Appendix 4E

Preliminary final report

1. Details of reporting period

Name of entity	Crowdspark Limited
ABN	27 078 661 444
Reporting Year	Year ended 30 June 2019
Previous Corresponding Year	Year ended 30 June 2018

2. Results for announcement to the market

Key information	12 months ended 30 June 2019* \$	12 months ended 30 June 2018* \$	Increase/ (decrease) %	Amount change \$
Revenues from ordinary activities	-	1,049,685	(100)	(1,049,685)
Loss from ordinary activities after tax attributable to members	(427,648)	(4,525,100)	(91)	4,097,452
Net loss for the year attributable to members	(427,648)	(4,525,100)	(91)	4,097,452
Net tangible asset per share	0.0012	(0.027)		

* On 17 July 2018, the former Directors of the Company appointed Cassandra Matthews and Martin Madden of Korda Mentha as Voluntary Administrators of the Company. Refer to the attached Annual Report for detailed information on the recapitalisation of the Company.

3. Statement of profit or loss and other comprehensive income

Refer to attached financial statements.

4. Statement of financial position

Refer to attached financial statements.

5. Statement of cash flows

Refer to attached financial statements.

6. Statement of changes in equity

Refer to attached financial statements.

7. Dividends/Distributions

No dividends declared in current or prior year.

8. Details of dividend reinvestment plans

N/A

9. Details of entities over which control has been gained or lost during the year

Refer to attached financial statements.

10. Details of associate and joint venture entities

N/A

11. Any other significant information needed by an investor to make an informed assessment of the Company's financial performance and financial position

Refer to attached financial statements.

12. Foreign entities

Refer to attached financial statements.

13. Commentary on results for period and explanatory information

Refer to the attached Directors Report, within the Company Annual Report.

14. Audit

This report is based on accounts which have been audited and the audit report is included within the annual report which accompanies this Appendix 4E.



CROWDSPARK LIMITED

ABN 27 078 661 444

ANNUAL REPORT 30 JUNE 2019

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CORPORATE DIRECTORY

Directors

Mr Matthew Worner Mr Yu Hin Eugene Tse Ms Kyla Garic

Company Secretary Ms Kyla Garic

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Registered office 108 Outram Street

West Perth WA 6005

Auditor

Nexia Perth Audit Services Pty Ltd Level 3, 88 Williams Street Perth WA 6000

Bankers NAB 1232 Hay Street

West Perth WA 6005

Share Registry Computershare Investor Services Level, 172 St Georges Terrace Perth WA 6001

Securities Exchange Listing ASX Limited 152-158 St Georges Terrace Perth WA 6000 ASX Code – CSK

The Directors presents this report, together with the annual financial statements for CrowdSpark Limited ("the Company" or CSK) and its subsidiaries ("the Group") for the year ended 30 June 2019. The Directors were not in office during this period, and the information in this report has been reconstructed using data provided by the Administrators and extracted from the Group's accounting system for this period. This report should be read having regard to this and other matters as set out in this report.

On 17 July 2018, the former Directors of the Company appointed Cassandra Matthews and Martin Madden of KordaMentha as Voluntary Administrators of the Company. Otsana Capital provided the Administrators with a proposal to recapitalise the Company which was approved by creditors on 21 August 2018 (**Recapitalisation Proposal**), and a deed of company arrangement (**DOCA**) to facilitate the Recapitalisation Proposal was entered into by the parties on 11 September 2018. Shareholders voted in favour of the Recapitalisation Proposal at a general meeting of the Company held on 11 January 2019, and the DOCA was effectuated on 8 March 2019 at which point all pre administration liabilities of the Company were extinguished, the Deed Administrators retired and the Company exited external administration, and all former Directors were replaced with the current Directors. The current Directors were not involved in the prior business of the Group. Further details regarding the Recapitalisation Proposal is set out later in this report.

Directors

The names and the particulars of the Directors who held office during or since the end of the year and until the date of this report are disclosed below. The Directors were in office for this entire period unless otherwise stated.

Name	Status	Appointment/ Resignation
Mr Matthew Worner	Non-Executive Director	Appointed on 8 March 2019
Mr Yu Hin Eugene Tse	Non-Executive Director	Appointed on 8 March 2019
Ms Kyla Garic	Non-Executive Director	Appointed on 8 March 2019
Mr Charles Koones	Non-Executive Director and Chairman	Appointed 12 February 2016 Resigned on 7 March 2019
Mr Ed Wilson	Non-Executive Director	Appointed 31 August 2016 Resigned on 7 March 2019
Mr Chris Adams	Non-Executive Director	Appointed 20 September 2017 Resigned on 7 March 2019
Company Secretary		
Name	Status	Appointment/ Resignation
Ms Kyla Garic	Company Secretary	Appointed on 8 March 2019
Ms Leanne Ralph	Company Secretary	Appointed 14 February 2018 Resigned on 7 March 2019

Principal activities

As detailed above the former Directors appointed Cassandra Matthews and Martin Madden of KordaMentha as Voluntary Administrators of the Company on 17 July 2018, and the Company remained in administration until 8 March 2019. The Administrators were in control of the Company during this period and shortly after their appointment, commenced a process for the recapitalisation of the Company, which was the primary activity of the Company during the period up to 8 March 2019. On effectuation of the DOCA on 8 March 2019, control of the Company was passed to newly appointed Directors. Since their appointment, the Directors have been searching for acquisition opportunities to facilitate the reinstatement of the Company's securities to trading on ASX.

Incomplete records

To prepare this financial report, the Directors who were not in office during the period presented in this report have reconstructed the financial records of the Group using data provided by the Administrators and extracted from the Group's

accounting system for the year. However, there may be information that the Directors have not been able to obtain, the impact of which may or may not be material on the financial statements.

These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable due to the external administration and/or the change in directorship and key management personnel of the Company.

The Directors have not been able to source books and records of the Company's subsidiaries up to the date of this report. Accordingly, the financial information of the Group's subsidiaries has been deconsolidated effective 1 July 2017.

Consequently, and although the Directors have prepared this financial report to the best of their knowledge based on the information that is available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial position as at 30 June 2019.

Refer below to Significant changes in state of affairs – Recapitalisation of the Company, for further information.

Operating and financial review

The loss for the year amounted to \$427,648 (2018: loss of \$4,721,560).

Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2019 (2018: Nil).

Significant changes in state of affairs

As noted above, on 17 July 2018, the former Directors of the Company resolved to appoint Martin Madden and Cassandra Mathews of KordaMentha as Voluntary Administrators.

The First Meeting of Creditors was held on 27 July 2018 at which the Voluntary Administrators were advised that a Committee of Inspection may be formed for the Company. There was no proposal from the creditors, nor was there any party present at the meeting to appoint a Committee of Inspection for the Company.

At the Second Meeting of Creditors held on 21 August 2018, the Creditors approved the Company's entry into the DOCA to facilitate the implementation of the Recapitalisation Proposal submitted by Otsana Capital, a Corporate Advisory firm specialising in the recapitalisation of ASX listed entities. It was resolved that Cassandra Mathews and Martin Madden of KordaMentha be appointed Deed Administrators of the DOCA and the Company.

The Company executed the DOCA on 11 September 2018.

Recapitalisation of the Company

The key purposes of the Recapitalisation Proposal were to raise funds to effectuate the DOCA and release the Company from all creditor claims, implement a more appropriate capital structure of the Company moving forward, and return control of the Company from the Deed Administrator to newly appointed Directors nominated by Otsana Capital to identify and assess potential acquisition opportunities to facilitate the reinstatement of the Company's securities to trading on the ASX.

The key terms of the "Recapitalisation Proposal" submitted by Otsana Capital in relation to the Company are set out below.

a) the Company will consolidate its issued capital on 10 to 1 basis (Consolidation);

- b) the Company will undertake a placement to raise up to a maximum of \$900,000 through the issue of (on a post Consolidation basis) up to 45,000,000 fully paid ordinary shares (Shares) at an issue price of \$0.02 per Share, together with 45,000,000 free attaching options, each with an exercise price of \$0.03 expiring on the earlier of: (i) 3 years from the date the Company is reinstated to the Official List of ASX; and (ii) 6 years from the date of issue (Placement). The Placement was managed by Otsana Capital, which under the Recapitalisation Proposal had the discretion to change terms of the Placement, including raising less than the maximum amount for which approval was sought for;
- c) \$400,000 of funds raised under the Placement will be paid to creditors of the Company (Creditor Payment);
- the Company will issue Otsana Capital (or its nominees) up to a maximum of 50,000,000 Shares (on a post Consolidation basis) in consideration for restructuring and advisory services provided and to be provided by Otsana Capital (and/ or its nominees) (Advisor Shares); and
- e) all Directors of the Company would be replaced (to the extent they had not already resigned) and be replaced by Directors nominated by Otsana Capital.

On 7 March 2019, ownership of the subsidiaries of the Group were divested prior to effectuation of the DOCA.

The Recapitalisation Proposal was approved by shareholders at a general meeting of the Company held on 11 January 2019, and the DOCA was effectuated on 8 March 2019 at which time:

- a) the Company completed the Placement and issued (on a post Consolidation basis) 25,000,000 Shares at an issue price of \$0.02 per Share raising \$500,000;
- b) 33,333,333 (post Consolidation) Advisor Shares were issued;
- c) from funds raised under the Placement, \$384,618 (being the Creditor Payment less an amount of \$15,382 in ASX Listing Fees already paid to ASX) was paid to the Deed Administrators in their capacity as trustees of the Creditors Trust;
- d) all rights, interest and assets of the Company were transferred to the Deed Administrators in their capacity as trustees of the Creditors Trust, and the Company was released from the claims of all creditors and the security interests held by secured creditors were discharged and/or released;
- e) all existing Directors were removed (to the extent they had not already resigned); and
- f) the Administrators retired and control of the Company was passed to newly appointed Directors Ms Kyla Garic, Mr Yu Hin Eugene Tse and Mr Matthew Worner.

Changes in capital structure

On 22 January 2019, the Deed Administrators announced the completion of the Consolidation, following which the capital structure of the Company was as follows:

Class	Numbers
Fully paid ordinary shares	3,711,492
Unlisted Options with an exercise price \$40.00 expiring 14 June 2019	41,998
Unlisted Options with an exercise price \$60.00 expiring 14 June 2019	9,000
Unlisted Options with an exercise price \$40.00 expiring 15 June 2019	8,500
Unlisted Options with an exercise price \$40.00 expiring 8 November 2019	1,000

On 7 March 2019 and as noted above and as part of the Recapitalisation Proposal, the Company issued 25,000,000 Shares under the Placement, and 33,333,333 Advisor Shares to advisors of the Company in consideration for corporate advisory and restructuring services provided and to be provided to the Company, as approved by shareholders at the General Meeting held on 11 January 2019.

On 10 April 2019, the Company issued the balance of 16,666,667 Advisor Shares as approved by shareholders to advisors of the Company for corporate advisory and restructuring services provided and to be provided to the Company.

On 17 June 2019, the Company announced the expiry of the following options:

- 41,998 options exercisable at \$40.00 on 14 June 2019;
- 9,000 options exercisable at \$60.000 on 14 June 2019; and
- 8,500 options exercisable at \$40.00 on 15 June 2019

Change in Registered Office

On 8 March 2019, the Company's registered office and principal place of business moved to 108 Outram Street, West Perth, WA, 6005.

Significant events after reporting date

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operation of the Company, the result of those operations, or the state of affairs of the Company in the future financial years.

Information on Director	S
Matthew Worner	Non-Executive Director
Qualifications	LLB, BBus
Experience	Matthew Worner is an experience executive who has worked with ASX and London listed companies in various commercial, legal and business development roles primarily in the energy and resource sector. He has strong capital markets experience in Australia and the United Kingdom including ASX and AIM IPO's and capital raising activity. Through this work, Matthew maintains solid contacts and relationship with brokers, funds and NOMADs both in Australia and London. Matthew is a director of Talon Petroleum Limited (ASX: TPD) and QPXPharma Limited (unlisted).
Interest in Shares and Options	Nil
Special interest	Nil
Directorships held in other listed entities	Talon Petroleum Limited (current)
Yu Hin Eugene Tse	Non-Executive Director
Qualifications	LLB, BCom
Experience	Eugene Tse holds a Bachelor of Laws and a Bachelor of Commerce (majoring in accounting and corporate finance) from the University of Western Australia and is currently working as a Corporate Advisor at Otsana Capital. Prior to joining Otsana Capital, Eugene gained over 9 years' experience as a Corporate/M&A lawyer at top tier and boutique law firms in Australia. As a lawyer, Eugene acted on a number of M&A and ECM transactions across a diverse range of industries. Eugene is a director of ReviseOnline Pty Ltd, an emerging EduTech business.
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities	Nil
Kyla Garic	Non-Executive Director
Qualifications	BCom, MAcc, GradDip CA, GradDip AppCorpGov
Experience	Kyla Garic is a Chartered Accountant, Chartered Secretary and Director of Onyx Corporate. Onyx Corporate provides financial reporting and accounting services, including reconstruction and accounting compliance for companies undergoing recapitalisation. Kyla is currently the Company Secretary of ASX listed Raiden Resources Limited (ASX:RDN) and Vysarn Limited (ASX:VYS)
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities	Raiden Resources Limited, ceased 20 February 2018 Schrole Group Limited, ceased 6 October 2017

DIRECTOR'S REPORT Information on Director	s
Charles Koones	Non-Executive Director and Chairman
Qualifications	BA
Experience	Charles Koones is highly experienced executive who has been involved in the US and international media industry for several decades. Mr Koones is the Managing Partner of Moon Tide Media, LLC a Los Angeles based media company and advertising agency. He previously served as a director of several media companies including American Media Inc., a major US publisher of magazine and digital titles, The Wrap In. and PaidContent.org. He was the president and publisher of Variety magazine and President of Feed Elsevier's RBI Entertainment Group. Mr Koones holds a Bachelor of Arts from University of Richmond. Mr Koones is not a director of any other ASX listed company.
Interest in Shares	4,400,000 ordinary shares (prior to consolidation)
and Options	Nil
Special Responsibilities	
Directorships held in other listed entities	Nil
Ed Wilson	Non-Executive Director
Qualifications	-
Experience	Ed Wilson has served as CEO of Tribune Broadcasting and at various points of his career, President of FOX Television Network, NBC Enterprises and CBS Enterprises. Most recently, as executive chairman and CEO of Dreamcatcher Media. He is an innovative business builder with proven track record in both traditional and emerging media. Mr Wilson brings his distinctive know how and strategic perspective to emerging organisations ranging from global digital content platforms to big data social intelligence. Mr Wilson is not a director of any other ASX listed company.
Interest in Shares and	7,859,033 ordinary shares (prior to consolidation)
Options	2,000,000 options exercisable at \$0.02 each with an expiry date of 8 November 2019 (prior to consolidation)
Special Responsibilities	Nil
Directorships held in other listed entities	Nil
Chris Adams	Non-Executive Director
Qualifications	-
Experience	Chris Adams' career has included working with and for some of the best-known companies in the world, a wide variety of start-ups, charitable endeavours and brands. Some of the more notable companies include Facebook, Amazon, Participant Media, Comcast Cable and Interactive. Mr Adams prides himself on outcomes that result in measurable change. His recent work includes roles with National Storage, Sensis, Thred, Manalto, Haystack, VoyceByte, Arrive Wealth management and many others.
Interest in Shares and Options	Nil
Special Responsibilities	Nil
Directorships held in other listed entities	Nil

Information on Company Secretary

Kyla Garic	Company Secretary
Qualifications/	The qualification of Ms Garic is disclosed under director information above.
Experience	

Leanne Ralph	Company Secretary
Qualifications	BBus, GradDip AppCorpGov
Experience	Leanne Ralph is an experienced company secretary with a demonstrated history of working with ASX-listed companies across a diverse range of industries. She has a BBus in Accounting & Finance Majors from University of Technology, a Graduate member of the Australian institute of Company Directors, and an Associate member of the Governance Institute of Australia.

Meeting of directors

Due to the appointment of Administrators on 17 July 2018, there is insufficient information to determine the number of meetings held by the Directors during the year.

Share options

As at the date of this report, there were no options on issue.

No options were exercised during the year (2018: nil).

Non-audit services

No fees for non-audit services were paid to the external auditors during the year ended 30 June 2019 (2018: Nil).

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2019 can be found on page 13 of the financial report.

Remuneration report

This remuneration report, which forms part of the Directors' Report, sets out information about the remuneration of CrowdSpark Limited's directors and its senior management for the financial year ended 30 June 2018. The Company was in administration from 17 July 2018 and on entering administration the administrators were responsible for the remuneration policies of the Company.

The Directors who are in office at the date of this report had no involvement in adopting, implementing or complying with these remuneration policies. These policies may or may not have been in place during the financial period.

The prescribed details for each person covered by this report are detailed below under the following headings:

- Remuneration policy for directors and senior executives
- Details of remuneration
- Options issued as part of remuneration
- Employment contracts of directors and senior executives

Remuneration policy for directors and senior executives

As detailed above, the Company was in administration from 17 July 2018 until the effectuation of the DOCA on 8 March 2019. During this period, the Administrators were responsible for the remuneration policies of the Company.

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by the shareholders from time to time and which currently stands at \$400,000 per annum.

Details of remuneration

2018 & 2019

From 17 July 2018 the Company was in administration. The Company does not have adequate information to enable the disclosures required by Corporations Act 2001 for the year ended 30 June 2018 and 30 June 2019.

Options and Performance Rights issued as part of remuneration

No options were issued as part of remuneration during the year ended 30 June 2019 (2018: Nil).

During the year ended 30 June 2018, the following performance rights were issued as part of remuneration:

On 13 October 2017, the company issued the following performance rights to Marc Milgrom:

- 100,000 Class A Performance Rights vesting on first anniversary of commencement date, being on 1 December 2017
- 100,000 Class B Performance Rights vesting on second anniversary of commencement date, being on 1 December 2018
- 100,000 Class C Performance Rights vesting on third anniversary of commencement date, being on 1 December 2019

The assumptions used to value the Performance Rights are summarised below:

Assumptions	Class A	Class B	Class C
Grant date	13-Oct-17	13-Oct-17	13-Oct-17
Spot price	\$0.20	\$0.20	\$0.20
Exercise price	\$0.20	\$0.20	\$0.20
Vesting hurdles	1 year	2 years	3 years
Expiry date	01-Dec-21	01-Dec-21	01-Dec-21
Vesting date	01-Dec-17	01-Dec-18	01-Dec-19
Expected future volatility	80%	80%	80%
Dividend yield	Nil	Nil	Nil
Value per right	\$0.11572	\$0.11572	\$0.11572
Number of rights	100,000	100,000	100,000
Total value	\$11,572	\$11,572	\$11,572

Options and Performance Rights issued as part of remuneration

On 16 November 2017, the company issued the following performance rights to Marc Milgrom:

- 200,000 Class D Performance Rights with vesting upon the Parent Entity achieving a market price of its fully paid ordinary shares of \$0.60 for a period of ten (10) trading days in aggregate on or prior to the date five (5) years from 1 June 2017
- 200,000 Class E Performance Rights with vesting upon the Parent Entity achieving a market price of its fully paid ordinary shares of \$1.00 for a period of ten (10) trading days in aggregate on or prior to the date five (5) years from 1 June 2017
- 200,000 Class F Performance Rights with vesting upon the Parent Entity achieving a market price of its fully paid ordinary shares of \$1.40 for a period of ten (10) trading days in aggregate on or prior to the date five (5) years from 1 June 2017
- 200,000 Class G Performance Rights with vesting upon the Parent Entity achieving a market price of its fully paid ordinary shares of \$1.80 for a period of ten (10) trading days in aggregate on or prior to the date five (5) years from 1 June 2017

The assumptions used to value the Performance Rights are summarised below:

Assumptions	Class D	Class E	Class F	Class G
Grant date	16-Nov-17	16-Nov-17	16-Nov-17	16-Nov-17
Spot price	\$0.20	\$0.20	\$0.20	\$0.20
Exercise price	\$0.20	\$0.20	\$0.20	\$0.20
Vesting hurdles	\$0.60	\$1.00	\$1.40	\$1.80
Expiry date	31-May-22	31-May-22	31-May-22	31-May-22
Vesting date	12-Apr-21	17-Apr-22	31-May-22	31-May-22
Expected future volatility	80%	80%	80%	80%
Dividend yield	Nil	Nil	Nil	Nil
Risk free rate	2.18%	2.18%	2.18%	2.18%
Value per right	\$0.1188	\$0.1066	\$0.0940	\$0.0837
Number of rights	200,000	200,000	200,000	200,000
Total value	\$23,760	\$21,320	\$18,800	\$16,740

The Class A Performance Rights vested and were exercised with 100,000 (pre-Consolidation) Shares being issued on 11 October 2018. All other Performance Rights lapsed as the relevant performance milestones had not been met at the time Mr Milgrom ceased to be employed by the Company.

On the 7 December 2017, the company issued 357,148 Employee Shares as part of Employee Share Trust Plan (ESTP). Under the terms of the Employee Shares Trust Plan, the share issued to the employees will vest as follows:

- 50% of the ESTP units will vest 12 months from the date of issue;
- 50% will vest 24 months from date of issue.
- \$1,039 has been recognised to 31 December 2017 for the Employee Share Plan issued 7 December 2017;
- \$3,955 has been recognised to 31 December 2017 for the Employee Share Plan issued 7 June 2017; and
- \$15,973 has been recognised to 31 December 2017 for the Employee Share Plan issued 22 June 2016.

Employment Contracts of Directors and Senior Executives

The previous directors' contracts ended upon the Company entering administration.

KMP option holdings

The number of options in CrowdSpark Limited held by each Director and Senior Executives of the Group during the financial year was as follows:

30-Jun-19	Balance at the start of the year	Granted during the year	Disposed or lapsed during the period	Options exercised during the period	Balance at the end of the year or resignation date	Vested at 30 June 2019
Directors						
Matthew Worner	-	-	-	-	-	-
Yu Hin Eugene Tse	-	-	-	-	-	-
Kyla Garic	-	-	-	-	-	-
Charles Koones	5,000,000	-	-	-	5,000,000	5,000,000
Ed Wilson	2,000,000	-	-	-	2,000,000	-
Chris Adams	-	-	-	-	-	-
Total	7,000,000	-	-	-	7,000,000	5,000,000

KMP rights holdings

No rights were held by KMP of the Group during the financial year ended 30 June 2019.

KMP shareholdings

The number of ordinary shares in CrowdSpark Limited held by each Director of the Group during the financial year was as follows:

30 June 2019	Balance at the start of the year	Granted as Remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at the end of the year or resignation date
Directors					
Matthew Worner	-	-	-	-	-
Yu Hin Eugene Tse	-	-	-	-	-
Kyla Garic	-	-	-	-	-
Charles Koones	4,400,000	-	-	-	4,400,000
Clive Dickens	-	-	-	-	-
Ed Wilson	7,859,033	-	-	-	7,859,033
Chris Adams	-	-	-	-	-
Total	12,259,033	-	-	-	12,259,033

Loans to Key Management Personnel

To the best of the Directors' knowledge, they are not aware of any loans to Key Management Personnel during the financial year.

Other KMP Transactions

The Directors are not aware of any additional KMP transactions during the year ended 30 June 2019.

REMUNERATION REPORT (END)

Proceedings on behalf of company

To the best of the Directors knowledge no person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Indemnifying officers

Due to the Company being in administration the directors insurance premiums have not been renewed since the last policy was paid.

Environmental regulations

The Directors do not have sufficient information to determine if there are any matters requiring disclosure.

Future developments, prospects and business strategies

The Company is in the process of being recapitalised and its future developments, prospects and business strategies are detailed in the significant events after balance sheet date section of the Directors' report.

Indemnification of auditors

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

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

mic Kyla Garic

Non-Executive Director Dated 30 January 2020



Auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of CrowdSpark Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2019 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

APAS

Nexia Perth Audit Services Pty Ltd

Muranda Janse Van Nieuwenhuizen Director

Perth 30 January 2020

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	Note	30-Jun-19 \$	30-Jun-18 \$
Revenue	2	-	1,049,685
Other income	2	990,237	193,706
Administration expense		(41,856)	(469,637)
Administrator adjustments to creditors		-	(2,679,890)
Depreciation and amortisation		-	(71,142)
DOCA expense		(376,029)	-
Employee expenses	2	-	(1,652,640)
Finance expense		-	(82,645)
Share based payments		(1,000,000)	(71,010)
Other expenses	2	-	(937,987)
Loss before income tax	-	(427,648)	(4,721,560)
Income tax benefit		-	196,460
Loss after income tax	=	(427,648)	(4,525,100)
Other comprehensive income: Items that will not be reclassified subsequently to profit or loss De-recognition of foreign currency translation reserve on loss of control of foreign operations Items that may be reclassified subsequently to profit or loss Other comprehensive income		-	(226,076)
Total comprehensive loss for the year	-	(427,648)	(4,751,176)
Basic loss per share (cents per share)	6	(1.65)	(12.29)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

The accompanying notes form part of these financial statements.

CURRENT ASSETS	Note	30-Jun-19 \$	30-Jun-18 \$
Cash and cash equivalents	7a	124,152	-
Trade and other receivables	8	2,439	-
Other current assets	9	-	50,000
TOTAL CURRENT ASSETS	-	126,591	50,000
TOTAL ASSETS		126,591	50,000
	-		
CURRENT LIABILITIES			
Trade and other payables	10	44,295	1,040,156
TOTAL CURRENT LIABILITIES		44,295	1,040,156
TOTAL LIABILITIES	-	44,295	1,040,156
NET (LIABILITIES)/ASSETS	-	82,296	(990,156)
EQUITY			
Issued capital	11	58,532,549	57,020,877
Reserves	12	3,567,302	3,578,874
Accumulated losses		(62,017,555)	(61,589,907)
TOTAL EQUITY	-	82,296	(990,156)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2019

	Issued Capital	Share Option Reserve	Translation Reserve	Other Equity Contributions	Accumulated Losses	Total Equity
	\$			\$	\$	\$
Balance at 1 July 2017	56,994,964	2,442,660	(769,432)	957,631	(56,069,299)	3,556,524
Loss for the period	-	-	-	-	(4,525,100)	(4,525,100)
Other comprehensive income for the period						
Foreign currency translation differences	-	-	769,432	-	(995,508)	(226,076)
Total comprehensive loss for the period	-	-	769,432	-	(5,520,608)	(4,751,176)
Transactions with owner's recorder directly in equity						
Share based payments	25,913	-	-	-	-	25,913
Share based rights and options	-	45,098	-	-	-	45,098
Share issue reserve	-	-	-	133,485	-	133,485
Balance at 30 June 2018	57,020,877	2,487,758	-	1,091,116	(61,589,907)	(990,156)
Balance at 1 July 2018	57,020,877	2,487,758	-	1,091,116	(61,589,907)	(990,156)
Loss for the period	-	-	-	-	(427,648)	(427,648)
Other comprehensive income for the period						
Foreign currency translation differences	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(427,648)	(427,648)
Transactions with owner's recorder directly in equity						
Issue of shares	1,500,000	-	-	-	-	1,500,000
Conversion of performance rights	11,672	(11,572)	-	-	-	100
Balance at 30 June 2019	58,532,549	2,476,186	-	1,091,116	(62,017,555)	82,296

The accompanying notes form part of these financial statements.

	Note	30-Jun-19	30-Jun-18
Cash Flows from Operating Activities			
Cash receipts from customers		-	1,368,921
Cash paid to suppliers and employees		(376,029)	(5,880,210)
Interest received		181	36,927
Net Cash (Outflow) from Operating Activities	7b	(375,848)	(4,474,362)
Cash Flows from Investing Activities			
Payment for property, plant and equipment		-	(3,658)
Net Cash (Outflow) From Investing Activities	-	-	(3,658)
Cash Flows from Financing Activities			
Proceeds from share issue (net of cost)		500,000	133,485
Repayment of borrowings		-	(683,903)
Net Cash Inflow from Financing Activities	-	500,000	(550,418)
Net Increase (Decrease) in Cash and Cash Equivalents		124,152	(5,028,438)
Foreign Exchange		-	6,656
Cash and Cash Equivalents at the beginning		-	5,021,782
Cash and Cash Equivalents at the End of Year	7a	124,152	-

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

The accompanying notes form part of these financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements cover CrowdSpark Limited ("the Company") and its controlled entities as a consolidated entity (also referred to as "the Group"). The Company is a company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity.

This financial report was issued by the Directors on 30 January 2020.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Basis of preparation of the financial report

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("AASBs") (including Australian interpretations) adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001 where possible (refer to Note 1(b)). These financial statements of the Group also comply with the International Financial Reporting Standards ("IFRSs") and interpretations adopted by the International Accounting Standards Board ("IASB") where possible (refer to Note 1(b)).

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

b) Incomplete records

To prepare this financial report, the Directors who were not in office during the periods presented in this report have reconstructed the financial records of the Group using data provided by the Administrators and extracted from the Group's accounting system for the year. However, there may be information that the Directors have not been able to obtain, the impact of which may or may not be material on the financial statements. These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable due to the Company being placed in external administration and/or the change in directorship and key management personnel of the Company.

The Directors have not been able to source books and records of the Company's subsidiaries up to the date of this report. Ownership of the subsidiaries were transferred to the creditors' trust on the effectuation of the Deed of the Company Arrangement. Accordingly, the financial information of the group's subsidiaries has been deconsolidated effective 1 July 2017.

Consequently, and although the Directors have prepared this financial report to the best of their knowledge based on the information that is available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial position as at 30 June 2019.

Refer to Significant events after reporting date in directors' report – Recapitalisation of the Company, for further information.

c) Going concern

As detailed on page 3, following effectuation of the DOCA and completion of the Recapitalisation Proposal, all rights, interest and assets of the Company were transferred to the Deed Administrators in their capacity as trustees of the Creditors Trust, and the Company was released from the claims of all creditors and the security interests held by secured creditors were discharged and/or released. Following their appointment as Directors on completion of the proposal, the current Directors have been assessing various acquisition opportunities to facilitate the reinstatement of the Company to the Official List of ASX. Save for this, the Company is dormant and not incurring any material liabilities.

For these reasons, the Directors consider the Group to be a going concern. Notwithstanding the material uncertainties of future events inherent in whether the Company will be able to successful identify and complete an acquisition, the Directors consider it is appropriate to prepare financial information on a going concern basis and hence no adjustments have been made to the financial information relating to the recoverability and classification of the asset carrying amounts or the amounts and classifications of liabilities that might be necessary if the Group does not continue as a going concern.

d) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

e) Principles of Consolidation (continued)

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investments retained
- Recognises any surplus or deficit in profit and loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

f) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowance and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement. Revenue is recognised for the major business activities as follows:

Interest income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

g) Goods and Services Tax (GST)

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

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

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

h) Income Tax

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

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

g) Income Tax (continued)

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

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

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

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

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference cannot be controlled and it is not probable that the reversal will occur in the foreseeable future.

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

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks with original maturity of three months or less.

i) Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(ii) Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by Key Management Personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.

Derivative instruments

The Group does not trade or hold derivatives.

Financial guarantees

The Group does not have financial guarantees.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

j) Impairment of non-financial assets

At the end of each reporting period, the Directors assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits.

If any such indication exists, an impairment test is carried out on the asset by comparing the asset's recoverable amount, being the higher of its fair value less costs to sell and its value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

k) Property, plant and equipment

Property, plant and equipment are stated at historical costs less depreciation. Historical costs include expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the costs of the items can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the pirating period in which there are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives of. The estimated useful life in current and comparative periods are as follows:

Computer hardware	3 years
Equipment and fittings	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

I) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised costs. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

n) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

o) Employee Benefits

Short-term obligations

Liabilities for wages, salaries and annual leave, including non-monetary benefits expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. Short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. It is therefore recognised in the provision for employee benefits and measure as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the ended of the reporting period on government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflow.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination at the earliest of the following dates; (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring what is within the scope of AASB137 and involved the payments of termination benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Profit sharing and bonus plans

The Group recognised a liability and an expense for bonuses and profit-sharing case on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision when contractually obliged or when it is past practice that has created a constructing obligation.

p) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

q) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each entity within the Group is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognized in other comprehensive Income; otherwise the exchange difference is recognised in profit or loss.

r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

s) Critical Accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates and judgements

Impairment - General

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Consolidation of group's subsidiaries

For the purposes of preparing the financial statements for the year ended 30 June 2019, as detailed in Note 1(b), the Directors have not been able to obtain detailed financial information of the company's subsidiaries.

t) New or Amended Accounting Standards and Interpretations Adopted

The following Australian Accounting Standards have been issued or amended and are applicable to the financial statements for the year ended 30 June 2019:

AASB No.	Title	Application for annual reporting period beginning	Issue date
AASB 9	Financial Instruments	1 January 2018	December 2014
AASB 15	Revenues from Contracts with Customers	1 January 2018	October 2015

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has been no significant impact on the application of those standards. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the Group makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the Group's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the Group. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures.

Impact of Adoption

The Group's financial assets subject to AASB 9's new expected credit loss model are cash and other receivables, which arise from the provision of services. The impact of the impairment requirements of AASB 9 on cash and cash equivalents has not resulted in a material impact to the financial statements.

Under AASB 9, the Group was required to revise the impairment methodology used in the calculation of its provision for doubtful debts to the expected credit loss model. This change in methodology has not had a material impact on the financial statements. The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all other receivables. Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure or a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

Accounting Policies Applied

From 1 July 2018, the Group classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value (either through OCI, or through profit or loss), and those to be measured at amortised cost. The classification depends on how the Group manages the financial assets and the contractual terms of the cash flows. At year end, all of the Group 's financial assets have been classified as those to be measured at amortised cost.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

u) New or Amended Accounting Standards and Interpretations Adopted

From 1 July 2018, the Group assesses expected credit losses associated on a forward-looking basis. For other receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The core principle of the standard is that a Group will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, a Group would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

Contracts with customers will be presented in the statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the Group's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer.

Impact of Adoption

The Group has made an assessment and determined that this standard does not have significant impact on the Group as it currently does not earn revenue.

v) New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'rightof-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company have assessed that there is no expected material impact of the above standard.

NOTE 2: PROFIT FROM ORDINARY ACTIVITIES	Note	30 June 2019	30 June 2018
		\$	\$
Revenue			
Revenue	_	*	*
Total	_	*	1,049,685
Other income			
Interest income		181	*
Other income	_	990,056	*
Total	_	990,237	193,706
Employee expenses			
Wages and salaries		*	*
Salaries paid through service agreements		*	*
Other personnel expenses		*	*
Contributions to superannuation funds		*	*
(Decrease)/ Increase in liability for annual leave		*	*
Increase/ (Decrease) in liability for long service leave		*	*
Equity-settled share-based payment transactions	_	*	*
Total	-	*	1,652,640
* • • • • • • • • • • • • • • • • • • •			
Total other expenses		*	÷
Cost of sale		*	Υ Ψ
Accounting fees		*	4. 4.
Computer, internet and IT expenses		*	*
Legal fees		*	*
Travel and accommodation		*	*
Advertising, promotion and development		*	*
Other administrative costs	-	*	*
Total	_	*	937,987

* The Group was placed into voluntary administration on 17 July 2018. As a result of this and as detailed in Note 1 (b), there is insufficient information to enable this level of disclosure to be made.

CROWDSPARK LIMITED ABN 27 078 661 444

CROWD SPARK

NOTE 3: INCOME TAX	Note	30 June 2019	30 June 2018
		\$	\$
(a) Income tax expense			
Current tax		*	*
Deferred tax		*	*
		*	*
(b) The prima facie tax payable on loss from ordinary activities before income tax is reconciled to the income tax expense as follows: Income tax benefit on operating loss at 30% (2018: 30%) Add / (Less)		(128,294)	(1,416,468)
		*	*
Effect on tax rates in foreign jurisdiction			
Non-deductable expense		*	*
Current year tax loss not brought to		*	*
Income tax benefit		*	*
(a) Unrecognised deferred tax assets			
Deferred tax assets have not been recognised in respect of the following items:			
Deductible temporary differences		*	*
Tax losses		*	*
		*	*

The deductable temporary difference and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the entity can utilise the benefits therefrom.

(b) Movement in deferred tax balances

Deferred tax liabilities relating to intangible assets and other items.

Balance at start of year	*	198,308
Acquired through business combinations	*	*
Recognition of previously unrecognised tax losses	*	*
Amortisation of intangibles	*	*
Effect of foreign exchange	*	*
Balance at end of year	*	*

* The Group was placed into voluntary administration on 17 July 2018. As a result of this and as detailed in Note 1 (b), there is insufficient information to enable this level of disclosure to be made.

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2019.

KMP Compensation

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

	30 June 2019	30 June 2018
	\$	\$
Short-term employee benefits	*	*
Post-employment benefits	*	*
Equity Settled	*	*
Total KMP Compensation	*	*

* The Group was placed into voluntary administration on 17 July 2018. As a result of this and as detailed in Note 1 (b), there is insufficient information to enable this level of disclosure to be made.

Loans to Key Management Personnel and Other KMP Transactions.

As noted above the Company was placed into voluntary administration on 17 July 2018, as a result of this the current directors do not have sufficient information to disclose the level of detail required under these categories.

NOTE 5: AUDITOR'S REMUNERATION	30 June 2019	30 June 2018
	\$	\$
Remuneration of the auditor of the Group for:		
Auditing or reviewing the financial reports		
- Auditors of the Company (Nexia Perth Audit P/L)	*	*
- Auditors of the Company (KPMG)	*	*
- Auditors of Subsidiaries (BDO Canada LLP)	*	*
	*	*
Other services		
- Taxation and advisory services (KPMG)	*	*
- Taxation and advisory services (BDO Australia)	*	*
- Due diligence services (BDO Canada LLP)	*	*
	*	*
	*	*

* The Group was placed into voluntary administration on 17 July 2018. As a result of this and as detailed in Note 1 (b), there is insufficient information to enable this level of disclosure to be made.

NOTE 6: LOSS PER SHARE	30 June 2019	30 June 2018
	\$	\$
Earnings per share (in cents)	(1.65)	(12.29)
Loss used in calculation of basic EPS	(427,648)	(4,525,100)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share	25,846,996	36,822,034

Diluted loss per share has not been calculated as any option outstanding will be anti-dilutive.

CROWD SPARK

NOTE 7a: CASH AND CASH EQUIVALENTS	Note	30 June 2019	30 June 2018
		\$	\$
Cash at bank and on hand		124,152	-
Total cash and cash equivalents		124,152	-

NOTE 7b: CASH FLOW INFORMATION	Note	30 June 2019 \$	30 June 2018 \$
Loss before income tax		(427,648)	(4,721,560)
Non-cash flows in loss before income tax			
Depreciation and amortisation expense		-	71,142
Share based payments		1,000,000	71,010
Changes in assets and liabilities			
- (Increase)/decrease in trade and other receivables		-	500,604
- (Increase)/decrease in other current assets		47,561	172,782
- Increase/(decrease) in trade and other payables		(995,761)	125,561
- Increase/(decrease) in provisions		-	(169,952)
- Increase/(decrease) in other		-	(523,949)
Cash flow used in operations	_	(375,848)	(4,474,362)

Non-Cash investing and financing activities

There were nil non-cash investing and financing activities for the year.

NOTE 8: TRADE AND OTHER RECEIVABLES	Note	30 June 2019	30 June 2018
		\$	\$
CURRENT			
Trade receivables		-	-
GST and other tax receivables		2,439	-
Total trade and other receivable		2,439	-

NOTE 9: OTHER CURRENT ASSETS	30 June 2019	30 June 2018
	\$	\$
Prepayments	-	50,000
Total other current assets	-	50,000

NOTE 10: TRADE AND OTHER PAYABLES

NOTE 10: TRADE AND OTHER PAYABLES	30 June 2019	30 June 2018
	\$	\$
Trade payables	44,295	103,667
Other payables	-	936,489
Total trade and other payables	44,295	1,040,156

NOTE 11: ISSUED CAPITAL	Note	30 June 2019	30 June 2018
		\$	\$
1. Issued Capital:			
Ordinary shares fully paid		58,532,549	57,020,877

2. Movement in ordinary share capital of the Company during the period was as follows:

	Number	\$
Opening balance at 1 July 2017	7,310,162,145	56,994,964
Issue of director shares	22,814,427	25,913
Share consolidation	(7,296,312,632)	-
Issue of employee shares	357,148	-
Closing balance at 30 June 2018	37,021,088	57,020,877
Opening balance at 1 July 2018	37,021,088	57,020,877
Issue of shares on exercise of performance rights	100,000	100
Transfer of value of performance rights	-	11,572
Share consolidation 10:1	(33,409,796)	-
Issue of shares under Placement	25,000,000	500,000
Issue of shares to advisors	50,000,000	1,000,000
Closing balance at 30 June 2019	78,711,492	58,532,549

Ordinary shareholders are entitled 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. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll. Shares have no par value.

NOTE 12: RESERVES	Note	30 June 2019 \$	30 June 2018 \$
Reserves		Ŧ	Ŧ
Option reserve		2,476,186	2,487,758
Other equity contributions		1,091,116	1,091,116
		3,567,302	3,578,874
Movements:			
Option reserve			
Balance at beginning of the year		2,487,758	2,442,660
Transfer value of performance rights to issued capital		(11,572)	45,098
Balance at the end of the year		2,476,186	2,487,758
Translation reserve			
Balance at beginning of the year		-	(769,432)
Foreign currency translation differences		-	(226,076)
Transfer from reserve on loss of control			995,508
Balance at the end of the year		-	-

NOTE 12: RESERVES (continued)	Note	30 June 2019	30 June 2018
		\$	\$
Other equity contributions			
Balance at beginning of the year		1,091,116	957,631
Share issue reserve		-	133,485
Balance at the end of the year		1,091,116	1,091,116

NOTE 13: OPERATING SEGMENTS

Segment Information - identification of reportable segments

On 17 July 2018 the then Directors of the Company entered the Company into Voluntary administration and the Groups operations were suspended under the Administrators. As detailed in Note 1(b), the current Directors do not have sufficient information to enable this level of disclosure to be made.

NOTE 14: FINANCIAL INSTRUMENTS

The Group was placed into voluntary administration on 17 July 2018. As detailed in Note 1 (b), to prepare the financial report, the Directors have utilised the information provided by the administrators to reconstruct the financial records of the Group.

As a result of this, the preparers of this report have determined that the inclusion of the disclosures related to the previous directors' financial risk management policy inclusive of the prior year comparatives could be misleading to readers of this Annual Report.

NOTE 15: RELATED PARTY TRANSACTIONS	Note	30 June 2019	30 June 2018
		\$	\$
(a) Parent entities			
The ultimate parent entity is CrowdSpark Limited			
(b) Subsidiaries			
Interest in subsidiaries are note in Note 17			
(c) Key management personnel compensation			
Short-term employee benefits		*	*
Share-based payments		*	*
Post-employment benefits		*	*
		*	*

* The Group was placed into voluntary administration on 17 July 2018. As a result of this and as detailed in Note 1 (b), there is insufficient information to enable this level of disclosure to be made.

Transactions with other related parties

The current directors of the Company who were not in the office during the year ended 30 June 2018 are not aware of any other related party transactions for the years ended 30 June 2019 and 30 June 2018.

NOTE 16: PARENT ENTITY DISCLOSURES

(a) Financial Position of CrowdSpark Limited

	Note	30 June 2019	30 June 2018
		\$	\$
ASSETS			
Current assets		*	*
Total assets		*	*
LIABILITIES			
Current liabilities		*	*
Total liabilities		*	*
NET ASSETS		*	*
SHAREHOLDERS EQUITY			
Issued capital		*	*
Reserves		*	*
Accumulated Losses		*	*
SHAREHOLDERS EQUITY		*	*
	1		
(b) Financial Performance of CrowdSpark Limited			
Loss for the year		*	*
Other comprehensive income	-	*	*
Total comprehensive loss	=	*	*
	_		

* The Group was placed into voluntary administration on 17 July 2018. As a result of this and as detailed in Note 1 (b), there is insufficient information to enable this level of disclosure to be made.

(c) Guarantees entered into by CrowdSpark Limited for the debts of its subsidiary

The current directors do not have sufficient information to determine if there are any guarantees entered into by CrowdSpark Limited for the debts of its subsidiary as at 30 June 2019 or 30 June 2018.

(d) Contingent liabilities of CrowdSpark Limited

The current directors do not have sufficient information to determine if there are any contingent liabilities as at 30 June 2019 or 30 June 2018.

(e) Commitments by CrowdSpark Limited

The current directors do not have sufficient information to determine if there are any commitments as at 30 June 2019 and 30 June 2018.

CROWD SPARK

NOTE 17: CONTROLLED ENTITIES CONSOLIDATED

		Percenta	ge Owned
Controlled entities	Country of Incorporation	2019	2018
NewZulu Holdings Pty Ltd	Australia	-	100%
NewZulu Pacific Pty Ltd	Australia	-	100%
NewZulu Australia Pty Ltd	Australia	-	100%
NewZulu Europe Limited	United Kingdom	-	100%
NewZulu Middle East Limited	United Kingdom	-	100%
NewZulu Americas Limited	United Kingdom	-	100%
Citizenside Limited	United Kingdom	-	100%
Livezulu Limited	United Kingdom	-	100%
NewZulu Prime Limited	United Kingdom	-	100%
Payzulu Limited	United Kingdom	-	100%
NewZulu Limited	United Kingdom	-	100%
Mobizulu Limited	United Kingdom	-	100%
Boomzulu Limited	United Kingdom	-	100%
NewZulu Weather Limited	United Kingdom	-	100%
Sportzulu Limited	United Kingdom	-	100%
NewZulu UK Limited	United Kingdom	-	100%
NewZulu Mobile SAS	France	-	100%
Citizenside SAS	France	-	100%
NewZulu Ireland Limited	Ireland	-	100%
CrowdSpark Technology Ltd	Canada	-	100%
CrowdSpark USA Inc.	United States	-	100%

* On 7 March 2019, ownership of the subsidiaries of the Group were divested prior to effectuation of the DOCA.

NOTE 18: COMMITMENTS

The current directors do not have sufficient information to determine if there are any contingent liabilities as at 30 June 2019. At 30 June 2018, the Company did not have any outstanding commitments.

NOTE 19: CONTINGENT LIABILITIES

The current directors who were not in the office during the full year ended 30 June 2019 or year ended 30 June 2018 do not have sufficient information to determine if there are any other contingent liabilities as at 30 June 2019 or 30 June 2018.

NOTE 20: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operation of the Company, the result of those operations, or the state of affairs of the Company in the future financial years.

DIRECTORS' DECLARATION

In the opinion of the Directors of CrowdSpark Limited and its controlled entities ('the Group'):

- 1. As set out in Note 1(b), although the current Directors have prepared the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report to the best of their knowledge based on the information made available to them, they are of the opinion that it is **not** possible to state that the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) Giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date;
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) Complying with International Financial Reporting Standards.
- 2. Subject to the matters highlighted in Note 1 (c), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 3. The declaration required to be made in accordance with Section 295A of the Corporation Act 2001 for the financial year ended 30 June 2019 has been **unable** to be made due the reasons set out in Note 1(b).

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

nnic Kyla Gari¢

Non-Executive Director Dated 30 January 2020

ANNUAL REPORT 30 JUNE 2019



Report on the Audit of the Financial Report

Disclaimer of opinion

We were engaged to audit the financial report of CrowdSpark 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.

We do not express an opinion on the accompanying financial report of the Group. Because of the significance of the matters described in the 'Basis for disclaimer of opinion' section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

Basis for disclaimer of opinion

As stated in Note 1(b) to the financial statements, the Directors who were not in office during the periods presented in the financial report have reconstructed the financial records of the Group using data provided by the Administrators and extracted from the Group's accounting system for the year. As stated in that Note and in the Directors' Declaration, the Directors are unable to determine whether the financial statements present a true and fair view of the Company's and the Group's financial position as at 30 June 2019, their performance for the year then ended or whether the financial statements comply with Australian Accounting Standards. As a result, we were unable to obtain sufficient appropriate audit evidence regarding the amounts and disclosures included in the financial report taken as a whole and, therefore, we are unable to form an opinion on the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in CrowdSpark Limited's annual report for the year ended 30 June 2019, but does not include the financial report and the 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 the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

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

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

Auditor's responsibility for the audit of the financial report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the 'Basis for Disclaimer of Opinion' section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 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.

Report on Other Legal and Regulatory Requirements

Due to the matters described in the basis for Disclaimer of Opinion paragraph:

- a) we have not been given all information necessary for the conduct of the audit; and
- b) the Company has not maintained financial records sufficient to enable the Directors to prepare the financial report in accordance with the Corporations Act 2001.

Report on the Remuneration Report

The Remuneration Report is included in pages 8 to 11 of the directors' report for the year ended 30 June 2019. 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.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis of Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the Remuneration Report.

Nexia Perth Audit Services Pty Ltd

Muranda Janse Van Nieuwenhuizen Director

Perth 30 January 2020

The Company's Board of Directors is responsible for establishing the corporate governance framework of the Company and its related bodies corporate. In establishing this framework, the Board has considered and reports against the Principles of Corporate Governance and Best Practices Recommendations (3rd Edition) as published by the ASX Corporate Governance Council ("ASX Corporate Governance Principles").

The Company's securities were suspended from official quotation on 6 July 2018 and have remained suspended since that date.

On 17 July 2018, the Board of Directors of the Company appointed Ms Cassandra Mathews and Mr Martin Madden of KordaMentha as Administrators of the Company, pursuant to section 436A if the Corporations Act.

On 11 September 2018, the Deed Administrator announced that the offer submitted by Otsana Pty Ltd ("Otsana Capital") to undertake a recapitalisation of the Company had been accepted as it provided the most favourable outcome for creditors and shareholders. The Deed of Company Arrangement (DOCA) to facilitate the recapitalisation was executed on 11 September 2018.

On 11 January 2019 the Shareholders approved the necessary resolutions to effectuate the DOCA. The DOCA was effectuated on 8 March 2019, at which time the Administrator resigned, and control and management of the Company was passed to newly appointed Directors (as approved by Shareholders) on 11 January 2019 pursuant to the terms of the DOCA. Further information on the history of the Company and the DOCA can be found in the Company's previous notice of general meeting released to ASX on 14 December 2018.

As the current Board was appointed on 8 March 2019, it is unable to comment on the extent to which the Company followed the applicable ASX Corporate Governance Principles prior to this date, whether any recommendation was not followed or the reason for the departure, if any. From 8 March 2019, the Board adopted implemented Corporate Governance Plan which is based on the ASX Corporate Governance Principles.

This Corporate Governance Statement has been approved and summarises the corporate governance practices and procedures incorporated in the Corporate Governance Plan from 8 March 2019 and to the date of this statement.

The ASX Listing Rules require listed companies to include in their Annual Report or website a statement disclosing the extent to which they have complied with the ASX Corporate Governance Principles in the reporting period. The recommendations are not prescriptive and if a company considers that a recommendation is inappropriate having regard to its particular circumstances, the company has the flexibility not to adopt it. Where the Company considered it was not appropriate to presently comply with a particular recommendation, the reasons are set out in the relevant section of this Corporate Governance Statement.

With the exception of the departures detailed in this Corporate Governance Statement, the corporate governance practices of the Company from 8 March 2019 were compliant with the ASX Corporate Governance Principles.

Board, Management and Corporate Governance

The Directors in office and the term of their appointment at the date of this Corporate Governance Statement are:

Name	Position	Date of Appointment
M Worner	Non-executive Director	8 March 2019
K Garic	Non-executive Director	8 March 2019
Y Tse	Non-executive Director	8 March 2019

The skills, experience and expertise relevant to the position of Director held by each Director at the date of this Statement are included in the remuneration report of this Annual Report.

1.1 Corporate Governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

The ASX Corporate Governance Council has developed and released its third edition of the ASX Corporate Governance Principals and Recommendations (**Recommendations**) for Australian listed entities in order to promote investor confidence and to assist companies in meeting stakeholder expectations. The Recommendations are not prescriptions, but guidelines. However, under the Listing Rules, the Company will be required to provide a statement in its annual report disclosing the extent to which it has followed the Recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the recommendation that it has not followed and provide reasons for not following it.

In light of the Company's size and nature, the Board considers that the current Board composition and structure is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Annual Report are detailed below.

(a) Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) providing leadership and setting the strategic objectives of the Company;
- (ii) appointing and when necessary replacing the Executive Directors and the Managing Director;
- (iii) approving the appointment and when necessary replacement, of other senior executives;
- (iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director;
- (v) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (vi) approving operating budgets and major capital expenditure;
- (vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place agreements with each Director which detail the terms of their appointment.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of the three Non-Executive Directors (all of whom are considered to be independent). As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(c) Independence of the Board

The Board is responsible for the overall governance of the Company. Issues of substance affecting the Company are considered by the Board, with advice from external advisers as required. Each Director must bring an independent view and judgment to the Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Director's ability to properly act as a Director must be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

In accordance with the Board Charter, the Board is comprised of a majority of independent directors. The Board considers an independent Director to be a non-executive Director who is not a member of management and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the independent and unfettered exercise of their judgement. The Board has adopted a definition of independence that is based on the definition in the Recommendations. The Board will consider the materiality of any given relationship on a case-by-case basis. The Board assesses independence of Directors upon appointment and annually through attestation from each Director.

The Board considers that each of the Directors are free from any interest, position, association or relationship that may influence or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the Recommendations.

The Board considers that each of the non-executive Directors brings an objective and independent judgement to the Board's deliberations and that each of the non-executive Directors makes a valuable contribution to the Company through the skills they bring to the Board and their understanding of the Company's business.

(d) Ethical Standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) Independent Professional Advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) Remuneration and Nomination Committee

Due to the size of the Board and nature and scale of the Company's activities, the Board considers that it is not practicable for the Company to maintain a discrete Remuneration Committee. Accordingly, the responsibilities ordinarily ascribed to a Remuneration Committee will be performed by the Board.

The Board will decide the remuneration of an executive Director without the affected executive Director participating in the decision making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the Listing Rules, as applicable. This amount is currently \$400,000. The determination of non-executive Director's remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The fees paid to Directors in the past two financial years and for this financial year are detailed in Section 11.3.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, noncash performance incentives such as options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred by them, respectively, in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered appropriate for a company of its size and level of activity as well as the relevant Director's time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans, including the appropriateness of performance hurdles and total payments proposed.

(g) Risk and Audit Committee

The Company does not have a formal Risk & Audit Committee. This function is currently performed by the full Board. In carrying out this function, the Board's role includes, but is not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system, the Company's risk management systems, the identification and management of business, economic, environmental and social sustainability risk and the external audit function.

(h) External Audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(i) Internal Audit

The Company does not have an internal audit function. The Board considers the financial control function in conjunction with its risk management policy is sufficient for a Company of its size, scale of operations and complexity.

1.2 Corporate Governance Policies

The Company has adopted the following policies, each of which has been prepared having regard to the Recommendations.

- (a) **Code of Conduct** This policy details the standards of ethical behaviour that the Company expects from its Directors, officers and employees.
- (b) Continuous Disclosure Policy As an entity listed on the ASX, the Company must comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure the Company discloses to the ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Shares. As such, this policy sets out certain procedures and measures which are designed to ensure that the Company complies with its continuous disclosure obligations.
- (c) Risk Management Policy This policy is designed to assist the Company to identify, assess, monitor and manage risks affecting the Company's business. The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.
- (d) Securities Trading Policy The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.
- (e) **Shareholder Communications Policy** This policy details the practices which the Company will implement to ensure effective communication with its shareholders.

(f) Diversity Policy - The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

1.3 Departures from the Recommendations

The Recommendations set out recommended corporate governance practices for entities that, in the ASX Corporate Governance Council's view, are likely to achieve good governance outcomes and meet the reasonable expectations of most investors in most situations. However, the Council recognises that different entities may legitimately adopt different governance practices, having regard to a range of factors including their size, complexity, history and corporate culture.

As noted above, the Company has adopted the Recommendations to the extent the Board considers appropriate, but has chosen to depart from the Recommendations in a number of respects. The Company's departures from the Recommendations as at the date of this Annual Report, and the reasons for the departures, are detailed in the table below.

Principles and Recommendations	Explanation for Departure	
Recommendation 2.1 The board of a listed entity should have a nomination committee.	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors. Where appropriate, independent consultants will be engaged to identify possible new candidates for the Board.	
Recommendation 2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Upon appointment, new Directors will be subject to relevant induction procedures to provide the incoming individual with sufficient knowledge of the entity and its operating environment to enable them to fulfil their role effectively. The Board will, when it considers the Company to be of an appropriate size, implement a formal induction process that complies with Recommendation 2.6.	
Recommendation 4.1 The board of a listed entity should have an audit committee.	 The Board has not established a separate Audit Committee. Given the current size and composition of the Board and nature and scale of the Company's operations, the Board believes that there would be no efficiencies gained by establishing a separate Audit Committee. Accordingly, the Board performs the role of Audit Committee and performs the following responsibilities: reviewing and approving statutory financial reports and all other financial information distributed externally; monitoring the effective operation of the risk management and compliance framework; reviewing the effectiveness of the Company's internal control environment including compliance with applicable laws and regulations; the nomination of the external auditors and the review of the adequacy of the existing external audit arrangements; and considering whether non audit services provided by the external auditor are consistent with maintaining the external auditor's independence. 	

Table 1: ASX Corporate Governance Principles and Recommendations Departures

Principles and Recommendations	Explanation for Departure
Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion,	The Company does not yet have a CFO but has engaged Nexia Perth Audit Services Pty Ltd as its independent auditors who currently audit the Company's financial records. The intention is to adopt this practice follow re-admission to the Official List.
the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	As noted in the financial statements with which this Corporate Governance Statement is attached the current Directors who are also key management personnel were not in control of the Company during the period included in these financial statements and can not provide a declaration as to the historical presentation.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way	The Company has not adopted a formal investor relations program, however it does seek to inform investors of developments regularly by communication through ASX announcements and by providing information on its website.
communication with investors.	Investors are encouraged to attend the Company's security holder meetings, and are able to contact management by phone.
Recommendation 7.1 The board of a listed entity should have a committee to oversee risk.	The Board has not established a separate Risk Committee. Given the current size and composition of the Board and nature and scale of the Company's operations, the Board believes that there would be no efficiencies gained by establishing a separate Risk Committee.
	Accordingly, the Board performs the role of Audit and Risk Committee. The Board is responsible for effective oversight and management of risks, including but not limited to identification of principal risks and effective management of those risks. Items that are usually required to be discussed by a Risk Committee are marked as separate agenda items at Board meetings when required. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Audit and Risk Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.
Recommendation 8.1	The Board has not established a separate Remuneration Committee. Given the current size and composition of the
The board of a listed entity should have a remuneration committee.	Company and nature and scale of the Company's operations, the Board believes that there would be no efficiencies gained by establishing a separate Remuneration Committee. Accordingly, the Board performs the role of Remuneration Committee.
	The full Board approves all management remuneration including the allocation of options (if any) and involves itself in the nomination, selection and retirement of Directors. No Director may be involved in setting their own remuneration or terms and conditions and in such a case relevant Directors are required to be absent from the full Board discussion.
	The Board seeks to ensure that collectively its membership represents an appropriate balance between Directors with experience and knowledge of the Company and Directors with an external or fresh perspective. It shall review the range of expertise of its members on a regular basis and seeks to ensure that it has operational and technical expertise relevant to the operation of the Company.

ASX ADDITIONAL INFORMATION

ADDITIONAL SHAREHOLDER INFORMATION

FOR THE YEAR ENDED 30 JUNE 2019

The following information is current as at 30 January 2020.

Ordinary Share Capital

78,711,492 Shares are held by 1,545 individual holders.

Voting Rights

The voting rights attached to each class of equity security are as follows:

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

Twenty Largest Shareholders

Position	Holder Name	Holding	% IC
1	ASENNA WEALTH SOLUTIONS PTY LTD	12,500,000	15.88
2	ROMFAL SIFAT PTY LTD <the a="" c="" family="" fizmail=""></the>	8,400,000	10.67
3	EFFICIENT ENERGY AUSTRALIA LIMITED	7,500,000	9.53
4	DAVY CORP PTY LTD <davy a="" c="" investment=""></davy>	6,666,667	8.47
5	RIMOYNE PTY LTD	5,000,000	6.35
6	BENITO TOSCANA PTY LTD <benito a="" c=""></benito>	4,850,000	6.16
7	ATTOLLO INVESTMENTS PTY LTD <attollo a="" c="" investment=""></attollo>	4,600,000	5.84
8	BUZZ CAPITAL PTY LTD <zi a="" c="" vestment=""></zi>	4,600,000	5.84
9	BENEFICO PTY LTD	3,000,000	3.81
10	HM PENSION FUND PTY LTD <hm a="" c="" fund="" pension=""></hm>	2,900,000	3.68
11	AH SUPER PTY LTD <the 3="" a="" ah="" c="" fund="" no="" super=""></the>	2,500,000	3.18
12	MR NICHOLAS DAVID YOUNG & MR ANDREW STEVEN YOUNG <young a="" c=""></young>	2,100,000	2.67
13	989 PTY LTD	1,666,667	2.12
14	1182 PTY LTD <no 1="" a="" c=""></no>	1,666,667	2.12
15	SUNSET TIDAL PTY LTD <sunset a="" c="" investment="" tidal=""></sunset>	1,650,000	2.10
16	MR ALDO SACCO	1,250,000	1.59
17	THIDA LACH	1,150,000	1.46
18	ARKALYA PTY LTD <the a="" butrfly="" c="" super=""></the>	1,000,000	1.27
19	MR CHRISTOPHER JOHN DANIELL	750,000	0.95
20	SEVEN WEST MEDIA INVESTMENTS LIMITED	746,233	0.95
		74,496,234	94.64

Substantial Shareholder

Holder Name	Holding Balance	% IC
ASENNA WEALTH SOLUTIONS PTY LTD	12,500,000	15.88
ROMFAL SIFAT PTY LTD <the a="" c="" family="" fizmail=""></the>	8,400,000	10.67
EFFICIENT ENERGY AUSTRALIA LIMITED	7,500,000	9.53
DAVY CORP PTY LTD <davy a="" c="" investment=""></davy>	6,666,667	8.47
RIMOYNE PTY LTD	5,000,000	6.35
BENITO TOSCANA PTY LTD <benito a="" c=""></benito>	4,850,000	6.16
ATTOLLO INVESTMENTS PTY LTD < ATTOLLO INVESTMENT A/C>	4,600,000	5.84
BUZZ CAPITAL PTY LTD <zi a="" c="" vestment=""></zi>	4,600,000	5.84

Distribution of Holders of Equity Securities

Fully Paid Ordinary Shares					
			Holders	Total Units	%
1	-	1,000	1,381	138,665	0.18
1,001	-	5,000	89	178,448	0.23
5,001	-	10,000	13	87,569	0.11
10,001	-	100,000	28	981,542	1.25
100,001	and c	over	34	77,325,268	98.24
Totals			1,545	78,711,492	100.00%

Restricted Securities

As at 30 January 2020 the Company did not have any restricted securities on issue.

Unquoted Securities

At 30 January 2020 the Company had no unquoted securities on issue.

Unmarketable Parcels

Holdings of less than a marketable parcel of ordinary shares: Holders: 1,445 Units: 235,252

On-market Buy Back

There is no current on-market buy-back.