that trialled BARM
- LiDCO Ltd UK is currently trialling the "BARM" at Southampton University Hospital through September 2019. In the UK, the LiDCO Group enjoys a leading market share, with over 50% of NHS acute care hospitals using its technology.
- Successful trials of the BARM were carried out at St. Luke's Private Hospital and Strathfield Private Hospital in Sydney. Strathfield is part of the Ramsay Hospital Group. The trials were conducted by Dr Adrian Sultana MD FRCP (Glasg) FANZCA, a consultant anaesthetist. He is a Clinical Lecturer in Anaesthesia at the Australian School of Advanced Medicine, Macquarie University. He is also a director of the International Society for the Perioperative Care of the Obese Patient. Key conclusions from these trials by Dr Sultana trialling BARM during 2018 and in 2019 to date include:
 - The BARM has shown significant reduction in patients' anaesthesia recovery time using TIVA (Total Intravenous Anaesthesia)
 - The Cortical BARM was "Remarkably stable and the responsive signal permitted a new level of belief in the awareness monitoring technique and allowed him me to run cases at a Composite Cortical State (CCS) index of 45 with confidence in early tapering of the patients anaesthesia using TCI (infusions of propofol and remifentanyl)
 - The BARM had impressive stability and speed of response. I was able to administer significantly less Dr Sultana reported that "Often when using the BIS/Entropy (monitors), they dramatically lag the patents emergence and I have had patients that take up to 20 minutes to wake up
 - In usage with NMB (Neuromuscular Block) he was able to "achieve accuracy, predictability and a smooth wake up"

The BAR Monitor has now been used with approximately 160 patients at Strathfield and St Luke's Hospitals.

Cortical believes these conclusions have significant implications for hospital operations:

- (i) Optimising the dose of anaesthetic agent used can reduce the use of anaesthetic agents, and improve patient turn-around times and lead to cost savings
 - (ii) Facilitate the delivery of higher quality and more reliable service to hospitals and patients
- Cortical advised that it has issued an Offer Information Statement to undertake a capital raising.

Cortical had previously announced it had signed two five-year exclusive distribution agreements, one with a European distribution company, Innomed, covering Belgium, Netherlands and Luxembourg and the other with a South Korean distribution company, Globaluck.

In early November, Mr Louis Delacretaz, Cortical's Chief Technical Officer, attended the Korea Anesthesia 2018 congress in Seoul. Prior to the congress start, Mr. Delacretaz attended a series of meetings organised by Austrade with anaesthesiology professors from the Seoul National University College of Medicine, Konkuk University School of Medicine and the Catholic University of Korea College of Medicine.

Each Professor was actively looking for a substitute for their current monitors as they had strong concerns about the credibility of the current monitors reading. In several meetings they were very interested in a means to determine the patients' pain levels and interested in trialling the BARM as a substitute device.

Cortical engaged an international testing and certification organization to test and certify the BARM to comply with the Korean certification process. The assessment also includes the latest medical safety standard deviations for Australia, New Zealand, European Union and the USA.

The regulatory compliance process to enable distribution of the BARM in Korea has now been significantly advanced.

MEC Resources Limited (“MEC”)

Settlement of Legal Matters with MEC

On 9 August 2019 BPH announced that it had reached a settlement with MEC in relation to the oppression proceedings it commenced in the Supreme Court of Western Australia with Grandbridge, Trandcorp Pty Ltd (“Trandcorp”), and Mr David Breeze.

In addition to the settlement of the oppression proceedings, BPH, MEC, GBA, Trandcorp and Mr David Breeze settled a number of other proceedings and entered into a deed of settlement and release with Advent Energy Ltd (“Advent”) and other relevant parties. As part of the settlement it was agreed that Messrs Matthew Battrick and Tobias Foster would appoint Messrs Steven James, Tony Huston and Thomas Fontaine as directors of Advent, and that Messrs Matthew Battrick and Tobias Foster would then resign from the Board of Advent. The Incoming Directors have since confirmed and acknowledged Mr David Breeze as a duly elected director of Advent.

The key terms of the settlement are as follows:

- The appointment of the Incoming Directors and the resignation of the Resigning Directors
- Until 23 July 2021, MEC agrees to not directly or indirectly interfere with the board composition and/or management of Advent.
- For a period of one year commencing from 6 August 2019 MEC must not sell or otherwise dispose of any shares it holds in Advent, other than by an in-specie distribution to MEC if requested in writing to do so by Advent. If notice is given, MEC must do all that is required to effect and support the In-Specie Distribution.
- The loan of \$3,600,000 owed by Advent to MEC will be recoverable by MEC only by the following means and only in the following circumstances:

One month prior to the scheduled commencement date for the drilling of a well within the PEP 11 Permit Area, Advent will issue to MEC ordinary shares to the face value of the debt calculated at 80% of:

(a) the volume-weighted average price of Advent shares over the 5 days trading immediately prior to that date; or

(b) if as at that date Advent shares are not listed on any securities exchange, the price at which ordinary shares in Advent were last issued.

Advent Energy Ltd (BPH 22.6 % Direct)

(i) PEP 11

PEP11, offshore Sydney Basin adjacent to Newcastle-Sydney offshore New South Wales, is held 85% and operated by Asset Energy Pty Ltd (“Asset”), a wholly owned subsidiary of Advent Energy Ltd (“Advent”). PEP11 holds significant structural targets potentially capable of comprising multi-Tcf natural gas resources. The offshore Sydney Basin has been lightly explored to date, including a multi-vintage 2D seismic data coverage and a single exploration well, New Seaclem-1 (2010). Its position as the only petroleum title offshore New South Wales provides a significant opportunity should natural gas be discovered in commercial quantities in this petroleum title. It lies adjacent to the Sydney-Newcastle region and the existing natural gas network servicing the east coast gas market.

Advent's two core prospects in PEP11 have previously been calculated via external assessment to have the potential for un-risked (P50) prospective gas resources of 472 and 2,131 billion cubic feet ("BCF") respectively, with multi-trillion cubic feet upside ("multi-TCF", Pmean).

Advent's prior presentation 'Strategic Summary: Tactics to Success ' confirmed the strategy of "Complete current 2D seismic commitment to deliver shallow hazard survey work ...to deliver 'drill ready' gas prospectfor early drilling ,capturing near-term rig availability off Australia's coast."

In April 2018 Advent undertook a high resolution 2D seismic data over the Baleen prospect designed to evaluate (amongst other things) shallow geohazard indications including shallow gas accumulations that can affect future potential drilling operations. It is a drilling prerequisite that a site survey is made prior to drilling at the Baleen location. On 31 December 2018 MEC announced that there were "no 'seismically defined shallow gas hazards "at the proposed well location on the Baleen Prospect.

(ii) EP386 and RL1

EP386 and RL1 are held by Advent's 100% subsidiary Onshore Energy Pty Ltd. The petroleum titles lie in the onshore Bonaparte Basin, one of Australia's most prolific hydrocarbon producing basins. The petroleum wells Waggon Creek-1, Vienta-1 (EP386) and Weaber-4 (RL1) are cased and suspended. MEC has previously announced a two year extension to the EP386 permit till March 2019.

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Consolidated	
	Note	2019 \$	2018 \$
Revenue from ordinary activities	1	278,227	235,824
Other income	1	17,625	3,720
Share of associates' loss		(28,006)	(28,500)
Impairment charge	2	-	(1,003,001)
Fair value gain	2	280,372	-
Interest expense		(774)	(1,805)
Administration expenses		(73,919)	(65,591)
Derecognition of financial liability	10	83,956	-
Provision for doubtful debts reversed		494,170	-
Provision for doubtful debts		(65,995)	(77,155)
Consulting and legal expenses		(332,102)	(311,680)
Directors fees		(100,009)	(100,174)
Insurance expenses		(9,029)	(17,960)
Service fees		(128,640)	(128,640)
Share based payments		(82,422)	(1,434)
Other expenses		(29,289)	(10,362)
Profit / (loss) before income tax		304,165	(1,506,758)
Income tax expense	3	-	-
Profit / (loss) for the year		304,165	(1,506,758)
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit and loss</i>			
Reclassification of revaluation reserve (net of tax)		-	-
Other comprehensive profit (net of tax)		-	-
Total comprehensive profit / (loss) for the period		304,165	(1,506,758)
(Loss) attributable to non-controlling interests		(245)	(918)
Profit / (loss) attributable to members of the parent entity		304,410	(1,505,840)
Total comprehensive profit / (loss) attributable to owners of the Company		304,410	(1,505,840)
Total comprehensive profit / (loss) attributable to non-controlling interests		(245)	(918)
<i>Earnings per share</i>			
Basic and diluted profit / (loss) per share (cents per share)	4	0.01	(0.20)

The accompanying notes form part of and should be read in conjunction with these financial statements

**NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONTINUED)**

Consolidated

	2019	2018
	\$	\$
1. Revenue		
<i>Revenue</i>		
Interest revenue: other entities	276,422	233,455
Interest revenue : cash accounts	1,805	2,369
	<u>278,227</u>	<u>235,824</u>
<i>Other income</i>		
Loan establishment fees	17,625	3,720
	<u>17,625</u>	<u>3,720</u>
2. Expenses Included in loss for the year		
<i>Fair value gain</i>		
- Fair value losses	(72,222)	-
- Fair value gains on financial instruments	352,594	-
	<u>280,372</u>	<u>-</u>
<i>Impairment charge</i>		
Advent Energy Limited	-	1,003,001
	<u>-</u>	<u>1,003,001</u>
3. Income Tax Expense		
(a) The prima facie tax on profit / (loss) from operations before income tax is reconciled to the income tax as follows:		
Accounting profit / (loss) before tax	304,165	(1,506,758)
Prima facie tax expense / (benefit) on loss from operations before income tax at 27.5% (2018: 27.5%)	83,645	(414,358)
Add tax effect of:		
Effect of previously unrecognised and unused tax losses now brought to account	(83,645)	-
Tax benefit of revenue losses and temporary differences not recognised		414,358
Income tax expense	<u>-</u>	<u>-</u>

**NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONTINUED)**

4. Earnings per Share (“EPS”)

	Consolidated	
	2019	2018
	\$	\$
Total earnings attributable to ordinary equity holders of the Company	304,410	(1,505,840)
Earnings used in the calculation of basic earnings per share and diluted earnings per share	304,410	(1,505,840)
For Earnings Per Share (cents per share)		
From continuing operations	0.02	(0.20)
Total basic earnings per share and diluted earnings per share	0.02	(0.20)
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in calculating EPS	1,790,200,291	742,486,388

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STATEMENT OF FINANCIAL POSITION

	Note	Consolidated	
		2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	5	437,316	447,214
Trade and other receivables	6	20,969	19,658
Financial assets	7	190,342	165,058
Other current assets		33,869	4,051
Total Current Assets		682,496	635,981
Non-Current Assets			
Financial assets	7	5,824,751	4,284,920
Investments in associates	8	436,541	464,547
Total Non-Current Assets		6,261,292	4,749,467
Total Assets		6,943,788	5,385,448
Current Liabilities			
Trade and other payables	9	1,424,235	1,323,541
Financial liabilities	10	200,086	413,641
Total Current Liabilities		1,624,321	1,737,182
Non-Current Liabilities			
Financial liabilities	10	-	86,451
Total Non-Current Liabilities		-	86,451
Total Liabilities		1,624,321	1,823,633
Net Assets		5,319,467	3,561,815
Equity			
Issued capital	12	45,574,507	44,135,442
Reserves	11	508,436	494,014
Accumulated losses		(40,603,656)	(40,908,066)
Non-controlling interest		(159,820)	(159,575)
Total Equity		5,319,467	3,561,815

The accompanying notes form part of and should be read in conjunction with these financial statements

NOTES TO THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

		Consolidated	
		2019	2018
		\$	\$
5.	Cash and Cash Equivalents		
	Cash at bank and in hand	437,416	447,214
		437,316	447,214
6.	Trade and Other Receivables		
	<i>Current</i>		
	Other receivables	20,969	19,658
		20,969	19,658
7.	Financial Assets		
	<i>Current</i>		
	Unsecured loans to other entities:		
	MEC Resources Ltd	-	2,494
	Advent Energy Ltd	162,564	162,564
	Investments in listed entities		
	MEC Resources Ltd (Level 1)	27,778	-
		190,342	165,058
	<i>Non - current</i>		
	Unsecured loans to other entities:		
	Cortical Dynamics Limited	1,026,670	-
	Secured loans to other entities:		
	Cortical Dynamics Limited	2,290,538	2,129,971
	Available for sale financial assets at fair value:		
	Investments in unlisted entities - Cortical Dynamics Limited	501,543	148,949
	Investments in unlisted entities – Advent Energy Ltd	2,006,000	2,006,000
		5,824,751	4,284,920
	Loan receivables are stated net of the following provisions:		
	Cortical Dynamics Limited		
	Gross receivable	3,317,208	2,624,141
	Less provision	-	(494,170)
		3,317,208	2,129,971
	Molecular Discovery Systems Limited		
	Gross receivable	1,284,517	1,218,522
	Less provision	(1,284,517)	(1,218,522)
		-	-

NOTES TO THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

Consolidated

2019
\$

2018
\$

8. Investments Accounted for Using the Equity Method

Shares in associates

Molecular Discovery Systems Limited	436,541	464,547
(a) Movements in carrying amounts		
<i>Molecular Discovery Systems Limited:</i>		
Balance at the beginning of the year	464,547	493,047
Share of associate loss for the year	(28,006)	(28,500)
Balance at end of the year	436,541	464,547

As of 1 January 2017 a judgement was made that, despite a shareholding of 27%, the Company no longer exercised significant influence over Advent Energy Ltd as required by the accounting standards and therefore it has ceased to be treated as an associate of BPH Energy Limited from that date. As a consequence of a legal settlement reached in August 2019 the Company has resumed significant influence over Advent Energy Limited.

9. Trade and Other Payables

Current

Trade payables	72,463	29,305
Sundry payables and accrued expenses	1,351,772	1,294,236
	1,424,235	1,323,541

10. Financial Liabilities

Current

Borrowings – unsecured	200,086	413,641
	200,086	413,641

Non-Current

Borrowings – unsecured	-	86,451
	-	86,451

As a result of a legal settlement reached in August 2019 the Company has derecognised a non-current financial liability of \$86,451 to MEC Resources Limited.

NOTES TO THE STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Consolidated	
	2019 \$	2018 \$
11. Reserves		
Option Reserve	508,436	494,014
	<u>508,436</u>	<u>494,014</u>

The option reserve records items recognised as expenses on the valuation of share options.

Reconciliation of movement:

Opening balance	494,014	492,580
Share based payments	14,422	1,434
Closing balance	<u>508,436</u>	<u>494,014</u>

12. Issued Capital

2,543,277,658 (2018: 966,187,417) fully paid ordinary shares	<u>45,574,507</u>	<u>44,135,412</u>
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(a) *Ordinary Shares*

	Consolidated		Consolidated	
	2019 \$	2018 \$	2019 Number	2018 Number
At the beginning of reporting period	44,135,442	43,454,632	966,187,417	588,702,017
Shares issued for cash	1,175,504	566,940	1,175,504,193	283,469,930
Share issue costs	(153,025)	(74,161)	-	-
Shares issued in lieu of consulting fees	138,050	22,000	123,050,000	11,000,000
Shares issued as set-off against loans payable	158,536	166,031	158,536,048	83,015,470
Shares issued in exchange for ordinary shares in listed entity	100,000	-	100,000,000	-
Shares issued as director remuneration	20,000	-	20,000,000	-
At reporting date	<u>45,574,507</u>	<u>44,135,442</u>	<u>2,543,277,658</u>	<u>966,187,417</u>

Fully paid ordinary shares do not have a par value, have one vote per share, and carry the right to dividends. The market price of the Company's ordinary shares at 30 June 2019 on ASX was 0.1 cents per share.

STATEMENT OF CASHFLOWS

		Consolidated	
	Note	2019 \$	2018 \$
Cash flows from operating activities			
Payments to suppliers and employees		(488,458)	(467,999)
Interest received		1,805	2,836
Interest paid		(774)	(1,805)
Net cash used in operating activities	13	<u>(487,427)</u>	<u>(466,968)</u>
Cash flows from investing activities			
Loans to other entities		(505,000)	(68,000)
Net cash used in investing activities		<u>(505,000)</u>	<u>(68,000)</u>
Cash flows from financing activities			
Proceeds from issue of securities (net of share issue costs)		1,112,529	492,778
Repayment of borrowings	13(c)	(130,000)	(124,254)
Net cash provided by financing activities		<u>982,529</u>	<u>368,524</u>
Net (decrease) in cash held		(9,898)	(166,444)
Cash and cash equivalents at the beginning of the financial year		<u>447,214</u>	<u>613,658</u>
Cash and cash equivalents at the end of the financial year	13	<u>437,316</u>	<u>447,214</u>

The accompanying notes form part of and should be read in conjunction with these financial statements.

NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated	
	2019	2018
	\$	\$
13. Cash Flow Information		
(a) Reconciliation of cash flow from operations with loss after income tax:		
Operating profit after income tax	304,165	(1,506,758)
<i>Non-cash items:</i>		
Fair value gain	(280,372)	-
Interest revenue on loans	(253,992)	(232,714)
Impairment charge	-	1,003,001
Derecognition of financial liability	83,956	-
Share based payments	82,422	23,434
(Reversal of provision) / provision against loans	(428,175)	77,155
Share of Associates' losses	28,006	28,500
<i>Changes in net assets and liabilities,</i>		
(Increase) / decrease in other assets	(29,818)	13,909
(Increase) / decrease in trade and other receivables	(1,310)	5,401
Increase in trade payables and accruals	175,603	121,104
Net cash (used in) operating activities	(487,427)	(466,968)
(b) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	437,316	447,214
(c) Changes in financial liabilities arising from financing activities:		
Balance 1 July	500,092	707,902
Net cash used in financing activities	(130,000)	(124,254)
Shares issued as set of against loans payable	(83,555)	(83,556)
Loan derecognised	(86,451)	-
Balance 30 June	200,086	500,092

STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital \$	Accumulated losses \$	Option reserve \$	Total attributable to owners of the parent entity \$	Non- controlling Interest \$	Total \$
Balance at 30 June 2017	43,454,632	(39,402,226)	492,580	4,544,986	(158,657)	4,386,329
Loss for the period	-	(1,505,840)	-	(1,505,840)	(918)	(1,506,758)
Total comprehensive loss for the year	-	(1,505,840)	-	(1,505,840)	(918)	(1,506,758)
<i>Transactions with owners in their capacity as owners</i>						
Shares issued for cash	566,940	-	-	566,940	-	566,940
Shares issue costs	(74,161)	-	-	(74,161)	-	(74,161)
Shares issued in lieu of consulting fees	22,000	-	-	22,000	-	22,000
Shares issued as set-off against loans payable	166,031	-	-	166,031	-	166,031
Share based payments expense	-	-	1,434	1,434	-	1,434
Balance at 30 June 2018	44,135,442	(40,908,066)	494,014	3,721,390	(159,575)	3,561,815
Profit for the period	-	304,410	-	304,410	(245)	304,165
Total comprehensive income for the year	-	304,410	-	304,410	(245)	304,165
<i>Transactions with owners in their capacity as owners</i>						
Shares issued for cash	1,175,504	-	-	1,175,504	-	1,175,504
Shares issue costs	(153,025)	-	-	(153,025)	-	(153,025)
Shares issued in lieu of consulting fees	138,050	-	-	138,050	-	138,050
Shares issued as set-off against loans payable	158,536	-	-	158,536	-	158,536
Shares issued as director remuneration	20,000	-	-	20,000	-	20,000
Shares issued in exchange for ordinary shares in listed entity	100,000	-	-	100,000	-	100,000
Share based payments expense	-	-	14,422	14,422	-	14,422
Balance at 30 June 2019	45,574,507	(40,603,656)	508,436	5,479,287	(159,820)	5,319,467

The accompanying notes form part of and should be read in conjunction with these financial statements

Compliance Statement

1. This report has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to the ASX.
2. This report, and the accounts upon which the report is based (if separate), use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. This report is based on accounts to which one of the following applies.

The accounts have been audited

The accounts are in the process of being audited or subject to review.

The accounts have been subject to review.

The accounts have not yet been audited.



Sign here:

Director

Date: 31 August 2019

Print name: David Breeze

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