Manalto Limited Annual Report 2019

MTL.ASX

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Directors' Report

Principal Activities

The principal activities of the Group during the financial year were development and commercialisation of its social media management software and recapitalisation of the Company. The Board of Manalto continues to undertake a strategic review of the Manalto business and core product including reviewing business development opportunities.

Operating Results

The consolidated loss of the Group after providing for income tax amounted to $2,091,804 (2018: loss of $2,257,586).

Significant Changes in State of Affairs

On 30 January 2019, the Company advised the retirement of Dr James Ellingford as a director and the appointment of Mr Piers Lewis as a new director. On 16 April 2019, the Company advised the retirement of Mr Tim Wilson as a director and the appointment of Mr Daniel Costick as a new director. On 10 June 2019, the Company advised the retirement of Mr Terence Clee as a director and the appointment of Mr Jason Colling as a new director.

In the opinion of the directors, there have been no other significant changes in state of affairs of the Group during the financial year, other than those disclosed elsewhere in the financial report or notes hereto.

Review of Operations

New Board Appointed

During the 6 month period up to 30 June 2019, the Company advised the retirement of Dr James Ellingford, Mr Tim Wilson and Mr Terence Clee as directors and the appointment of Mr Piers Lewis, Mr Daniel Costick and Mr Jason Colling as new directors.

Product Update

Throughout the 2019 financial year Manalto's IT and Development activities centered around the platforms core functionalities and maintaining the robust backend to ensure continued system stability for Manalto's client base.

Throughout the first two quarters of 2019, the operational development team continued their focus on maintaining the Manalto platform, focusing on the platforms scheduling and publishing functionalities. The team has worked on continued evaluation of the technology stack to optimise its core functionalities.

There has been continued testing of the social networks API's with a special focus to ensure privacy and data with the Manalto platform.

A number of minor enhancements have been rolled out throughout the year and further enhancement and releases are planned for 2019 as the company continues to develop its software according to best practices with the focus on delivering a relevant product to our clients and target market.

The company has its focus on the following development roadmap areas for 2019:

- Advanced data analysis and reporting to enhance the Analytics components
- AI (Artificial Intelligence) via IBM Watson.
- Ongoing UX evolution
- Functionality enhancements to our Multi-Media components

Technology refresh:

- Evaluating a Database migration for the platform
- Facebook Partner program – maintained entry to the program.
- Continued testing of the social networks API's with a special focus to ensure privacy and data with the Manalto platform.

Financial Overview

During the financial year ended 30 June 2019, the Group recognised revenue of $55,529; the majority relating to the Enterprise product.

The loss from ordinary activities before income tax increased from $1.61m in 2018 to $2.09m for the year ended 30 June 2019.

For the June quarter, the Group undertook a number of cost saving measures, such as restructuring the Board in order to reduce director fees going forward, and scaling back overheads by consolidating international activities. The Group continues to work towards minimising cash outflows as it continues to review development and funding opportunities.

Information on Directors

Directors

The following persons were Directors of Manalto Limited at any time during, or since the end of, the year:

- Piers Lewis *(appointed 30 January 2019)*
- Daniel Costick *(appointed 16 April 2019)*
- Jason Colling *(appointed 10 June 2019)*
- James Ellingford *(appointed 15 September 2017, resigned 30 January 2019)*
- Terence Clee *(appointed 15 September 2017, resigned 10 June 2019)*
- Tim Wilson *(appointed 15 September 2017, resigned 16 April 2019)*

All Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

Information on current Directors as at the date of this report

Piers Lewis **Non-Executive Chairman** B Comm, GIA, CA (appointed 30 January 2019)	Mr Lewis has more than 20 years global corporate experience and is Company Secretary for several ASX listed companies. In 2001, Mr Lewis qualified as a Chartered Accountant with Deloitte (Perth), and has diverse financial and corporate experience from previous senior management roles with Credit Suisse (London), Mizuho International and NAB Capital.
Interest in shares & options	Nil
Directorships held in other listed entities in last 3 years	Cycliq Group Limited eSense-Lab Limited Digital Wine Ventures Limited
Daniel Costick **Non-executive Director** (appointed 16 April 2019)	Mr Costick is an experienced director of ASX listed companies. His roles have included Executive functions, such as serving as Managing Director through listing and operations of Hemisphere Resources Limited, as well as Non-Executive Director functions, including as Director of Aruma Resources Limited.
Interest in shares & options	Nil
Directorships held in other listed entities in last 3 years	None
Jason Colling **Non-executive Director** (appointed 10 June 2019)	Mr Colling is a financial adviser, based in Perth. He has been in the financial services industry since 1995 and has held various positions locally and interstate with organisations such as Macquarie Bank, CIBC World Markets and Ord Minnett. He has been financial adviser since 2012, and previously involved with equities/options trading, derivatives product management and business development for structured investment products.
Interest in shares & options	Nil
Directorships held in other listed entities in last 3 years	None

Terence Clee **Non-Executive Chairman** (resigned 10 June 2019) BCom (Accounting), LLB	Mr Clee started his professional career at KPMG Sydney, working in Corporate Audit and Tax. He then became a partner in a multidisciplinary legal practice alongside colleagues formerly of Allens Arthur Robinson and Ashurst. Mr Clee's client base comprised of large corporates in the mining and technology space. Mr Clee also has experience in the start-up and small cap space. He has advised technology companies and miners of all sizes on commercialisation, mergers and acquisitions, cross-border transactions and R&D. Mr Clee holds a Bachelor of Commerce (Accounting) and a Bachelor of Laws from the University of NSW. Mr Clee is a solicitor admitted to the Supreme Court of NSW. He currently serves as a director of numerous ASX listed and unlisted companies.
Interest in shares & options	Nil
Directorships held in other listed entities in last 3 years –	Elysium Resources Limited Victory Mines Limited JV Global Limited
James Ellingford **Executive Director** D.Mgt, MBA, Post Grad Corp Man, AICD (resigned 30 January 2019)	Dr Ellingford previously served as International President of a multi-billion dollar NASDAQ software business Take-Two Interactive Software with its headquarters in Geneva and New York. He has decades of international experience in the software industry and has close ties with financial institutions and governments throughout the world. He is considered an expert in the areas of collaboration of media and digital assets, data sharing and corporate communications to enable workflow acceleration and has close ties with large US based corporates who dominate this space. Dr Ellingford holds a Post Graduate in Corporate Management, Master's in Business Administration and a Doctorate in Management. Dr Ellingford has lectured MBA students in Corporate Governance, ethics and marketing at a leading Sydney University which are areas he has a keen interest in.
Interest in shares & options	Nil
Directorships held in other listed entities in last 3 years –	Creso Pharma Limited Burrabulla Corporation Limited Elysium Resources Limited Victory Mines Limited Minrex Resources Ltd
Tim Wilson **Non-executive Director** (resigned 16 April 2019)	Mr Wilson is an investment banker with over a decade of experience in the Australian financial services industry. He has advised companies across most industry sectors both domestically and internationally, including; Information Technology and Services, Biotechnology, Mining and Infrastructure. Mr Wilson's corporate experience includes listing and secondary market raises. In particular, Mr Wilson has experience in the Information Technology space with early stage investments; helping founders to build businesses, bring product to market and cater for all types and sizes of capital requirements.
Interest in shares & options	Nil
Directorships held in other listed entities in last 3 years –	Minrex Resources Limited

Company Secretary
The following persons held the position of Company secretary at any time during, or since the end of, the year:

Sebastian Andre (Appointed 11 June 2019)
Sebastian Andre is a Chartered Company Secretary with 8 years of experience as a senior adviser at the ASX. Sebastian is a company secretary of a number of listed entities and provides significant insight into compliance frameworks. Mr. Andre advises the boards and executives of ASX listed entities on a range of matter aimed at minimising compliance risk and

maximising corporate efficiency. He holds a Bachelor of Commerce in Accounting and is a member of the Governance Institute of Australia.

Dr Dane Etheridge (Appointed 28 January 2019, resigned 11 June 2019)
Dr Dane Etheridge has almost fifteen years' experience providing corporate finance, governance, and strategic advice to listed, private, and government entities across a broad range of sectors. He has played central roles in IPO and M&A transactions and has steered companies through significant governance challenges during his time as an advisor, director, and company secretary. He has recently served as Company Secretary of Focus Minerals Ltd and CFO of Coolgardie Minerals Ltd.

Dr Etheridge has Masters and PhD degrees in Finance, is a Chartered Company Secretary, Certified Practicing Accountant, and a Chartered Financial Analyst charterholder.

Aida Tabakovic BBus GradDipBus(Law) (Appointed 28 August 2018, resigned 28 January 2019)
Aida is an accountant with over ten years' experience in the accounting and financial reporting of listed and unlisted companies. She has also had previous management experience in the luxury retail sector. Aida holds a Double Major Degree in Accounting and Finance and a Postgraduate Degree in Business Law. Aida assists clients with ASX and ASIC compliance, statutory reporting, company secretarial and financial accounting services. She has also been involved in the listing of a number of junior explorer companies on the ASX.

Elizabeth Hunt BSc, MAcc, GAICD, FGIA (appointed 15 September 2017; resigned 27 August 2018)
Elizabeth Hunt has over fifteen years' corporate and accounting experience with a particular interest in governance. Elizabeth has been involved in the IPO management, corporate advisory and company secretarial services, financial accounting and reporting and ASX and ASIC compliance management. Elizabeth holds a BSc degree in Sustainable Development and has completed a Master of Accounting, and is a Fellow of the Governance Institute of Australia, and is a Graduate of the Australian Institute of Company Directors. Elizabeth is currently also Company Secretary of a number of ASX listed entities.

Corporate Governance

A review of the Company's 'Corporate Governance Framework' is performed on a periodic basis to ensure that it is relevant and effective in light of changing legal and regulatory requirements. The Board of Directors continues to adopt a set of Corporate Governance Practices and a Code of Conduct appropriate for the size, complexity and operations of the Company and its subsidiaries.

Unless otherwise stated all Policies and Charters meet the ASX Corporate Governance Council's Best Practice Recommendations.

Dividends

No dividends were paid or declared since the start of the financial year (2018: no dividends).

Events Subsequent to Reporting Date

Subsequent to year end, the Company received a firm commitment to raise $163,907 to be completed as a placement of 546,358,294 shares at a price of $0.003 to a sophisticated and professional investor, Mr Qi Cao.

Alongside the above, the Company has entered into a loan agreement with Mr David Mullan with the following terms and conditions:

- Loan amount: $400,000
- Interest: 4% per annum
- Repayment date: 3 October 2020
- Security: Unsecured

No other significant matters have arisen between balance date and the date of this report.

Future Developments

The Board are committed to growing the development team as well as the US based sales and customer support team.

Environmental Issues

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. Details of the amounts paid or payable to the auditor (Grant Thornton) for audit services provided during the year are set out below. There were no non-audit services provided during the year.

The following fees were paid/payable to the external auditors during the year ended 30 June 2019:

	2019 $	2018 $
Amounts paid/payable to Grant Thornton Audit Pty Ltd *Audit and other assurance services*	56,652	45,000
Total paid or payable	**56,652**	**45,000**

Auditors Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 as required by Section 307C of the Corporations Act 2001 has been received and can be found on Page 39 of the financial report.

Meetings of Directors

During the financial year, attendances by each Director at Directors' Meetings were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Terence Clee (resigned 10 June 2019)	7	7
James Ellingford (resigned 30 January 2019)	4	4
Tim Wilson (resigned 16 April 2019)	7	7
Piers Lewis (appointed 30 January 2019)	3	3
Daniel Costick (appointed 16 April 2019)	0	0
Jason Colling (appointed 10 June 2019)	0	0

The Audit and Risk Management Committee

Due to the number of directors on the Board, and the size of the Company, the consolidated entity did not consider it necessary to appoint an audit and risk committee for the year ended 30 June 2019.

Remuneration Report (Audited)

The following persons were Directors and key management personnel (KMP) in office at any time during the financial year:

Director	Position
Piers Lewis	Director, Non-Executive Chairman (Independent; appointed 30 January 2019)
Daniel Costick	Director, Non-Executive (Independent, appointed 16 April 2019)
Jason Colling	Director, Non-Executive (Independent, appointed 10 June 2019)
Terence Clee	Director, Non-Executive Chairman (Independent; appointed 15 September 2017, resigned 10 June 2019)
James Ellingford	Director, Executive (appointed 15 September 2017, resigned 30 January 2019)
Tim Wilson	Director, Non-Executive (Independent; appointed 15 September 2017, resigned 16 April 2019)

Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness;
- Acceptability to shareholders;
- Performance linkage / alignment of executive compensation;
- Transparency; and
- Capital management.

In consultation with industry surveys on executive remuneration the Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation. No remuneration consultants were used during the year.

Alignment to shareholders' interests:

- Has economic future profits as a core component of plan design;
- Focuses on sustained growth in shareholder wealth, consisting of the possibility of future dividends and growth in share price, and delivering a future return on assets as well as focusing the executive on key non-financial drivers of value; and
- Attracts and retains high calibre executives.

Alignment to program participants' interests:

- Rewards capability and experience;
- Reflects competitive reward for contribution to growth in shareholder wealth;
- Provides a clear structure for earning rewards; and
- Provides recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives.

Non-Executive Directors

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of the Directors. Non-executive Directors' fees and payments are reviewed regularly by the Board. The Chairman's fees are determined independently to the fees of non-executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration. Non-executive Directors do on occasions receive share options. Non-executive Directors may opt each year to receive a percentage of their remuneration in Manalto Limited shares, which would be acquired on-market.

Directors' Fees

The current base remuneration was last reviewed with effect from 10 June 2019.

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders.

Executive Pay

The executive pay and reward framework has four components:

- Base pay and benefits
- Short-term performance incentives
- Long-term incentives through participation in the Manalto Limited's Employee Share Option Plan (ESOP), and
- Other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base Pay

Base pay is structured as a 'total employment cost' package which may be delivered as a combination of cash and prescribed non-financial benefits at the executive's discretion, subject to Group guidelines.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Industry remuneration surveys provide analysis to ensure base pay is set to reflect the market for a comparable role. Base pay for senior executives is reviewed – generally annually – to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion. There are no guaranteed base pay increases included in any senior executives' contracts.

Details of Remuneration

Details of the remuneration of the Directors and the key management personnel (as defined in AASB 124 Related Party Disclosures) of Manalto Limited and the Manalto Group are set out in the following tables. The key management personnel of Manalto Limited and the Group include the Directors as listed earlier in this Report, and the Chief Marketing Officer.

The cash bonuses are dependent on the satisfaction of performance conditions as set out in the section headed Short-Term Incentives above. All other elements of remuneration are not directly related to performance.

Remuneration for each Director & Key Management Personnel of the Consolidated Entity During the Year

2019	Short Term Employee Benefits	Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Equity settled share based payments		Total	Proportion of Remuneration that is Performance Based
	Salary and Fees $	Long Service Leave $	Superannuation Contribution $	Cash $	Shares $	Options $	$	%
Directors								
Piers Lewis	20,000	-	-	-	-	-	20,000	-
Daniel Costick	7,500	-	-	-	-	-	7,500	-
Jason Colling	1,900	-	-	-	-	-	1,900	-
Terence Clee	158,900	-	-	150,000[1]	-	-	308,900	-
James Ellingford	145,677	-	6,897	30,000[1]	-	-	182,574	-
Tim Wilson	40,800	-	-	-	-	-	40,800	-
Total Director remuneration	**374,777**	-	**6,897**	**180,000**	-	-	**561,674**	-

[1] Mr Terence Clee and Mr James Ellingford were paid termination fees in line with their contracts with the Company. These amounts were fully paid and no amounts are owing to them as at 30 June 2019.

Remuneration for each Director & Key Management Personnel of the Consolidated Entity During the Prior Year

2018	Short Term Employee Benefits	Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Equity settled share based payments		Total	Proportion of Remuneration that is Performance Based
	Salary and Fees $	Long Service Leave $	Superannuation Contribution $	Cash $	Shares $	Options $	$	%
Directors								
James McKerlie	61,594	-	-	-	-	-	61,594	-
Paul Gardner	11,666	-	-	-	15,000[1]	-	26,666	-
Gary Cox	10,715	-	-	-	-	-	10,715	-
Michael Quinert	5,000	-	-	-	-	-	5,000	-
Terence Clee	-	-	-	-	-	-	-	-
James Ellingford	-	-	-	-	-	-	-	-
Tim Wilson	-	-	-	-	-	-	-	-
Total Director remuneration	**88,975**	**-**	**-**	**-**	**15,000**	**-**	**103,975**	**-**

[1]During the 2018 financial year, Paul Gardner was granted with 1,363,636 shares valued at $15,000 from the conversion of notes with an exercise price of $0.011.

Movements in Directors & KMP Shareholdings

There were no shares held by any Directors or key management personnel at any point during the financial year ended 30 June 2019.

2019	Balance 01/07/2018	Received as Remuneration	Exercise of Options	Net Change Other*	Balance 30/06/2019
Directors					
Terence Clee (resigned 10 June 2019)	-	-	-	-	-
James Ellingford (resigned 30 January 2019)	-	-	-	-	-
Tim Wilson (resigned 16 April 2019)	-	-	-	-	-
Piers Lewis (appointed 30 January 2019)	-	-	-	-	-
Daniel Costick (appointed 16 April 2019)	-	-	-	-	-
Jason Colling (appointed 30 January 2019)	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

The number of shares held by each Director and key management personnel during the prior year are set out below.

2018	Balance 01/07/2017	Received as Remuneration	Exercise of Options	Net Change Other*	Balance 30/06/2018
Directors					
James McKerlie (resigned 15 September 2017)	2,875,000	-	-	-	2,875,000
Paul Gardner (resigned 15 September 2017)	718,750	-	-	1,363,636	2,082,386
Gary Cox (resigned 15 September 2017)	862,500	-	-	-	862,500
Michael Quinert (resigned 22 August 2017)	715,000	-	-	-	715,000
Terence Clee (appointed 22 August 2017)	-	-	-	-	-
James Ellingford (appointed 22 August 2017)	-	-	-	-	-
Tim Wilson (appointed 22 August 2017)	-	-	-	-	-
Total	**5,171,250**	**-**	**-**	**1,363,636**	**6,534,886**

The ‘Net Change Other’ column above includes those shares that have been either sold or purchased by holders.

Movements in Directors & KMP options holdings

There were no options held by any Directors or key management personnel at any point during the financial year ended 30 June 2019. There were no options issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2019.

2019	Balance 01/07/2018	Received as Remuneration	Exercise of Options	Lapsed	Net other change*	Balance 30/06/2019
Directors						
Terence Clee (resigned 10 June 2019)	-	-	-	-	-	-
James Ellingford (resigned 30 January 2019)	-	-	-	-	-	-
Tim Wilson (resigned 16 April 2019)	-	-	-	-	-	-
Piers Lewis (appointed 30 January 2019)	-	-	-	-	-	-
Daniel Costick (appointed 16 April 2019)	-	-	-	-	-	-
Jason Colling (appointed 30 January 2019)	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

The number of opions held by each Director and key management personnel during the prior year are set out below.

2018	Balance 01/07/2017	Received as Remuneration	Exercise of Options	Lapsed	Net other change*	Balance 30/06/2018
Directors and Key Management Personnel						
James McKerlie (resigned 15 September 2017)	4,000,000	-	-	(2,500,000)	-	1,500,000
Paul Gardner (resigned 15 September 2017)	1,375,000	-	-	(625,000)	-	750,000
Gary Cox (resigned 15 September 2017)	2,000,000	-	-	(1,250,000)	-	750,000
Michael Quinert (resigned 22 August 2017)	1,750,000	-	-	(500,000)	-	1,250,000
Terence Clee (appointed 22 August 2017)	14,395,233	-	-	-	-	14,395,233
James Ellingford (appointed 22 August 2017)	-	-	-	-	-	-
Tim Wilson (appointed 22 August 2017)	-	-	-	-	-	-
James McKerlie (resigned 15 September 2017)	-	-	-	-	-	-
Total	**27,445,613**	**-**	**-**	**(5,375,000)**	**-**	**22,070,613**

*Net other change refers to options granted in connection with participation of issue of unsecured convertible loan notes.

There were no share options issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Other Payments Made to the Directors

For the 2019 financial year, TAC Professional Services Pty Ltd (an entity which Mr Clee is related to) provided office premises to the Company for fees of $27,000.

For the 2019 financial year, Smallcap Corporate Pty Ltd (an entity which Mr Lewis is a director) provided company secretary and financial accounting services to the Company. Total fees incurred to Smallcap Corporate Pty Ltd for the year was $10,000.

This marks the end of the audited Remuneration Report.

Adoptions of Remuneration Report by Shareholder

The adoption of the remuneration report for the financial year ended 30 June 2018 was put to the shareholders of the Company at the Annual General Meeting (AGM) held on 30 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.

Indemnification of Officers

During the financial year, Manalto Limited instituted Directors and Officers insurance. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on Behalf of Company

The Company is currently engaged in one litigation matter with previously used contractors who the Board consider failed to provide services to the Company. The Company is actively disputing these claims. The Company estimates that the total exposure from pending litigation matters should not exceed $15,000.

The Company is not party to any other proceedings as at the date of this report.

Options

At the date of this report, the unissued ordinary shares of Manalto Limited under unlisted options are as follows:

Grant Date	Date of Expiry	*Exercise Price	Number Under Option
11 March 2015	11 March 2020	$0.25	4,550,000
15 December 2015	15 December 2020	$0.30	1,268,151
29 February 2016	29 February 2020	$0.20	12,976,538
26 February 2016	29 February 2020	$0.25	2,035,171
19 January 2017	19 January 2020	$0.07	5,250,000
21 March 2018	21 March 2021	$0.004	1,913,333,334
Total			**1,939,413,194**

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

There have been no shares issued during or since the end of the year as a result of the exercise of options.

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

Piers Lewis
Chairman

Dated 10 October 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2019

	Note	Consolidated 2019 $AUD	2018 $AUD
Revenue	3	55,529	62,732
Other income	3	3,681	17,908
Total revenue and other income	3	59,210	80,640
Payroll and employees expense		-	(133,011)
Share-based payment expense		(79,392)	(52,532)
Travel and accommodation		(48,151)	(46,900)
Consulting and professional fees	4	(1,554,797)	(957,121)
General administration and compliance costs		(140,867)	(206,861)
IT and web costs		(72,425)	(37,473)
Advertising and marketing		(168,006)	(47,561)
Other expenses		-	(86,250)
Finance expense	5	(77,414)	(127,194)
Loss before income tax		(2,081,842)	(1,614,263)
Income tax benefit	6	-	-
Loss from continuing operations		**(2,081,842)**	**(1,614,263)**
Loss from discontinued operations	25	**(9,962)**	**(643,323)**
Loss for the year		**(2,091,804)**	**(2,257,586)**
Items that may be reclassified subsequently to profit or loss:			
Foreign Currency Translation Reserve Movement	14	(48,044)	(27,057)
Total comprehensive income/(loss) for the year		**(2,139,848)**	**(2,284,643)**

Basic and diluted loss per share (cents per share) from continuing operations:	17	**(0.057)**	**(0.129)**
Basic and diluted loss per share (cents per share) from discontinued operations:	17	**-**	**(0.05)**

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Note	Consolidated 2019 $AUD	2018 $AUD
ASSETS			
Current assets			
Cash and cash equivalents	7	44,953	1,516,513
Trade and other receivables	8	69,618	86,823
Prepaid expenses	8	-	20,836
Total current assets		114,571	1,624,172
TOTAL ASSETS		114,571	1,624,172
LIABILITIES			
Current liabilities			
Trade and other payables	9	1,534,401	1,353,057
Borrowings	10	400,000	-
Provisions	11	53,933	78,742
Total current liabilities		1,988,334	1,431,799
TOTAL LIABILITIES		1,988,334	1,431,799
NET (DEFICIENCY) / ASSETS		(1,873,763)	192,373
EQUITY			
Equity attributable to owners of the parent:			
Contributed equity	12	20,429,232	20,434,912
Other contributed equity	12	89,665	89,665
Share option reserve	18	1,591,133	1,511,742
Foreign currency translation reserve	14	(196,037)	(147,993)
Accumulated losses	13	(23,787,756)	(21,695,952)
TOTAL (DEFICIENCY) / EQUITY		(1,873,763)	192,373

The accompanying notes form part of the financial statements.

manalto
SOCIAL MEDIA MANAGEMENT TOOL

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2019

				Consolidated			
30 June 2019	**Note**	**Contributed Equity $AUD**	**Other Contributed Equity $AUD**	**Foreign currency reserve $AUD**	**Accumulated Losses $AUD**	**Share option reserve $AUD**	**Total $AUD**
Balance at 1 July 2018		**20,434,912**	**89,665**	**(147,993)**	**(21,695,952)**	**1,511,741**	**192,373**
Loss for the year		-	-	-	(2,091,804)	-	**(2,091,804)**
Other comprehensive income/(loss)		-	**-**	(48,044)	-	-	**(48,044)**
Total comprehensive loss		**-**	**-**	(48,044)	(2,091,804)	**-**	**(2,139,848)**
Transactions with owners in their capacity as owners							
Share-based payment – share options	18	-	**-**	-	-	79,392	79,392
Contributions of equity	12	(5,680)	**-**	-	-	-	(5,680)
Balance at 30 June 2019		**20,429,232**	**89,665**	**(196,037)**	**(23,787,756)**	**1,591,133**	**(1,873,763)**

				Consolidated			
30 June 2018	**Note**	**Contributed Equity $AUD**	**Other Contributed Equity $AUD**	**Foreign currency reserve $AUD**	**Accumulated Losses $AUD**	**Share option reserve $AUD**	**Total $AUD**
Balance at 1 July 2017		**16,178,155**	**77,488**	**(120,936)**	**(19,525,366)**	**1,381,209**	**(2,027,405)**
Prior year retained earnings adjustment		(87,000)	**-**	-	87,000	-	-
Loss for the year		-		-	(2,257,586)	-	(2,257,586)
Other comprehensive income/(loss)		-	**-**	(27,057)	-	-	(27,057)
Total comprehensive loss		**-**	**-**	**(27,057)**	**(2,257,586)**	**-**	**(2,284,643)**
Transactions with owners in their capacity as owners							
Share-based payment – share options		-	**-**	-	-	130,532	130,532
Contributions of equity	12	4,343,757	**-**	-	-	-	4,343,757
Issue of convertible notes – equity component		-	12,177	-	-	-	12,177
Balance at 30 June 2018		**20,434,912**	**89,665**	**(147,993)**	**(21,695,952)**	**1,511,741**	**192,373**

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2019

	Note	Consolidated 2019 $AUD	Consolidated 2018 $AUD
Cash flows from operating activities:			
Receipts from customers		69,798	62,009
Payments to suppliers and employees		(1,724,359)	(1,482,657)
Interest received/(paid)		3,681	740
Net cash outflows from continuing operations		(1,650,880)	(1,419,908)
Net cash outflows from discontinued operations		-	(529,812)
Net cash provided by (used in) operating activities	19(a)	**(1,650,880)**	**(1,949,720)**
Cash flows from financing activities:			
Proceeds from issue of share capital		-	2,030,000
Capital raising costs		(5,680)	(367,610)
Proceeds from borrowings		185,000	1,750,521
Repayment of convertible notes		-	(446,250)
Net cash provided by financing activities		**179,320**	**2,996,661**
Net increase (decreases) in cash held		(1,471,560)	1,046,941
Effect of currency translation on cash and cash equivalents		-	(27,057)
Cash at beginning of financial year		**1,516,513**	**496,629**
Cash at end of financial year		**44,953**	**1,516,513**

The accompanying notes form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Pursuant to changes to the *Corporations Act 2001*, the financial statements presented are only for the consolidated entity consisting of Manalto Limited and its subsidiaries. Disclosures required in relation to the parent entity are presented in Note 24.

(a) Basis of preparation

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian interpretations), other authoritative pronouncements adopted by the Australian Accounting Standards Board (AASB), and the *Corporations Act 2001*. The Company is a for-profit entity for the purpose of preparing financial statements.

Compliance with IFRS

The consolidated financial statements and notes of Manalto Limited comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

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 are described below:

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement (AASB 139) 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.

The Group has applied AASB 9 retrospectively, with the initial application date of 1 July 2018. The Group has elected to restate comparative information.

AASB 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The changes in accounting policies resulting from the adoption of AASB 9 did not have a material impact on the Group's financial statements.

As of 30 June 2018 and 30 June 2019, the Group's financial instruments consist of cash and cash equivalents, trade and other receivables, trade and other payables, and borrowings.

Class of financial instrument presented in the statement of financial position	Original measurement category under AASB 139	New measurement category under AASB 9
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost
Trade and other receivables	Loans and receivables	Financial assets at amortised cost
Trade and other payables	Financial liability at amortised cost	Financial liability at amortised cost
Borrowings	Financial liability at amortised cost	Financial liability at amortised cost

The change in classification has not resulted in any re-measurement adjustments at 1 July 2018.

Refer to the relevant accounting policy disclosures for further details.

Impairment of financial assets

In relation to the financial assets carried at amortised cost, AASB 9 requires an expected credit loss model to be applied as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. In particular, AASB 9 requires the Group to measure the loss allowance at an amount equal to lifetime expected credit loss ("ECL") if the credit risk on the instrument has increased significantly since initial recognition. On the other hand, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to the ECL within the next 12 months.

There is no impact on the cash flows of the Group from the application of AASB 9.

Initial application of AASB 15: Revenue from Contracts with Customers

The Group has adopted AASB 15 with a date of initial application of 1 July 2018. Based on the Directors' assessment there was no impact on the Group's existing revenue recognition policy arising from the adoption.

The Group has applied the AASB 15 cumulative effective method (ie by recognising the cumulative effect of initially applying AASB 15 as an adjustment to the opening balance of equity at 1 July 2018). Therefore, the comparative information has not been restated and continues to be reported under AASB 118: Revenue.

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

Historical Cost Convention
These financial statements have been prepared under the historical cost convention.

Critical Accounting Estimates
The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed at (w).

(b) Going Concern
The Group has reported a loss for the year of $2,081,842 (2018: $1,614,263) and net cash outflows from operating activities of $1,650,880 (2018: $1,919,720) for the year ended 30 June 2019 and has net asset deficiency of $1,873,763 as at 30 June 2019.

As disclosed in Note 27, subsequent to year end the Company has received firm commitments to raise $163,907 to be completed as a placement of 546,358,294 shares at a price of $0.003. Furthermore, the Company has entered into a loan agreement totalling $400,000 (interest at 4% per annum) with a repayment date of 3 October 2020 repayable in cash. The funds raised will be used to manage working capital and to repay the loan to Jamber Investments Pty Ltd described in Note 10.

As noted in Note 10, the Company has a loan agreement with Anglo Menda (an entity related to Everblu Capital Pty Ltd, the Company's corporate advisor) of $100,000 that is due and payable on 23 October 2019. The Company has received a letter of support from Everblu Capital Pty Ltd ("Everblu") that it will provide continued financial support for a period of 12 months from the date of this report or the completion of a capital raising.

The Company is currently working with Everblu to secure further funding in the short term. As part of these endeavours, Everblu has confirmed to the Company that it irrevocably undertakes to raise $0.5 million for Manalto Limited within 30 days. Furthermore, the Company is exploring further funding options within the next 6 months from the date of this report.

The Company makes reference to the liquidation of its subsidiaries in other jurisdictions: Manalto, Inc (United States), Soshlr South Africa (Pty) Ltd (South Africa), Soshlr Limited (Ireland) and Soshlr B.V (Netherlands). The Company confirms that the creditor balances of $782,862 that are within these entities are not required to be paid upon liquidation (refer Note 24).

Included in the trade creditors balance as at 30 June 2019 is $342,149 of which the directors believe were not contractual and not payable by the Company. The directors are confident that negotiations on these balances will be finalised and the invoices settled accordingly. The board estimates settlement amount to be zero, but have reported a contingent liability of $15,000 (refer Note 26). Further, several other creditors of the Company have provided to the Company the right to defer settlement until the above-mentioned capital raising is complete.

On the basis of this developments above, the Directors believe that it is reasonably foreseeable that the Company and consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in preparation of the financial report.

Should the Group be unable to obtain the funding as described above, there is material uncertainty whether the Group will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from these stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

(c) Principles of Consolidation
The consolidated financial statements comprise the financial statements of Manalto Limited and its subsidiaries (the Group) as at 30 June 2019.

Refer to Note 24 for detailed information on controlled entities throughout the reporting period ended 30 June 2019.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions, have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the group.

(d) Segment Reporting
The Group determines and presents operating segments based on the information that is internally provided to the Executive Chairman, who is the Group's chief operating decision maker.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are regularly reviewed by the Group's Board to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Board include revenue and expense items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Assets and liabilities are not allocated to operating segments. Other unallocated items comprise mainly head office and Group-wide expenses, and income tax amounts.

Under AASB 8 *Operating Segments*, segment information is presented using a 'management approach'; that is, segment information is provided on the same basis as information used for internal reporting purposes by the chief operating decision maker (executive management committee that makes strategic decisions). In the year ended 30 June 2017, the Group has continued operations in Australia, the USA, South Africa, Ireland and the Netherlands. As such, the Directors have opted to report its operations by geographical segments. Refer to Note 23 for further information.

(e) Foreign Currency Translation

The functional currency of the Manalto Limited and Australian subsidiary Soshlr Pty Ltd is Australian Dollars ($AUD), while the subsidiary in the United States has a functional currency of US Dollars ($USD), the subsidiary in South Africa has a functional currency of South African Rand (ZAR), the subsidiary in Ireland has a functional currency of Euro (€EUR), and the subsidiary in the Netherlands has a functional currency of Euro (€EUR).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except for differences arising on the re-translation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised in other comprehensive income.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

Foreign currency gains and losses are reported on a net basis.

(f) Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement
Financial assets
Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.
The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Financial liabilities
Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition
Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial assets
A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.
All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.
On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Derecognition of financial liabilities
A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.
The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Impairment
The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Loss allowance is not recognised for:
financial assets measured at fair value through profit or loss; or
equity instruments measured at fair value through other comprehensive income.

The Group uses the simplified approach to impairment, as applicable under AASB 9: Financial Instruments:

Simplified approach
The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and which do not contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groups of historical loss experience, etc).

Recognition of expected credit losses in financial statements
At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.
The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.
Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.
For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(g) Property, plant and equipment

Items of property, plant and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management. Items of property, plant and equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of equipment and other equipment. The following useful lives are applied:

- IT equipment: 2-5 years
- Other equipment: 3-12 years

In the case of leasehold property, expected useful lives are determined by reference to comparable owned assets or over the term of the lease, if shorter.

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

(h) Intangible Assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Impairment losses on goodwill cannot be reversed.

Research & Development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

(i) Impairment of Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired.

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Fees paid in the establishment of loan facilities, which are not incremental costs relating to the draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

All borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Finance expenses comprise interest expense on borrowings including convertible notes, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, and impairment losses recognised on financial assets.

In respect of borrowing costs relating to qualifying assets, the Group capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.

(k) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance expense.

(l) Employee Benefits

Wages & Salaries, Annual Leave & Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, are recognised in other payables, and for annual leave and accumulating sick leave expected to be settled within 12 months in provisions, in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled, on an undiscounted basis.

Long Service Leave
The liability for long service leave is not recognised in the provision for employee benefits. All of the Group's current employees are based in the United States of America (USA), South Africa and the Netherlands and no long service leave entitlements exist in these locations.

Profit Sharing & Bonus Plans
The Group recognises a liability and an expense for bonuses and profit sharing based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Defined Contribution Plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. The Company does not make contributions to a defined contribution plan on behalf of an employee.

(m) Share-Based Payments
The Group measures the goods and services received by equity-settled share-based payment transactions as an increase in equity, directly, at the fair value of the goods or services rendered, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services rendered, the Group shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

If the equity instruments granted vest immediately, are unconditional and are not required to complete a specified period of service, the Group shall presume that services rendered by the counterparty as consideration for the equity instruments have been received. On grant date the Group recognises the services rendered in full, with a corresponding increase in equity.

If the equity instruments granted do not vest until the counterparty completes a specified period of service, the Group shall presume that the services to be rendered by the counterparty as consideration for those equity instruments will be received in the future, during the vesting period. The Group accounts for these services as they are rendered by the counterparty during the vesting period, with a corresponding increase in equity.

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

(n) Revenue Recognition
The Group has applied AASB 15: Revenue from Contracts with Customers using the cumulative effective method. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue. Based on the Directors' assessment, accounting policies under AASB 118 are identical to those under AASB 15 as disclosed below.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Software licence revenue
Software licence revenue is recognised over the subscription period and recognised in the period in which it is earned.

(o) Trade Receivables
Trade receivables are recognised and carried at original invoice amount less an allowance for lifetime expected credit losses using the simplified approach in accordance with AASB 9: Financial Instruments. Bad debts are written off when identified. Trade receivables are generally due for settlement within 30 days.

(p) Cash and Cash Equivalents
Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in profit or loss in other expenses.

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(q) Trade and Other Payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(r) Goods & Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

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 taxation authority, are presented as operating cash flow.

(s) Earnings per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted Earnings Per Share

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

(t) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(u) Leases

At the inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset. At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group are classified as finance leases.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a diminishing value basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(v) New accounting standards issued but not yet effective

The following table summarises the expected impact of new Accounting Standards that are not yet mandatory and have not been early adopted. None of these are expected to have a significant effect on the entity's financial position or performance.

Nature of Change	Application Date	Impact on Initial Application
AASB 16: Leases (issued February 2016)		
AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 *Leases.* It instead requires an entity to bring most leases into its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its statement of financial position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases. Lessor accounting remains largely unchanged from AASB 117.	Annual reporting periods beginning on or after 1 January 2019.	Management has assessed the impact of AASB 16 on the Groups existing operations. The Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020, given the Group is not party to any material lease agreements.

(w) Critical Accounting Estimates & Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Refer also to Note 1(b) in relation to the adoption of the 'going concern' basis of accounting in the financial statements.

(x) Income Taxes

The Group is subject to income taxes in Australia, United States of America, South Africa, Ireland and the Netherlands. The Group has not recognised deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same subsidiary against which the unused tax losses can be utilised. However, utilisation of the tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped. Refer to Note 6 for further detail.

(y) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

2. Financial Risk Management

Overview

The Company and the Group have exposure to the following risks from their use of financial instruments:

- credit risk;
- liquidity risk; and,
- market risk.

This note presents information about the Company's and Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks affecting the Company and Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's and Group's activities. The Company and Group, through training and management standards and procedures appropriate for a small organisation, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Board oversees how management monitors compliance with the Company's and Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company and Group. Being a relatively small organisation, there is no formal Internal Audit function.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Exposure to Credit Risk
The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

		Carrying Amount	
	Note	**2019 $AUD**	**2018 $AUD**
Trade & Other Receivables	8	69,618	86,823
Total		69,618	86,823

Guarantees
Neither the Company nor the Group has provided financial guarantees to any third party.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments, for the Group:

30 June 2019

	Carrying Amount $	Contract C/Flows $	6 months or less $	6 -12 months $	1 – 2 years **$**	2 – 5 years **$**	More than 5 years **$**
Non-Derivative Financial Liabilities							
Trade and other payables	1,534,401	1,534,401	1,534,401	-	-	-	-
Short-term Borrowings	400,000	400,000	400,000	-	-	-	-
Total	1,934,401	1,934,401	1,934,401	-	-	-	-

30 June 2018

	Carrying Amount $	Contract C/Flows $	6 months or less $	6 -12 months $	1 – 2 years $	2 – 5 years $	More than 5 years $
Non-Derivative Financial Liabilities							
Trade and other payables	1,353,057	1,353,057	1,353,057	-	-	-	-
Loan	-	-	-	-	-	-	-
Total	1,353,057	1,353,057	1,353,057	-	**-**	**-**	**-**

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is exposed to material levels of market risk. The Group has exposure to currency risk in relation to purchases that are denominated in a currency other than United States dollars. However, such purchases represent a relatively small proportion of total Group expenses and entry into hedging activity in relation to such purchases is not considered warranted on a cost-benefit analysis. The Group is exposed to currency risk associated with raising capital in Australia and utilising this capital to fund operational expenditure in the USA, South Africa and Europe. The cost of hedging this position is extremely high as the exact timing and amounts associated with the capital raising activities is not certain. As such the Directors do not consider this a cost effective measure to manage currency risk, and rather seek alternative measure to minimise the currency exchange losses.

The Group also has only a minor exposure to interest rate risk. Interest on credit card facilities is at a variable interest rate. Interest expense on these facilities is minor.

Exposure to Currency Risk

The Group's exposure (shown as Asset/(Liability) and Revenue/(Expense)) to foreign currency risk at reporting date was as follows, based on notional amounts (all amounts are shown as AUD equivalents, with column headings denoting the invoice-denominated currency):

30 June 2019	EUR	ZAR	GBP	USD
Cash and cash equivalents	-	-	-	-
Trade and other payables	(94,367)	(391,514)	-	(297,334)
Trade and other receivables	-	-	-	-
Short-term borrowings	-	-	-	-
Gross Balance Sheet exposure	(94,367)	(391,514)	-	(297,334)
Profit or (loss)	-	-	-	(15,747)

30 June 2018	EUR	ZAR	GBP	USD
Cash and cash equivalents	-	-	-	10,270
Trade and other payables	(95,581)	(361,265)	-	(281,566)
Trade and other receivables	872	65,814	-	-
Short-term borrowings	-	-	-	-
Gross Balance Sheet exposure	(94,709)	(295,451)	-	(271,296)
Profit or (loss)	(11,786)	(231,343)	-	(400,193)

The following significant exchange rates applied during the year:

	Average Rate		Spot Rate	
AUD	2019	2018	2019	2018
USD	0.7156	0.7753	0.7013	0.7391
EUR	0.6270	0.6500	0.6171	0.6344
ZAR	10.1481	10.1665	9.8912	10.1426

Interest Rate Risk

Profile

At the reporting date, the interest rate profile of the Company's and the Group's interest-bearing financial instruments was:

	Consolidated Carrying Amount	
	2019 $AUD	2018 $AUD
Fixed Rate Instruments	-	-
Borrowings (refer Note 10)	(300,000)	-
Variable Rate Instruments	-	-
Financial liabilities	-	-
Cash	44,953	1,516,513

Fair Value Sensitivity for Fixed Rate Instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, nor does it have any derivatives designated as hedging instruments under a fair value hedge accounting model. Therefore, a fair value change in interest rates at the reporting date would not affect profit or loss.

Fair Values versus Carrying Amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	30 June 2019		30 June 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Consolidated				
Trade and other receivables	69,918	69,918	86,823	86,823
Cash and cash equivalents	44,953	44,953	1,516,513	1,516,513
Prepaid expenses	-	-	20,836	20,836
Short term provision	(53,933)	(53,933)	(78,742)	(78,742)
Trade and other payables	(1,534,401)	(1,534,401)	(1,353,057)	(1,353,057)
Short-term borrowings	(400,000)	(400,000)	-	-
Total	(1,873,763)	(1,873,763)	258,187	258,187

Fair value of all financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For convertible notes, the market rate of interest is determined by reference to likely rates available on similar debt financing facilities, having regard to market conditions and the Group's credit status.

Fair Value Hierarchy
The Group does not have any financial instruments for which a fair value has had to be determined using a valuation method with inputs such as market data or other observable inputs.

Capital Management
The Board is in the process of developing a capital risk management policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

3. Revenue and Other Income

	Consolidated	
	2019 $AUD	**2018 $AUD**
Revenue from operating activities		
Licence fee revenue	55,529	62,732
Total operating revenue	**55,529**	**62,732**
Other income		
Gain on repayment of convertible note	-	17,168
Interest received	3,681	740
Total other income	**3,681**	**17,908**
Total revenue and other income	**59,210**	**80,640**

There is only one major type of revenue, being licence fee revenue.

4. Consulting and professional fees

	Consolidated	
	2019 $AUD	**2018 $AUD**
Directors fees	561,674	88,974
Company secretary fees	73,219	49,329
Accounting expense	79,900	138,753
Audit fees	56,652	40,539
Consulting expense	261,167	168,528
Contractor expense	-	68,648
Corporate consulting	-	190,000
Equity market advisory fees	120,000	113,972
Legal expense	402,185	98,377
Total	**1,554,797**	**957,120**

5. Finance Income and Expense

Recognised in Profit or Loss:	Consolidated	
	2019 $AUD	**2018 $AUD**
Interest income on bank deposits	3,681	740
Finance Income	**3,681**	**740**
Costs associated with debt raising	(21,000)	-
Interest on short-term borrowings	(50,000)	-
Other finance expenses	(5,534)	-
Interest expense on convertible notes	-	(127,194)
Finance Expense	**(77,414)**	**(127,194)**
Net Finance Income/(Expense)	**(73,733)**	**(126,454)**

No Finance Income or Expense was recognised directly in equity (2018: Nil).

6. Taxation

The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:

	Consolidated	
	2019 $AUD	**2018 $AUD**
Prima facie tax benefit on loss from ordinary activities before income tax		
- Australia (Income tax rate: 30%, 2018: 27.5%)	624,553	360,024
- United States (35%)	-	140,068
- South Africa (28%)	-	64,776
- Netherlands (25%)	-	2,947
Consolidated entity	**624,553**	**565,815**
Adjusting for the tax effect of:		
Permanent differences	-	-
Deferred tax asset of tax loss and temporary differences not brought to account	(624,553)	(565,815)
Deferred tax assets written off	-	-
Income tax benefit attributable to entity	**-**	**-**

Deferred tax assets

Deferred tax assets brought to account are set out below.

	Consolidated	
	2019 $AUD	**2018 $AUD**
Opening Balance 1 July	-	-
Deferred tax assets recognised	-	-
Deferred tax assets written off	-	-
Total	**-**	**-**

The current carried forward tax losses are $23,446,660. This benefit for tax losses would only be obtained if:

The Company derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised; the Company complies with the conditions for deductibility imposed by the tax legislation; and no changes in tax legislation adversely affect the Company in realising the benefit from deductions for the losses.

In addition, the availability of tax losses is subject to the Group successfully establishing deductibility, and in particular, satisfying either the continuity of ownership test or the same business test at the future time at which losses are sought to be recouped.

7. Cash & Cash Equivalents

	Consolidated	
	2019 $AUD	**2018 $AUD**
Cash at bank	44,953	1,516,513
Short-term bank deposits	**-**	**-**
Total	**44,953**	**1,516,513**

Cash at bank in 2019 is non-interest bearing (2018: non-interest bearing).

8. Trade & Other Receivables

	Consolidated	
	2019 $AUD	**2018 $AUD**
CURRENT		
Trade receivables	4,389	18,658
Allowance for expected credit losses	-	-
	4,389	18,658
Goods and services tax (receivable)	61,256	66,319
Other receivables	3,973	1,846
Total	**69,618**	**86,823**
Prepayments	-	**20,836**
Total	**-**	**20,836**

Impaired receivables
At 30 June 2019 there were no bad or doubtful debts. (2018: Nil)

Effective interest rates and credit risk
There is no effective interest rate on receivables.

9. Trade & Other Payables

	Consolidated	
	2019 $AUD	**2018 $AUD**
CURRENT		
Unsecured Liabilities		
Trade payables and accrued expenses [1]	1,534,401	1,353,057
Other payables	-	-
Total	**1,534,401**	**1,353,057**

[1]Payables are non-interest bearing and are payable within one year. Included in this amount are $342,149 worth of creditors that are currently being disputed.

10. Borrowings

	Consolidated	
	2019 $AUD	**2018 $AUD**
CURRENT		
Unsecured Liabilities		
Loan – Jamber Investments Pty Ltd	300,000	-
Loan – Anglo Menda Pty Ltd	100,000	-
Total	**400,000**	**-**

Loan – Jamber Investments Pty Ltd:
The Group obtained a loan from Jamber Investments Pty Ltd on 6 June 2019 under the following terms:

Principal: $250,000
Term: 12 months after the execution date
Interest: $50,000
Security: Unsecured

The total amount outstanding as at 30 June 2019 represents the $250,000 principal and the $50,000 of interest.

Of the $250,000 principal, $165,000 was paid directly to a trust account to settle the termination payment of Mr Terence Clee (refer Note 15).

Loan – Anglo Menda:
The Group obtained a loan from Anglo Menda Pty Ltd (an entity related to Everblu Capital Pty Ltd) on 23 April 2019 (refer Note 16(c) for commentary in relation to related party disclosure) under the following terms.

Principal: $100,000
Term: 6 months after the execution date
Conversion term: Subject to shareholder approval, the loan will automatically convert to shares (if not repaid) at a conversion price of the issue price of the first capital raising of at least an aggregate of $100,000 undertaken by the Borrower after the execution date.
Interest: 0%
Security: Unsecured

Subsequent to reporting date, the Company has received a letter from Everblu Capital confirming that it will provide continued support for a period of 12 months from the date of signing the financial report (or completion of a significant capital raising).

11. Provisions

	Consolidated	
	2019 $	**2018 $**
Employee entitlements – annual leave	53,933	78,742
Total	**53,933**	**78,742**

12. Contributed and Other Contributed Equity

	Consolidated	
	2019 No. of shares	2018 No. of shares
Opening contributed equity	**3,642,388,632**	**239,173,632**
Shares issued during the year upon conversion of convertible notes	-	1,167,215,000
Share based payments	-	206,000,000
Shares issued during the year for cash	-	2,030,000,000
Total	**3,642,388,632**	**3,642,388,632**

Contributed equity

Reconciliation:	Consolidated	
	2019 $AUD	2018 $AUD
Balance at 1 July	**20,434,912**	**16,178,155**
Opening balance adjustment	-	(87,000)
Shares issued during the year for cash	-	2,030,000
Share issue expenses	(5,680)	(367,608)
Net cash flow from share issue	**(5,680)**	**(1,575,392)**
Conversion of short term borrowing to equity	-	2,439,365
Share based payments	-	242,000
Total contributions of equity for the year	**(5,680)**	**4,256,757**
Total	**20,429,232**	**20,434,912**

Other contributed equity

Reconciliation:	Consolidated	
	2019 $AUD	2018 $AUD
Balance at 1 July	**89,665**	**77,488**
Issue of convertible notes – equity component	-	12,177
Total	**89,665**	**89,665**

Year ended 30 June 2018:

- On 29 August 2017, 6,000,000 shares were issued as consideration for corporate advisory and capital raising services at an issue price of $A0.007
- On 29 August 2017, 127,215,000 shares at $A0.0110 were issued as part of the conversion of 1,399,365 convertible notes with a face value of $1
- On 21 March 2018, 500,000,000 shares at $A0.0010 were issued as part of the conversion of 500,000 convertible notes with a face value of $1
- On 21 March 2018, 540,000,000 shares at $A0.0010 were issued as part of the conversion of 540,000 convertible notes with a face value of $1
- On 21 March 2018, 1,060,000,000 shares were issued at $A0.0010 under the first tranche of the placement of 2,030,000,000 shares at an issue price of $A0.0010.
- On 21 March 2018, 970,000,000 shares were issued at $A0.0010 under the second tranche of the placement of 2,030,000,000 shares at an issue price of $A0.0010.
- On 21 March 2018, 200,000,000 advisor shares were issued as consideration for corporate advisory and capital raising services at an issue price of $A0.0010.

Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. At shareholder meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

All ordinary shares issued are fully paid.

Unlisted Options

Total unlisted options at 30 June 2018	**1,939,413,194**
Total options issued during the period	-
Total options lapsed / forfeited during the period	-
Less options exercised during the period	-
Total unlisted options at 30 June 2019	**1,939,413,194**

Information relating to unlisted options, including those issued pursuant to the Manalto Limited Employee Share Option Plan, showing details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out on the following table.

Unlisted Options at 30 June 2019

Grant Date	Date of Expiry	Exercise Price	Number Under Option
11 March 2015	11 March 2020	$0.25	4,550,000
15 December 2015	15 December 2020	$0.30	1,268,151
29 February 2016	29 February 2020	$0.25	12,976,538
29 February 2016	29 February 2020	$0.25	2,035,171
19 January 2017	19 January 2020	$0.07	5,250,000
21 March 2018	21 March 2021	$0.004	1,913,333,334
Total			**1,939,413,194**

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

13. Accumulated Losses

	2019 $AUD	2018 $AUD
Accumulated losses at the beginning of the financial year	21,675,952	19,525,366
Net loss for the period	2,091,804	2,257,586
Prior period adjustment to retained earnings	-	(87,000)
Accumulated losses at the end of the financial year	**(23,787,756)**	**21,675,952**

14. Foreign Currency Translation Reserve

	2019 $AUD	2018 $AUD
Balance at 1 July	(147,993)	(120,936)
Currency gain/(loss)	(48,044)	(27,057)
Balance at 30 June	**(196,037)**	**(147,993)**

15. Key Management Personnel Disclosures

a) Key management personnel compensation

	Consolidated	
	2019 $AUD	**2018 $AUD**
Short term employee benefits	374,777	88,975
Long term employee benefits	-	-
Post-employment benefits	6,897	-
Termination benefits	180,000[1]	
Share-based payments	-	15,000
Total	**561,674**	**103,975**

[1] Mr Terence Clee and Mr James Ellingford were paid termination fees of $150,000 (plus GST) and $30,000 in line with their contracts with the Company. These amounts were fully paid and no amounts are owing to them as at 30 June 2019.

The total amount owing to key management personnel at 30 June 2019 is $24,307 (no amounts are owing to key management personnel who resigned during the year).

b) Loans to key management personnel

No loans were made to any Directors of Manalto Limited or to any other key management personnel (or their related parties) of the Group during the year.

c) Other transactions

For the 2019 financial year, TAC Professional Services Pty Ltd (an entity which Mr Clee is related to) provided office premises to the Company for fees of $27,000.

For the 2019 financial year, Smallcap Corporate Pty Ltd (an entity which Mr Lewis is a director) provided company secretary and financial accounting services to the Company. Total fees incurred to Smallcap Corporate Pty Ltd for the year was $10,000.

16. Related Party Transactions

a) Parent Entity

The parent entity within the Group is Manalto Limited.

b) Key Management Personnel

Disclosures relating to key management personnel are set out in Note 15.

c) Directors

During the year, various capital raising and corporate advisory fees were paid to EverBlu Capital Pty Ltd (**EverBlu**). Former director Tim Wilson (resigned 16 April 2019) is an employee of EverBlu but does not receive any benefit from the fees back by the Company to EverBlu. Accordingly the Company does not consider these transactions to be with a related party.

Notwithstanding this determination, as set out in the notice for the general meeting of Shareholders held 4 July 2018 and as announced to ASX by the Company on 12 April 2018, subsequent to the Shareholder approval obtained on 21 December 2017 and the issue of securities on 21 March 2018, ASX informed the Company that, in ASX's opinion, the relationships:

(a) between the Company on the one hand and Adam Blumenthal, Darrin Blumenthal, Alvin Blumenthal and the entities they control (including EverBlu Capital Pty Ltd, Code Nominees Pty Ltd <28698 A/C>, Anglo Menda Pty Ltd, Australian Share Nominees Pty Ltd, Horatio Street Pty Ltd and Suburban Holdings Pty Ltd); and

(b) between the Directors (who are related parties of the Company) on the one hand and the parties as per 1.2(a) on the other,

are such that any issue of equity securities by the Company to the parties as per 1.2(a) ought to be approved by Shareholders.

All resolution put to Shareholders on 4 July 2018 were passed.

d) Outstanding balances arising from sales / purchases of goods and services

There were no balances outstanding at the reporting date in relation to transactions with related parties, other than as disclosed in relation to Key Management Personnel in Note 15 relating to fees incurred during the year. There are no amounts outstanding to any of the former directors who resigned during the year.

17. Earnings Per Share

a) Reconciliation of Earnings to Profit or Loss

	Consolidated	
	2019 $AUD	**2018 $AUD**
Loss for the year	2,091,804	2,257,586
Loss used in calculation of basic and diluted EPS from continuing operations	**2,081,842**	**1,614,263**
Loss used in calculation of basic and diluted EPS from discontinued operations	**9,962**	**643,323**

(a) Weighted average number of ordinary shares (diluted):

	Consolidated	
	2019	**2018**
Weighted average number of ordinary shares outstanding during the year used in calculating *basic* EPS	3,642,388,632	1,255,339,591
Weighted average number of ordinary shares outstanding during the year used in calculating *diluted* EPS	3,642,388,632	1,255,339,591

As diluted EPS is calculated as a lower loss per share than basic EPS, diluted EPS is taken to be the same as basic EPS.

18. Share Based Payments

(a) Employee Option Plan

The Group has established the Manalto Limited Employee Share Option Plan (ESOP) to assist in the attraction, retention and motivation of employees of the Group. A summary of the Rules of the Plan is set out below.

- Each option is to subscribe for one fully paid ordinary share in the Company. Once issued, the options are subject to a holding period of four years, with the options vesting in equal percentages at the end of each year.
- Options are granted under the plan for no consideration. The exercise price of options will be determined by the Board, subject to a minimum price equal to the market value of the Company's shares either (in the discretion of the Board) at the time the Board resolves to offer those options or at the time of vesting.
- The total number of shares subject of options issued under the Plan, when aggregated with issues pursuant to any other employee share plan, must not exceed 5% of the Company's issued share capital.
- Shares issued as a result of the exercise of options will rank equally with the Company's previously issued shares.
- Option holders may only participate in new issues of securities by first exercising their options.
- Shares or Options received under the ESOP are received for past service.

Fair value of options granted

Grant Date	Expiry Date	Exercise Price cents	No. of options as at 01/07/18 '000	Balance 01/07/18 $	*Value recognised in reserve $	Exercised	Forfeited	No. of options as at 30/06/19 '000	Balance 30/06/19 $	Vested & Exercisable
11 March 2015[6]	11 March 2020	25	4,550	530,469	10,981	-	-	4,550	541,450	4,550
11 March 2015[6]	11 March 2018	25	-	202,500	-	-	-	-	202,500	-
16 December 2015[7]	16 December 2020	20	12,977	556,800	65,224	-	-	12,977	622,024	10,370
29 February 2016[8]	29 February 2020	25	2,035	91,841	-	-	-	2,035	91,841	1,695
1 December 2015[9]	1 December 2020	30	1,268	40,882	3,186	-	-	1,268	44,068	1,268
19 January 2017	19 January 2020	7	5,250	89,250	-	-	-	5,250	89,250	5,250
21 March 2018	21 March 2021	0.4 [1]	1,913,333	-	-	-	-	1,913,333	-	1,913,333
Total			**1,939,413**	**1,511,742**	**79,391**	**-**	**-**	**1,939,413**	**1,591,133**	**1,936,466**

[1]The options were free attaching to the shares issued on 21 March 2018.

Set out below are the summaries of options granted under the plan as at 30 June 2019.

(1) Using a Black-Scholes valuation model, the option value as of the 30 June 2017 on the 4.55 million management options issued on 11 March 2015 valued at 11.9 cents and 2.25 million advisor options valued at 9 cents. The options value recognised in the share option provision account is the liability associated with these options from the grant date to 30 June 2017.
(2) Using a Binomial valuation model, the 13,765,613 options issued at AU$0.25 (US$0.19) were valued at 5.07 cents.
(3) Using a Binomial valuation model, the 2,415,000 options issued at AU$0.25 (US$0.19) were valued at 5.07 cents
(4) Using a Black-Scholes valuation model, the 1,600,000 options issued at AU$0.30 (US$0.22) were valued at 3.40 cents.
(5) Using a Black-Scholes valuation model, the 25,875,000 options issued at AU$0.07 (US$0.05) were valued at 0.7 cents.
(6) Using a Black-Scholes valuation model, the 5,250,000 options issued at AU$0.07 (US$0.05) were valued at 1.7 cents.

No options were granted during the year under this plan.

Total expenses arising from share - based payment transactions recognised during the period:

	Consolidated	
	2019 $AUD	**2018 $AUD**
Shares issued for other services rendered	-	242,000
Options issued under ESOP	79,391	130,532
Total	**79,391**	**372,532**

19. Cash Flow Statement Information

(a) Reconciliation of Cash Flow from Operations with loss after Income Tax

	2019 $AUD	2018 $AUD
Loss for the year	(2,091,804)	(2,257,586)
Finance costs	77,414	-
Termination costs paid directly by lender	165,000	-
Write-off of Non-Current assets	-	59,224
Interest expense on convertible notes	-	127,144
Impairment of intangible assets	-	(8,815)
Shares issued as operating expenses	-	212,200
Share based payment expense	79,392	130,532
(Increase)/decrease in trade and short term receivables	20,935	56,271
Increase/(decrease) in trade payables and accruals	102,156	(133,476)
Increase/(decrease) in deferred taxes payable	-	-
(Increase)/decrease in other current assets	20,836	(10,120)
Increase/(decrease) in provisions	(24,809)	(125,094)
Cash flow from operations	**(1,650,880)**	**(1,949,720)**

(b) Non-cash investing activities

There were no non-cash investing activities during the year ended 30 June 2019 (2018: Nil).

(c) Non-cash financing activities

During the year there was $215,000 of non-cash financing activities, being:

- In conjunction with the termination payment to Mr Terence Clee (refer Note 15) and the loan from third party (refer Note 10), an amount of $165,000 was paid directly from the loan provider as settlement; and
- Interest accrued on the loan from third party totalled $50,000 (refer Note 10). Other non-cash financing activities for the year totalled $27,414.

There were no non-cash financing activities during the year ended 30 June 2019 (2018: Nil).

20. Parent Entity Disclosures

The following details information related to the parent entity, Manalto Limited, at 30 June 2019 and 2018. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2019 $AUD	2018 $AUD
Current assets	114,180	1,613,029
Non-current assets	-	-
Total assets	114,180	1,613,029
Current liabilities	1,205,712	637,613
Non-current liabilities	-	-
Total Liabilities	1,205,712	637,613
Net Assets	**(1,091,532)**	**975,416**
Contributed equity	56,717,109	56,717,109
Accumulated losses	(59,203,737)	(57,327,459)
Option reserve	1,591,133	1,511,741
Other reserve	(196,037)	74,024
Total equity	**(1,091,532)**	**975,415**
Loss for the year	**(2,179,895)**	**(2,067,571)**
Other comprehensive loss for the year	-	-
Total comprehensive loss for the year	**(2,179,895)**	**(2,067,571)**

21. Auditors' Remuneration

	Consolidated	
	2019 $AUD	2018 $AUD
Amounts paid/payable to Grant Thornton Audit Pty Ltd		
Audit and other assurance services		
- Auditing or reviewing the financial report	56,652	45,000
Total	**56,652**	**45,000**

22. Capital & Leasing Commitments

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	Consolidated	
	2019 $AUD	2018 $AUD
Payable - minimum lease payments		
- not later than 12 months	-	-
- between 12 months and 5 years	-	-
Total	**-**	**-**

(b) Capital commitments

There were no capital commitments at 30 June 2019 (2018: Nil).

(c) Termination commitments

There were no termination commitments at 30 June 2019 (2018: Nil).

23. Segment Reporting

The following details information related to the geographical segment reporting for the year ended 30 June 2019. The Group only operates in one business segment, being the development and commercialisation of social media management technology. The geographical segments are monitored by the Group's chief operating decision maker. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

30 June 2019	Australia	USA	Ireland	South Africa	Netherlands	Total
Total segment external income	55,529	-	-	-	-	55,529
Discontinued operations	-	(9,962)	-	-	-	(9,962)
Total segment interest	3,681	-	-	-	-	3,681
Other income	-	-	-	-	-	-
Total segment expenses	(2,141,052)	(9,962)	-	-	-	(2,151,014)
Total segment loss	(2,081,842)	(9,962)	-	-	-	(2,091,804)
Total segment assets	114,571	-	-	-	-	114,571
Total segment liabilities	(1,205,711)	(296,742)	(61,334)	(391,514)	(33,033)	(1,988,334)

The following details information related to the geographical segment reporting for the year ended 30 June 2018.

30 June 2018	Australia	USA	Ireland	South Africa	Netherlands	Total
Total segment external income	62,732	-	-	-	-	62,732
Discontinued operations	-	59,979	-	-	-	59,979
Total segment interest	740	-	-	-	-	740
Other income	17,168	-	-	-	-	17,168
Total segment expenses	(1,694,903)	(460,172)	-	(231,343)	(11,786)	(2,398,205)
Total segment loss	(1,614,263)	(400,193)	-	(231,343)	(11,786)	(2,257,586)
Total segment assets	1,613,030	10,270	872	-	-	1,624,172
Total segment liabilities	(677,611)	(281,566)	(59,661)	(380,913)	(32,048)	(1,431,799)

For the financial year ended 30 June 2019, there are two customers whose revenue is greater than 10% of total revenue (2018: 2)

24. Controlled Entities

All controlled entities are included in the annual financial report.

Name of subsidiary	Country of Incorporation	Ownership interest held by the Group 30 June 2019	Ownership interest held by the Group 30 June 2018
Manalto, Inc.	United States	100%	100%
Sóshlr Pty Ltd	Australia	100%	100%
Sóshlr South Africa (Pty) Ltd	South Africa	100%	100%
Sóshlr Limited	Ireland	100%	100%
Sóshlr B.V.	Netherlands	100%	100%

**Note: All subsidiaries listed above are currently in the process of liquidation*

Voting power in these entities is in proportion to ownership interest. All interests are in the ordinary shares of the subsidiaries.

Status of liquidations

MTL's view is that the liquidations/cessation of the relevant overseas entities no longer in use have now progressed to the stage that there are no longer any material liabilities or professional fees remaining on this matter. The finalisation of the liquidations of the above entities are primarily awaiting administrative actions in the respective countries. The new board continue to review the situation and are re-engaging consultants to expediate the process. The liabilities in these entities of $782,862 will be extinguished upon the Company receiving formal notice of the completion of the liquidations of these entities.

25. Discontinued operations

As previously announced and described in Note 24, Manalto has made the decision to liquidate the following entities:

- Manalto, Inc.;
- Sóshlr South Africa (Pty) Ltd;
- Sóshlr Limited; and
- Sóshlr B.V.

			2019 $AUD		
	Manalto Inc.	**Sóshlr South Africa (Pty) Ltd**	**Sóshlr Limited**	**Sóshlr B.V.**	**Total**
Loss for the year	**9,962**	**-**	**-**	**-**	**9,962**

			2018 $AUD		
	Manalto Inc.	**Sóshlr South Africa (Pty) Ltd**	**Sóshlr Limited**	**Sóshlr B.V.**	**Total**
Loss for the year	**400,194**	**231,343**	**-**	**11,786**	**643,323**

There was no revenue in either year for the above entities.

26. Contingent Liabilities and Contingent Assets

The Company is currently engaged in one litigation matter with previously used contractors who the Board consider failed to provide services to the Company. The Company is actively disputing this claim. The Company estimates that the total exposure from pending litigation matters should not exceed $15,000 (excluding any court costs).

27. Events Subsequent to Reporting Date

Subsequent to year end, the Company received a firm commitment to raise $163,907 to be completed as a placement of 546,358,294 shares at a price of $0.003 to a sophisticated and professional investor, Mr Qi Cao.

Alongside the above, the Company has entered into a loan agreement with Mr David Mullan with the following terms and conditions:

- Loan amount: $400,000
- Interest: 4% per annum
- Repayment date: 3 October 2020
- Security: Unsecured

No other significant matters have arisen between balance date and the date of this report.

28. Company Details

The Registered Office and principal place of business of the company is:

Suite 6, 295 Rokeby Road, Subiaco WA 6008 Australia

DIRECTOR DECLARATION

In the Directors' opinion:

1. The financial statements and notes set out on Pages 12 to 36 are in accordance with the *Corporations Act 2001,* including:

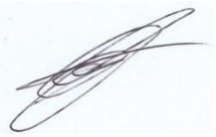
(a) Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(b) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

The audited remuneration disclosures set out on pages 7 to 10 of the Directors Report (as part of the Remuneration Report), for the year ended 30 June 2019, comply with Section 300A of the *Corporations Act 2001* and the *Corporations Regulations 2001*; and the notes to the financial statements include an explicit and unreserved statement of compliance with International Financial Reporting Standards.

The Directors have been given the declarations by the CFO and Executive Director required by section 295A of the *Corporations Act 2001.*

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



Piers Lewis
Chairman

10 October 2019

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Auditor's Independence Declaration

To the Directors of Manalto Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Manalto Limited for the year ended 30 June 2019, I declare that, 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.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P. Warr.

P W Warr
Partner - Audit & Assurance

Perth, 10 October 2019

Grant Thornton

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Independent Auditor's Report

To the Members of Manalto Limited

Report on the audit of the financial report

Qualified opinion

We have audited the financial report of Manalto Limited (the Company), and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date; and

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

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Basis for qualified opinion

We draw your attention to Note 24 Controlled Entities. The Group is currently in the process of liquidating all its overseas subsidiaries. At the date of the audit report, none of the overseas subsidiaries have been placed into liquidation or deregistered. The Directors are of the opinion that the liquidations of these overseas subsidiary companies have now progressed to the stage that there are no longer any material liabilities, contingent liabilities or fees remaining in these countries that have not been recorded, and the remaining process to liquidate the subsidiaries are administrative procedures. At the time of the audit we were not provided with sufficient appropriate audit evidence to support the Director's assessment on the carrying amounts recorded.

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 Company 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 qualified opinion.

Material uncertainty related to going concern

We draw attention to Note 1(b) in the financial statements, which indicates that the Company incurred a net loss of $2,081,842 during the year ended 30 June 2019, and as of that date, the Company's current liabilities exceeded its total assets by $1,873,763. As stated in Note 1(b), these events or conditions, along with other matters as set forth in Note 1(b), indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

Grant Thornton

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Manalto 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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner – Audit & Assurance

Perth, 10 October 2019

ASX OTHER REQUIRED INFORMATION

1. SHAREHOLDINGS AS AT 27 SEPTEMBER 2019

(a) RANGE OF SHARES ISSUED

Range	Total holders	Units	% of Issued Capital
1 - 1,000	1,259	114,919	0.00
1,001 - 5,000	85	208,424	0.01
5,001 - 10,000	28	245,511	0.01
10,001 - 100,000	164	7,370,367	0.20
100,001 - 999,999,999	3336	3,634,449,410	99.78
Rounding	-	-	-
Total	**1,872**	**3,642,388,631**	**100.00**
Unmarketable Parcels	**1,624**	**30,785,340**	
Minimum $500.00 parcel at $ 0.001 per unit	500,000 1,624	30,785,340	

(b) TOP 20 SHAREHOLDERS

Rank	Name	Units	% of Units
1	ANGLO MENDA PTY LTD	526,447,858	14.45
2	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	225,000,000	6.18
3	AUSTRALIAN SHARE NOMINEES PTY LIMITED <AUSTRALASIAN HOLDING AC>	188,522,727	5.18
4	SUBURBAN HOLDINGS PTY LTD <THE SUBURBAN SUPER FUND A/C>	159,477,273	4.38
5	MR KEVIN DANIEL LEARY + MRS HELEN PATRICIA LEARY <KEVIN & HELEN LEARY S/F A/C>	120,000,000	3.29
6	BSUT PTY LTD <BSUT FAMILY A/C>	100,000,000	2.75
6	CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON RETIREMENT A/C>	100,000,000	2.75
6	R A H (STC) PTY LIMITED	100,000,000	2.75
6	MR PAUL GABRIEL SHARBANEE <THE SCORPION FUND A/C>	100,000,000	2.75
10	MILLWEST INVESTMENTS PTY LTD <MILLWEST A/C>	92,989,434	2.55
11	ASENNA WEALTH SOLUTIONS PTY LTD	82,480,068	2.26
12	REIAJA PTY LTD <KEYS FAMILY A/C>	74,000,000	2.03
13	CWS GROUP (AUST) PTY LTD	70,000,000	1.92
14	PACIFIC CONTINENTAL HOLDINGS PTY LTD <THE PACIFIC CONTINENTAL A/C>	65,000,000	1.78
15	WISEVEST PTY LTD	60,000,000	1.65
16	BODIE INVESTMENTS PTY LTD	56,302,238	1.55
17	FAIRBORN HOLDINGS PTY LTD	55,882,386	1.53
18	MS TERRI WOLPERT	55,000,000	1.51
19	HORATIO STREET PTY LTD <HORATIO STREET FAMILY A/C>	50,000,000	1.37
19	MR STEPHEN GEORGE LEARY + MRS PENELOPE JOAN LEARY	50,000,000	1.37
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**2,331,101,984**	**64.00**
Total Remaining Holders Balance		**1,311,286,647**	**36.00**

2. Voting Rights

Shareholders are entitled to one vote for each share held. On a show of hands every shareholder presents in person or by proxy shall have one vote and upon a poll, every shareholder so present shall have one vote for every share held.

3. Unlisted Option Holdings

Number	Expiry Date	Exercise Price	Number of holders	Holders >20%
2,004,611	29 February 2020	$0.25	10	Anthony Owen (1,500,000)
5,250,000	19 January 2020	$0.07	5	Anthony Owen (1,500,000); Glenluce Properties Pty Ltd (1,500,000)
1,913,333,334	21 March 2021	$0.004	50	Nil

4. Substantial shareholders

The securities held by substantial shareholders are as follows:

Name:	Number of shares:	%
ANGLO MENDA PTY LTD	526,447,858	14.45
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	225,000,000	6.18
AUSTRALIAN SHARE NOMINEES PTY LIMITED <AUSTRALASIAN HOLDING AC>	188,522,727	5.18

CORPORATE DIRECTORY

DIRECTORS
Piers Lewis
Daniel Costick
Jason Colling

COMPANY SECRETARY
Sebastian Andre

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