Intiger Group Limited

ANNUAL REPORT

30 June 2018

Corporate directory

Current Directors

Mark Fisher	*Executive Director*
Patrick Canion	*Non-executive Chairman*
Tony Chong	*Non-executive Director*

Company Secretary

Stephen Buckley

Registered Office

Street:	Barringtons House
	283 Rokeby Road
	SUBIACO WA 6008
Postal:	PO Box 52
	WEST PERTH WA 6872
Telephone:	+61 (0)8 6141 3500
Facsimile:	+61 (0)8 9481 1947
Email:	info@wolfstargroup.com.au
Website:	www.intigergrouplimited.com.au

Share Registry

Automic

Street:	Level 2, 267 St Georges Terrace
	PERTH WA 6000
Postal:	PO Box 2226
	STRAWBERRY HILLS NSW 2012
Telephone:	1300 288 664 or +61 2 9698 5414
Website:	www.automic.com.au

Auditors

HLB Mann Judd (Vic Partnership)
Level 9, 575 Bourke Street
MELBOURNE VIC 3000

Telephone:	+61 (0)3 9606 3888
Facsimile:	+61 (0)3 9606 3800
Website:	www.hlb.com.au

Solicitors to the Company

Squire Patton Boggs
Level 21, 300 Murray Street
Perth WA 6000

Securities Exchange

Australian Securities Exchange
Level 40, Central Park, 152-158 St Georges Terrace
Perth WA 6000

Telephone:	131 ASX (131 279) (within Australia)
Telephone:	+61 (0)2 9338 0000
Facsimile:	+61 (0)2 9227 0885
Website:	www.asx.com.au
ASX Code	IAM

Contents

Operations review

Intiger Group Limited (ASX: IAM) (**Intiger** or **the Company**), is pleased to present its full year results for the year ending 30 June 2018 (**FY18**).

During the full year ending 30 June 2018, The Company successfully completed the following operation and financial activities:

On 31 July 2017, Intiger announced the launch of 'BOOM', an industry leading Back Office Online Management Portal, to aggressively reduce the cost & improve the efficiency of core administrative and paraplanning processes for the financial planning profession. Created in response to overwhelming industry demand fuelled by the crippling time and cost of compliance, paraplanning and administration that practice owners face, BOOM is designed and developed to deliver profession-changing cost reductions and profit growth to financial planning practice owners. Intiger Group Limited informed the market on 24 November 2017 of its progress in the development of BOOM2, its latest generation of back office management software. The software, created by the Company and currently under development, will increase the range of tasks and Statements of Advice that are delivered to our customers using software robotics1 (robotics) and including a component of Artificial Intelligence2 (AI).

BOOM2 will advance the Company's value proposition by:

- Enabling financial planners to spend more time with clients.
- Significantly reducing administrative and processing costs for our customers.
- Increase margins for the Company.
- Providing greater leverage for the Company by reducing reliance on human resources.

BOOM2 is an integration of previous Intiger software products LiLLY, KLiP & BOOM and has been developed with input from the financial planning industry.

On 2 February 2018, the Company announced that it had entered into pilot agreements with three financial planning licensees (collectively 'The Licensees'):

1. Commonwealth Financial Planning Limited
2. Financial Wisdom Limited
3. Count Financial Limited

These agreements pertain to each of these companies conducting a pilot program trialling the provision of Intiger's services. Subsequent agreements may be entered into between the parties as the pilot program develops and the parties agree to progress.

On 7 February 2018, the Company confirmed that core functionality of BOOM2 is complete with testing currently being undertaken by Licensees and Practices nationally.

On 28 March 2018, the Company announced the appointment of Mr George Jaja to the role of Global Head of Productivity & Optimisation. Mr Jaja has circa 15 years wealth management experience and has held pivotal management and advisory roles across the industries most respected tier 1 institutions.

On 31 May 2018, the Company announced a temporary restructure of Management of the Company with Mr Mark Fisher having to step aside for a period of several months whilst he recovers from surgery. Mark Fisher continues on as an Executive Director though he is not performing any operational duties.

The Board of Directors would like to thank all investors for their continued support of Intiger, and express their optimism that the business is well-positioned to reward investors' faith in the year ahead.

Directors' report

Your directors present their report on the consolidated entity, consisting of Intiger Group Limited (**Intiger** or **the Company**) and its controlled entities (collectively **the Group**), for the financial year ended 30 June 2018.

Intiger is listed on the Australian Securities Exchange.

1. Directors

The names of Directors in office at any time during or since the end of the year are:

- Mr Mark Fisher — Executive Director
- Mr Patrick Canion — Non-executive Chairman
- Mr Tony Chong — Non-executive Director (*Appointed 7 August 2017)*
- Mr Mathew Walker — Non-executive Director (*Resigned 7 August 2017)*

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors including details of the qualifications of Directors please refer to paragraph 6 Information relating to the directors of this Directors Report.

2. Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

- Mr Stephen Buckley — Appointed 4 April 2018

Qualifications	☐ GAICD
Experience	☐ Mr Buckley has more than 35 years' experience in financial markets having worked in both Australia and New Zealand. He is a Graduate of the Australian Institute of Company Directors and is the Managing Director of a company which specialises in providing company secretarial, corporate governance and corporate advisory

3. Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2018.

4. Significant Changes in the state of affairs

There were no significant changes to the state of affairs of the Group.

5. Operating and financial review

5.1. Nature of Operations Principal Activities

Intiger operates an Australian software development house dedicated to supporting professional Financial Planners to meet the needs of their clients. This is done through reducing back office and operational costs. Intiger has developed and launched proprietary software platform BOOM2, which has been designed to digitalise and automate care components of the financial planning process including the production of automated statements of advice. BOOM2 also tracks key performance indicators of a financial planning practice and delivers oversight and control to both licensees and financial planning practices nationally.

5.2. Operations Review (refer Operations review of page 1)

5.3. Financial Review

a. Operating results

For the 2018 financial year the Group delivered a loss before tax of $3,687,035 (2017: $4,355,291 loss), representing an impact in financial performance.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. Details of the Company's assessment in this regard can be found in Note 1a.ii Statement of significant accounting policies: Going Concern on page 19.

Directors' report

b. Financial position

The net assets of the Group have decreased from 30 June 2018 by $1,033,845 to $2,564,199 at 30 June 2018 (2017: $3,598,044).

As at 30 June 2018, the Group's cash and cash equivalents decreased from 30 June 2017 by $959,617 to $1,078,563 at 30 June 2018 (2017: $2,038,180) and had working capital of $579,848 (2017: $1,662,394 working capital), as noted in Note 18d.

5.4. Events Subsequent to Reporting Date

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements at Note 28 Events subsequent to reporting date.

5.5. Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

5.6. Environmental Regulations

The Group's operations are not subject to significant environmental regulations in the jurisdictions it operates in, namely Australia.

The Directors have considered the enacted *National Greenhouse and Energy Reporting Act 2007* (the NGER Act) which introduced a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act has no effect on the Company for the current, nor subsequent, financial year. The Directors will reassess this position as and when the need arises.

6. Information relating to the directors

Mr Mark Fisher	Executive Director
Experience and qualifications	For the last twenty years Mark has worked globally in senior executive roles for the world's most respected Tier 1 investment, retail and commercial banking and management consulting firms, including Barclays International Retail and Commercial Bank, Lloyds of London, HSBC Merchant and Capital Markets, GE Capital Bank Europe, Barclays Capital Investment Bank, Nationwide Bank UK, Navigant Consulting Europe, Cembra Money Bank Switzerland and Budapest Bank Hungary. Specialising in large scale global change programs, offshore processing, cost reduction strategies and institutional restructuring, Mark has lived and worked in a variety of global locations including the US, UK, Switzerland, Nigeria, Spain, France, Portugal, Italy, France, Ecuador, Colombia, India, Philippines, Latvia, Romania, Poland and Hungary. In 1999 Mark was Program Lead under Jack Welch at GE Capital Bank USA. At the time, Mr Welch made one of the first attempts by any Western commercial institution to transfer white good/administrative processes offshore.
Interest in Shares and Options	220,000,000 Class A Performance Shares 220,000,000 Class B Performance Shares 15,000,000 Options
Directorships held in other listed entities	None

Directors' report

Mr Patrick Canion	Non-executive Chairman
Qualifications	MAppFin, CFP, GAICD, FFPA
Experience	Patrick has over 30 years' experience in financial services and is nationally recognised in the media and financial services for his leadership and innovation in financial planning. He is a Certified Financial Planner and holds a Masters of Applied Finance and Investment. He is also a Fellow of the Financial Services Institute of Western Australia and a Graduate member of the Australian Institute of Company Directors. Patrick is a Fellow of the Financial Planning Association and was recently presented with their Distinguished Service Award. Patrick is also a former director of the Financial Planning Association Ltd and past-President of the Western Australian Club Inc. Currently his directorships include being a director/trustee of the Future 2 Foundation Ltd and director of Pajoda Investments Pty Ltd.
Interest in Shares and Options	1,455,215 Ordinary Shares 17,500,000 Options
Directorships held in other listed entities	None
Mr Tony Chong	Non-executive Director (Appointed 7 August 2017)
Qualifications	LLB(Hons), BCom, MTax
Experience	Tony Chong is a partner of Squire Patton Boggs. As a corporate and tax law specialist (with CPA and Tax Institute accreditation), Tony focuses on mid-market corporate advisory and mergers and acquisitions. He has specialist knowledge in corporate, tax and fund structures, foreign investment issues particularly from Asia (including FIRB) and regularly advises clients on funds establishment and management particularly in the technology, agriculture and property sectors. Tony provides advice in the technology sector including crowd funding and the regulatory framework concerning cryptocurrencies. He also advises on AFSL and regulatory matters relating to the financial services sector. Previously, Tony spent a number of years as Group Counsel at the Griffin Group, a diversified conglomerate with more than AU$3 billion in assets internationally. Since returning to private practice, he has undertaken a range of leadership roles, including as group lead of a corporate team and head of an Asia desk. Tony also holds a number of non-executive board positions. A recognised mentor to ethnic leaders, Tony has been an active participant in the WA State Government's Diversification of Boards program and is the Vice President of the WA Chinese Chamber of Commerce.
Interest in Shares and Options	Nil
Directorships held in other listed entities	Former Chairman of TV2U International Limited (2016)
Mr Mathew Walker	Non-executive Director (Resigned 7 August 2017)
Qualifications	B Bus
Experience	Mathew is a businessman and entrepreneur with extensive experience in the management of public and private companies, corporate governance and in the provision of corporate advice. In a management career spanning three decades, Mathew has served as executive Chairman or Managing Director for public companies with operations in North America, South America, Africa, Eastern Europe, Australia and Asia.

Directors' report

For twenty-five years Mathew has served as Managing Director of his family livestock business, which was sold in part to Australia's largest beef cattle producer the Australian Agricultural Company Limited (ASX:AAC) in 2006, described by AAC at the time as "the world's largest and most credentialed full blood herd outside of Japan and is viewed as Australia's premier Wagyu Business". He remains active in the agricultural industry, with extensive family beef cattle interests in both New South Wales and Western Australia, is one of Western Australia's leading grain producers and a known industry advocate for animal welfare.

Mathew holds a Bachelor of Business from the University of Technology, Sydney, and is an Economic Development Ambassador for World Vision Australia.

Interest in Shares and Options	☐ 105,000,000 Ordinary Shares (at date of resignation) 20,000,000 Options (at date of resignation)

7. Meetings of directors and committees

During the financial year four meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table.

<table>
<tr><th></th><th colspan="2">DIRECTORS' MEETINGS</th><th colspan="2">REMUNERATION AND NOMINATION COMMITTEE</th><th colspan="2">FINANCE AND OPERATIONS COMMITTEE</th><th colspan="2">AUDIT COMMITTEE</th></tr>
<tr><th></th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th></tr>
<tr><td>Mark Fisher</td><td>4</td><td>2</td><td colspan="6" rowspan="4">At the date of this report, the Remuneration, Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</td></tr>
<tr><td>Patrick Canion</td><td>4</td><td>4</td></tr>
<tr><td>Tony Chong</td><td>4</td><td>4</td></tr>
<tr><td>Mathew Walker</td><td>0</td><td>0</td></tr>
</table>

8. Indemnifying officers or auditor

8.1. Indemnification

The Company has entered an Indemnity, Insurance and Access Deed with each Director. Pursuant to the Deed:

The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.

The Company must keep a complete set of company documents until the later of:

a. The date which is seven years after the Director ceases to be an officer of the Company; and

b. The date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (**Relevant Proceedings**).

The Director has the right to inspect and copy a Company document in connection with any relevant proceedings during the period referred to above.

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:

a. The date which is seven years after the Director ceases to be an officer of the Company; and

b. The date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

The Company has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

Directors' report

8.2. Insurance premiums

During the year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Group. In accordance with the policy, the amount of premium cannot be disclosed.

9. Options

9.1. Unissued shares under option

At the date of this report, the un-issued ordinary shares of Intiger Group Limited under option (listed and unlisted) are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
31 August 2016	30 June 2020	$0.020	100,000,000
21 April 2017	30 June 2020	$0.020	40,000,000
22 June 2018	30 June 2020	$0.025	55,000,000
22 August 2018	31 October 2020	$0.015	105,000,000
			300,000,000

No person entitled to exercise the option has or has any right by virtue of the option to participate in any share issue of any other body corporate.

9.2. Shares issued on exercise of options

260,275,421 ordinary shares were issued by the Company as a result of the exercise of options during the financial year but there have been no exercises since the end of the financial year.

10. Non-audit services

During the year, HLB Mann Judd, the Company's auditor, did not perform any services other than their statutory audits (2017: $nil). Details of remuneration paid to the auditor can be found within the financial statements at Note 6 Auditor's Remuneration.

In the event that non-audit services are provided by Bentleys, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001*. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

11. Proceedings on behalf of company

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.

12. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2018 has been received and can be found on page 14 of the annual report.

Directors' Report

13. Remuneration report (audited)

The information in this remuneration report has been audited as required by s308(3C) of the Corporations Act 2001.

13.1. Key management personnel (**KMP)**

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company and key executive personnel:

- Mr Mark Fisher — Executive Director
- Mr Patrick Canion — Non-executive Chairman
- Mr Tony Chong — Non-executive Director (Appointed 7 August 2017)
- Mr Mathew Walker — Non-executive Director (Resigned 7 August 2017)

13.2. Principles used to determine the nature and amount of remuneration

The remuneration policy of the Company has been designed to ensure reward for performance is competitive and appropriate to the result delivered. The framework aligns executive reward with the creation of value for shareholders, and conforms to market best practice. The Board ensures that Director and executive reward satisfies the following key criteria for good reward government practices:

- Competitiveness and reasonableness;
- Acceptability to the shareholder;
- Performance;
- Transparency; and
- Capital management.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and Directors' and Executives' performance. Currently, this is facilitated through the issues of options to the majority of Directors and Executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. The Board's policy for determining the nature and amount of remuneration for Board members and Senior Executive of the Company is as follows:

a. Executive Directors and other Senior Executives

The Company’s remuneration policy for executive directors and senior management is designed to promote superior performance and long-term commitment to the Company. Executives receive a base remuneration which is market related and may receive performance-based remuneration. The Board reviews Executive packages annually by reference to the Company's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries. Executives are also entitled to participate in employee share and option schemes.

b. Non-Executive Directors

The Company's Constitution provides that Directors are entitled to be remunerated for their services as follows:

- ☐ The total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.
- ☐ The Directors' remuneration accrues from day to day.
- ☐ The total aggregate fixed sum per annum which may be paid to non-executive Directors is $300,000. This amount cannot be increased without the approval of the Company's Shareholders.

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

c. Fixed Remuneration

Other than statutory superannuation contribution, no retirement benefits are provided for Executive and Non-Executive Directors of the Company. To align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the company.

d. Performance Based Remuneration – Short-term and long-term incentive structure

The Board will review short-term and long-term incentive structures from time to time. Any incentive structure will be aligned with shareholders' interests

Directors' Report

13. Remuneration report (audited)

- Short-term incentives

  No short-term incentives in the form of cash bonuses were granted during the year.

- Long-term incentives

  The Board has a policy of granting incentive options to executives with exercise prices above market share price. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

  The executive Directors will be eligible to participate in any short term and long-term incentive arrangements operated or introduced by the Company (or any subsidiary) from time to time.

e. Service Contracts

In accordance with the re-compliance prospectus for the purposes of satisfying Chapter 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities, the Company entered into an executive services agreement with Mark Fisher, pursuant to which Mr Fisher is engaged as Executive Director of the Company from the date of settlement.

Remuneration and other terms of employment for the directors, KMP and the company secretary are formalised in contracts of employment.

f. Engagement of Remuneration Consultants

During the financial year, the Company did not engage any remuneration consultants.

g. Relationship between Remuneration of KMP and Earnings

In considering the Group's performance and benefits for shareholders wealth, the Board has regard to the following indices in respect of the current financial year and the previous four financial years:

As at 30 June	2018	2017	2016	2015	2014
Profit/(Loss) per share (cents)	(0.29)	(0.40)	(0.22)	(0.26)	(0.26)
Share price ($)	0.016	0.042	0.026	0.007	0.007

13.3. Directors and KMP remuneration

Details of the remuneration of the Directors and KMP of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following table.

2018 – Group										
Group KMP	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other		Equity	Options	
	$	$	$	$	$	$	$	$	$	$
Mark Fisher	228,125	-	-	-	19,000	-	-	-	-	247,125
Patrick Canion	54,795	-	-	-	5,205	-	-	-	-	60,000
Tony Chong[(1)]	35,833	-	-	-	1,187	-	-	-	-	37,020
Mathew Walker[(2)]	5,000	-	-	-	-	-	-	-	-	5,000
	323,753	-	-	-	25,392	-	-	-	-	349,145

(1) Appointed 7 August 2017
(2) Resigned 7 August 2017

Directors' report

13. Remuneration report (audited)

2017 – Group										
Group KMP	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other		Equity	Options	
	$	$	$	$	$	$	$	$	$	$
Mark Fisher	251,042				-	-	-	-	-	251,042
Patrick Canion	50,228	-	-	-	4,772	-	-	-	-	55,000
Mark Rantall (1)	62,785				5,965					68,750
Mathew Walker(2)	180,000	-	-	-	-	-	-	-	-	180,000
Sonu Cheema (3)	5,000	-	-	-	-	-	-	-	-	5,000
Loren King (3)	5,000									5,000
	554,055	-	-	-	10,737	-	-	-	-	564,792

(1) Resigned 7 April 2017
(2) Resigned 7 August 2017
(3) Resigned 17 August 2016

13.4. Service Agreements

a. Executive Services Agreement (**ESA**) with Mr Mark Fisher

The Company has entered into an executive services agreement with Mark Fisher, pursuant to which Mr Fisher will be engaged as Managing Director of the Company on and from the date of Settlement occurred under the ESA.

The principal terms of the ESA are as follows:

- Initial term of 3 years commencing on the date of settlement.
- Salary of $250,000 per annum plus superannuation which will be reviewed annually by the Company in accordance with the policy of the Company for the annual review of salaries.
- The Company will reimburse Mr Fisher for all reasonable travelling, accommodation and general expenses incurred in the performance of his duties.

b. Non-Executive Chairman appointment letter with Mr Patrick Canion

The Company has entered into a Non-Executive Director letter agreement with Mr Patrick Canion. The Company has agreed to pay Mr Patrick Canion a director fee of $60,000 including superannuation per year for services provided to the Company as Non-Executive Chairman.

c. Non-executive Director appointment letter with Mr Tony Chong

The Company has entered into a Non-Executive Director letter agreement with Mr Tony Chong on 2 August 2017. The Company has agreed to pay Mr Tong Chong a director fee of $40,000 including superannuation per year for services provided to the Company as Non-Executive Director.

d. Non-executive Director - Mr Mathew Walker

The Company had previously appointed Mr Walker as a Non-Executive Director and has agreed to pay a director fee of $60,000 per year for services provided to the Company as Non-Executive Director. The agreement terminated when Mr Mathew Walker resigned on 7 August 2017.

Directors' report

13. Remuneration report (audited)

13.5. Share-based compensation

No options were granted to the Directors during the year ended 30 June 2018 as part of their remuneration.

There were no equity instruments issued during the year to Directors as a result of options exercised that had previously been granted as compensation.

a. Securities Received that are not performance-related

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

b. Options and Rights Granted as Remuneration

No options or rights were granted as remuneration during 2018 (2017: nil).

13.6. KMP equity holdings

a. Fully paid ordinary shares of Intiger Group Limited held by each KMP

2018 – Group *Group KMP*	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Received during the year on conversion of performance shares No.	Other changes/ resignation during the year No.[3]	Balance at end of year No.
Mark Fisher	-	-	-	-	-	-
Patrick Canion	1,455,215	-	-	-	-	1,455,215
Tony Chong[1]	-	-	-	-	-	-
Mathew Walker[2]	105,000,000	-	-	-	(105,000,000)	-
	106,455,215	-	-	-	(105,000,000)	1,455,215

[1] Appointed 7 August 2017

[2] Resigned 7 August 2017

[3] Other changes during the year relate to acquisitions and disposals for Directors and their related parties.

2017 – Group *Group KMP*	Balance at start of year No.	Held at the date of reverse acquisition No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes/ resignation during the year No.[3]	Balance at end of year No.
Mark Fisher	-	-	-	-	-	-
Patrick Canion	-	-	-	-	1,455,215	1,455,215
Mark Rantall[1]	-	-	-	-	-	-
Mathew Walker[2]	105,000,000	-	-	-	-	105,000,000
Sonu Cheema[2]	2,000,000	-	-	-	(2,000,000)	-
Loren King[2]	-	-	-		-	-
	107,000,000	-	-	-	(544,785)	106,455,215

[1] Resigned 7 April 2017

[2] Resigned 17 August 2016

[3] Other changes during the year relate to acquisitions and disposals for Directors and their related parties.

Directors' report

13. Remuneration report (audited)

b. Performance shares in Intiger Group Limited held by each KMP

2018 – Group *Group KMP*	Balance at start of year No.	Granted as Remuneration during the year No.	Converted during the year No.	Other changes during the year No.	Balance at end of year No.	Vested and convertible No.	Not Vested No.
Mark Fisher [3]	440,000,000	-	-	-	440,000,000	-	440,000,000
Patrick Canion	-	-	-	-	-	-	-
Tony Chong [1]	-	-	-	-	-	-	-
Mathew Walker [2]	-	-	-	-	-	-	-
	440,000,000	-	-	-	440,000,000	-	440,000,000

(1) Appointed 7 August 2017
(2) Resigned 7 August 2017
(3) Mr Fisher's Performance Shares comprise the following: 220,000,000 Class A and 220,000,000 Class B

2017 – Group *Group KMP*	Balance at start of year No.	Granted as Remuneration during the year No.	Converted during the year No.	Other changes during the year No.	Balance at end of year No.	Vested and convertible No.	Not Vested No.
Mark Fisher [3]	-	-	-	440,000,000	440,000,000	-	440,000,000
Patrick Canion	-	-	-	-	-	-	-
Tony Chong	-	-	-	-	-	-	-
Mark Rantall [1]	-	-	-	-	-	-	-
Mathew Walker	-	-	-	-	-	-	-
Sonu Cheema [2]	-	-	-	-	-	-	-
Loren King [2]	-	-	-	-	-	-	-
	-	-	-	440,000,000	440,000,000	-	440,000,000

(1) Resigned 7 April 2017
(2) Resigned 17 August 2016
(3) Mr Fisher's Performance Shares comprise the following: 220,000,000 Class A and 220,000,000 Class B

c. Options in Intiger Group Limited held by each KMP

2018 – Group *Group KMP*	Balance at start of year No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes/ resignation during the year No.	Balance at end of year No.	Vested and Exercisable No.	Not Vested No.
Mark Fisher	15,000,000	-	-	-	15,000,000	-	15,000,000
Patrick Canion	17,500,000	-	-	-	17,500,000	-	17,500,000
Tony Chong [1]	-	-	-	-	-	-	-
Mathew Walker [2]	20,000,000	-	-	(20,000,000)	-	-	-
	52,500,000	-	-	(20,000,000)	32,500,000	-	32,500,000

(1) Appointed 7 August 2017
(2) Resigned 7 August 2017

Directors' report

13. Remuneration report (audited)

2017 – Group *Group KMP*	Balance at start of year No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes during the year No. [3]	Balance at end of year No.	Vested and Exercisable No.	Not Vested No.
Mark Fisher	-	-	-	15,000,000	15,000,000	-	15,000,000
Patrick Canion	-	-	-	17,500,000	17,500,000	-	17,500,000
Tony Chong	-	-	-	-	-	-	-
Mark Rantall [1]	-	-	-	-	-	-	-
Mathew Walker	20,000,000	-	-	-	20,000,000	20,000,000	-
Sonu Cheema [2]	-	-	-	-	-	-	-
Loren King [2]	-	-	-	-	-	-	-
	20,000,000	-	-	32,500,000	52,500,000	20,000,000	32,500,000

(1) Resigned 7 April 2017
(2) Resigned 17 August 2016
(3) Other changes during the year relate to acquisitions and disposals for Directors and their related parties.

13.7. Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

13.8. Other transactions with KMP and or their Related Parties

During the 2018 financial year, the Group incurred the following amounts to related parties:

	2018 $	2017 $
Included in accruals are amounts payable to Mr Fisher in respect to accrued salary package. Accrued salary is included in the Remuneration Report contained in the Directors' Report on page 8.	253,188	251,042
Cicero Corporate Services Pty Ltd (**Cicero**), formerly an entity controlled by Mr Walker, provided financial services and company secretarial services to Intiger Group Limited. These services were provided indirectly by Mr Walker and were therefore not included in the Remuneration Report contained in the Directors' Report on page 8. Cicero ceased to be a related party in August 2017.	22,078	90,532
Lavan Legal (**Lavan**), a law firm where Mr Chong was a partner, provided general legal services to the Group. These services were not provided by Mr Chong and were therefore not included in the Remuneration Report contained in the Directors' Report on page 8. Lavan ceased to be a related party in May 2017.	63,122	-
Squire Patton Boggs, a law firm where Mr Chong is a partner, provided general legal services to the Group. These services were not provided by Mr Chong and were therefore not included in the Remuneration Report contained in the Directors' Report on page 8.	5,719	-

Refer also Note 23 Related party transactions.

END OF REMUNERATION REPORT

Directors' report

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).

PATRICK CANION
Chairman
Dated this Thursday, 27 September 2018

HLB Mann Judd
Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Intiger Group Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

This declaration is in relation to the Intiger Group Limited and the entities it controlled during the period.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Nick Walker
Partner

Melbourne
27 September 2018

HLB Mann Judd (VIC Partnership)
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Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2018

	Note	2018 $	2017 $
Continuing operations			
Revenue	4	624,065	472,281
Other income	4	21,018	16,420
		645,083	488,701
Compliance costs		(69,530)	(182,944)
Consulting fees		(82,927)	(526,561)
Debt-to-equity conversion		-	(750,000)
Depreciation and impairment		(489)	-
Employment costs	5	(1,872,861)	(824,455)
Finance costs		(852)	-
Impairment		-	(4,491)
Legal expenses		(61,454)	(151,767)
Occupancy costs		(354,159)	-
Professional fees		(305,615)	(112,519)
Public relations, marketing and advertising		(39,149)	-
Net share-based payments expensed / (lapsed)	21	(561,983)	(1,252,491)
Other expenses		(981,031)	(1,038,764)
Loss before tax		(3,684,967)	(4,355,291)
Income tax expense	7	(2,068)	-
Net loss for the year		(3,687,035)	(4,355,291)
Other comprehensive income, net of income tax			
• Items that will not be reclassified subsequently to profit or loss		-	-
• Items that may be reclassified subsequently to profit or loss			
☐ Foreign currency movement gain/(loss)		9,004	(18,872)
Other comprehensive income for the year, net of tax		9,004	(18,872)
Total comprehensive income attributable to members of the parent entity		(3,678,031)	(4,374,163)
Loss for the period attributable to:			
• Non-controlling interest		-	-
• Owners of the parent		(3,687,035)	(4,355,291)
Total comprehensive income attributable to:			
• Non-controlling interest		-	-
• Owners of the parent		(3,678,031)	(4,374,163)
Earnings per share:		¢	¢
Basic and diluted loss per share (cents per share)	8	(0.29)	(0.40)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2018

	Note	2018 $	2017 $
Current assets			
Cash and cash equivalents	9	1,078,563	2,038,180
Trade and other receivables	10	120,529	89,239
Other financial assets	13	-	-
Other current assets	11	49,848	39,297
Total current assets		1,248,940	2,166,716
Non-current assets			
Trade and other receivables	10	47,253	-
Intangible assets	14	1,935,650	1,935,650
Property plant and equipment	15	1,448	-
Total non-current assets		1,984,351	1,935,650
Total assets		3,233,291	4,102,366
Current liabilities			
Trade and other payables	16	606,249	489,463
Provisions	17	62,843	14,859
Total current liabilities		669,092	504,322
Total liabilities		669,092	504,322
Net assets		2,564,199	3,598,044
Equity			
Issued capital	18a	43,322,215	40,583,804
Reserves	19	2,980,941	3,421,625
Accumulated losses		(43,738,957)	(40,407,385)
Total equity		2,564,199	3,598,044

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2018

	Note	Issued Capital $	Reserves (Note 19) $	Accumulated Losses $	Total $
Balance at 1 July 2016		39,803,481	1,011,671	(36,052,094)	4,763,058
Loss for the year attributable owners of the parent		-	-	(4,355,291)	(4,355,291)
Other comprehensive income for the period attributable owners of the parent		-	(18,872)	-	(18,872)
Total comprehensive income for the year attributable owners of the parent		-	(18,872)	(4,355,291)	(4,374,163)
Transaction with owners, directly in equity					
Shares issued during the year	18a	994,017	-	-	994,017
Options granted during the year	18c	-	2,428,826	-	2,428,826
Transaction costs	18a	(213,694)			(213,694)
Balance at 30 June 2017		40,583,804	3,421,625	(40,407,385)	3,598,044
Balance at 1 July 2017		40,583,804	3,421,625	(40,407,385)	3,598,044
Loss for the year attributable owners of the parent		-	-	(3,687,035)	(3,687,035)
Other comprehensive income for the year attributable owners of the parent		-	9,004	-	9,004
Total comprehensive income for the year attributable owners of the parent		-	9,004	(3,687,035)	(3,678,031)
Transaction with owners, directly in equity					
Shares issued during the year	18a	2,738,411	-	-	2,738,411
Options granted during the year	18c	-	561,983	-	561,983
Options exercised or expired during the year	18c, 21	-	(1,011,671)	355,463	(656,208)
Balance at 30 June 2018		43,322,215	2,980,941	(43,738,957)	2,564,199

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

Consolidated statement of cash flows
for the year ended 30 June 2018

	Note	2018 $	2017 $
Cash flows from operating activities			
Receipts from customers		562,021	446,750
Interest received		16,005	16,420
Payments to suppliers and employees		(3,617,909)	(2,961,812)
Net cash used in operating activities	9d(ii)	(3,039,883)	(2,498,642)
Cash flows from investing activities			
Purchase of plant and equipment		(1,937)	-
Payments for subsidiary, net of cash acquired		-	20,589
Net cash (used in)/provided by investing activities		(1,937)	20,589
Cash flows from financing activities			
Proceeds from issue of shares and options		2,082,203	244,016
Payments for capital raising costs		-	(213,694)
Net cash provided by financing activities		2,082,203	30,322
Net decrease in cash held		(959,617)	(2,447,731)
Cash and cash equivalents at the beginning of the year		2,038,180	4,485,911
Cash and cash equivalents at the end of the year	9b	1,078,563	2,038,180

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

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies

These are the consolidated financial statements and notes of Intiger Group Limited (**Intiger** or **the Company**) and controlled entities (collectively **the Group**). Intiger is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of Intiger, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

The financial statements were authorised for issue on 27 September 2018 by the directors of the Company.

a. Basis of preparation

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

i. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

ii. Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the year of $3,687,035 (2017: $4,355,291 loss) and a net operating cash out-flow of $3,039,883 (2017: $2,498,642 out-flow).

The ability of the Consolidated Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cash flow in line with available funds.

On 22 August 2018 the company announced that it had received binding commitments from institutional and sophisticated investors for a placement of $3,000,000 which will be completed by way of a two tranche placement. On 29 August 2018 the company completed Tranche one and received the $1,000,000 through the issue 100,000,000 shares at $0.01 per share, together with one free attaching unlisted option to acquire a share for every share received, as disclosed in note 28 Events subsequent to reporting date.

The directors have prepared a cash flow forecast, which indicates that the Consolidated Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecast and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Group's cash flows deviate from the cash flow forecast, a material uncertainty will exist that cast significant doubt on the Group's ability to continue as a going concern and it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

iii. Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 1q.

iv. Comparative figures

Where required by AASBs comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b. Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 July 2017 but determined that their application to the financial statements is either not relevant or not material.

c. Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

i. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;

less

- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in Note 20 Controlled Entities of the financial statements.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

iii. Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, than such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

iv. Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

d. Foreign currency transactions and balances

i. Functional and presentation currency

The functional currency of each of the Group's entities 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.

ii. Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period.

All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

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

iii. Group companies and foreign operations

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

e. Taxation

i. Income tax

The income tax expense or benefit for the period is the tax payable on the current year's taxable income (loss) based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge (benefit) is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax is provided on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

The carrying amount of deferred income tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit and loss and other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

ii. 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 taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability 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.

f. Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation nd any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Depreciation is calculated on a straight-line basic over the estimated useful life of the assets as follows:

Plant and equipment – over 1 to 7.5 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

i. Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

For plant and equipment, impairment losses are recognised in profit or loss.

ii. Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the differences between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

g. Fair Value

i. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

ii. Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

iii. Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

h. Non-current assets held for disposal and discontinued operations

Non-current assets and disposal groups are classified as held for sale and measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale.

Classification as "held for sale" occurs when: management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification; and active marketing of the asset has commenced. Such assets are classified as current assets.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

A discontinued operation is a component of an entity, being a cash-generating unit (or a group of cash generating units), that either has been disposed of, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with the view to resale.

Impairment losses are recognised for any initial or subsequent write-down of an asset (or disposal group) classified as held for sale to fair value less costs to sell. Any reversals of impairment recognised on classification as held for sale or prior to such classification are recognised as a gain in profit or loss in the period in which it occurs.

i. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see accounting policy 1e) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

j. Financial instruments

i. Initial recognition and measurement

A financial instrument is recognised if the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified on the contract expire or are discharged or cancelled.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii. Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

iii. Classification and Subsequent Measurement

(1) *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-borrowings in current liabilities on the Statement of financial position.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

(2) *Trade and other receivables*

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the consolidated statement of profit or loss and other comprehensive income. Collectability of trade and other receivables are reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts (see also Note 1j.vii).

(3) *Trade and other payables*

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year/period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(4) *Share capital*

Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

iv. Amortised cost

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

v. Fair value

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.

vi. Effective interest method

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

vii. Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Financial assets are tested for impairment on an individual basis.

All impairment losses are recognised in the income statement.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the income statement.

viii. Derecognition

Financial assets are derecognised where the contractual rights to 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 either 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.

ix. Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare 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. All other borrowing costs are recognised in income in the period in which they are incurred.

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

k. Intangible assets other than goodwill

Intangible assets are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impaired losses. The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in an accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

i. Intellectual property

Intellectual property acquired as part of a business combination is recognised separately from goodwill. Intellectual property is carried at cost, which is its fair value at the date of acquisition, less accumulated impairment losses. Intellectual property deemed to have an indefinite useful life is not amortised, but is subject to annual impairment testing.

l. Employee benefits

i. Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

ii. Other long-term benefits

The Group's obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Company's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

iii. Retirement benefit obligations: Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

iv. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

v. Equity-settled compensation

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

m. 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 results and that outflow can be reliably measured.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

n. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

o. Revenue and other income

Interest revenue is recognised in accordance with Note 1j.ix Finance income and expenses.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

All revenue is stated net of the amount of GST (Note 1e.ii Goods and Services Tax (GST)).

p. Segment reporting

Operating segments are presented in a manner consistent with the internal reporting provided to the chief operating decision makers ("CODM"). The CODM is responsible for the allocation of resources to operating segments and assessing their performance, and has been identified as the Board Directors of the Company.

For the current reporting period, the Group operated in one segment, being the financial technology platform sector.

q. Critical Accounting Estimates and Judgments

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Key judgements and estimates – Business Combinations

Refer Note 3 Business combinations.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

ii. Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates consider both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. Refer Note 7 Income Tax.

iii. Key judgements and estimates – Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in Note 21 Share-based payments.

iv. Key judgements and estimates – Impairment of intangibles and indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

At each reporting date or more frequently if events or changes in circumstances indicate a possible impairment, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are largely independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

In accordance with the above mentioned, during the year ended 30 June 2018, the carrying value of the intellectual property, an intangible asset of the Group, was subject to the following procedures in accessing impairment:

(1) Management assessed that the intellectual property intangible asset in its entirely is attributable to a single Cash Generating Unit (**CGU**), being the Group’s sole segment.
(2) At the date of the reporting period, the net carrying value of intangible was tested. Impairment testing performed in respect of the value in use (**VIU**) was considered and it was concluded that further information is needed to assess and forecast the probability of expected future economic benefits.
(3) The Group reviewed the internal management financial model and applied the impact of the Intiger Platform on future revenue forecasts and earnings streams, and prepared a 5-year cash flow forecast discounted at a pre-tax rate of 36.6%.
(4) Other than the revenue forecasts, key assumptions applied included discount rates, customer growth rates, and future foreign currency exchange impacts.
(5) As a result of the above procedures, the VIU was considered to exceed the carrying value of the intellectual property and no impairment adjustment was required.
(6) The internal management financial model is subject to sensitivity analysis and scenario testing which contemplates growth rates and financial ration analysis used in impairment testing. A reasonably possible change in the key assumptions would not lead to an impairment of the intangible asset. Further operational maturity and information will be assessed on an on-going basis.

r. New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

i. AASB 9 *Financial Instruments and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)*

The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 1 Statement of significant accounting policies (continued)

Key changes made to this standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

The Directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

ii. AASB 15 *Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).*

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

(1) Identify the contract(s) with a customer;

(2) Identify the performance obligations in the contract(s);

(3) Determine the transaction price;

(4) Allocate the transaction price to the performance obligations in the contract(s); and

(5) Recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's revenue recognition and disclosures.

iii. AASB 16: *Leases (applicable to annual reporting periods commencing on or after 1 January 2019).*

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice.

The Directors anticipate that the adoption of AASB 16 will not have a material impact on the Group's recognition of leases and disclosures).

Note 2 Company details

The registered office of the Company is:

Street + Postal: Barringtons House
283 Rokeby Road
Subiaco WA 6008

Telephone: +61 (0)8 6141 3394

Facsimile: +61 (0)8 6141 3101

Head Quarters:

Street: Barringtons House
283 Rokeby Road
Subiaco WA 6008

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 3 Business combinations

a. Intiger Asset Management Pty Ltd (Intiger Asset Management)

In respect to the 2017 Financial Year, on 18 August 2016, Intiger Group Limited (**Intiger**), acquired 100% of the ordinary share capital and voting rights of Intiger Asset Management and associated entities (the **Intiger Group)** as below:

- Intiger Asset Management Pty Ltd (ACN 606 729 328);
- Intiger Process Enhancement Pty Ltd (ACN 610 159 209);
- Intiger Asset Management Limited (HKCN 2254952);
- Tiger 1 Limited (HKCN 2258742);
- Tiger 1 Limited (HKCN 2258743);
- Lion 2 Business Process, Inc. (PIN CS201522320); and
- Integra Asset Management Australia Pty Ltd (ACN 162 734 376), a wholly owned subsidiary of Intiger Asset Management

b. Acquisition consideration

As consideration for the issued capital of Intiger Asset Management and associated entities consisted of the following:

- $50,000 cash consideration
- $500,000 non-cash consideration on effective settlement of pre-existing loan
- 500,000,000 Performance Shares (being 250,000,000 Class A performance Shares and 250,000,000 Class B Performance Shares) to the vendors of the Intiger Group in consideration for the acquisition of all the shares in each of the entities comprising the Intiger Group, pursuant to the agreement; and
- 50,000,000 Options to the Proposed Directors under the Incentive Option Plan
- The total value of the consideration was $1,726,333 comprising of an issue of equity instruments, cash and non-cash components as per above.

No value was assigned to the Performance Shares as these are contingent on future events for which no reasonable basis as to the likelihood of them converting was present. The key conversion terms and conditions on performance shares are listed at note 18(b).

	2017 $
Acquisition date fair value of the consideration transferred:	
• Cash consideration	50,000
• Non-cash consideration	500,000
• Options issued	1,176,333
Total consideration	1,726,333

Acquisition related costs of $292,857 are included in other expenses in the 2017 statement of comprehensive income. Directly attributable costs of raising equity have been included as a deduction from equity.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 3 Business combinations (continued)

a. Assets acquired and liabilities assumed at the date of acquisition

Business combination accounting was as follows:

	Fair value $
Fair value of consideration transferred	1,726,333
Fair value of assets and liabilities held at acquisition date:	
Cash	70,589
Trade and other receivables	18,254
Trade and other payables	(298,160)
Fair value of identifiable assets and liabilities assumed	(209,317)
Value of Intellectual Property at cost acquired (refer note 14(a))	1,935,650

b. Net cash flow arising on acquisition

	2017 $
The cash flow on acquisition is as follows:	
Cash paid	(50,000)
Cash acquired	70,589
Net cash inflow	20,589

Note 4 Revenue and other income

	2018 $	2017 $
a. Revenue		
Service income	624,065	472,281
	624,065	472,281
b. Other income		
Interest income	5,013	-
Other income	16,005	16,420
	21,018	16,420

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 5 Profit / (loss) before income tax	2018 $	2017 $
The following significant revenue and expense items are relevant in explaining the financial performance:		
a. Employment costs:		
Directors' fees	193,780	329,640
Increase / (decrease) in employee benefits provisions	52,667	10,176
Superannuation expenses / (reimbursement)	136,453	35,145
Wages and salaries	1,432,780	449,494
Payroll tax	30,570	-
Other employment related costs	26,611	-
	1,872,861	824,455

Note 6 Auditor's remuneration	2018 $	2017 $
Remuneration of the auditor of the Intiger Limited for:		
Auditing or reviewing the financial reports:		
HLB Mann Judd	63,070	50,525
	63,070	50,525

Note 7 Income tax	Note	2018 $	2017 $
a. Income tax expense			
Current tax		2,068	-
Deferred tax		-	-
		2,068	-
Deferred income tax expense included in income tax expense comprises:			
Increase / (decrease) in deferred tax assets	7e	-	-
(Increase) / decrease in deferred tax liabilities		-	-
		-	-
b. Reconciliation of income tax expense to prima facie tax payable			
The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prima facie tax on operating loss at 27.5% (2017: 27.5%)		(1,013,366)	(1,197,705)
Add / (Less) tax effect of:			
Capital-raising costs deductible			
(Non-assessable)/Non-deductible share-based payments			
Non-deductible expenses		385,148	552,687
Temporary differences not recognised		628,218	307,343
Effect of change in tax rate		-	337,675
Other assessable income		2,068	-
Income tax expense / (benefit) attributable to operating loss		2,068	-

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 7 Income tax (cont.)	Note	2018 $	2017 $
		%	%
c. The applicable weighted average effective tax rates attributable to operating profit are as follows		(0.19)	-
		$	$
d. Balance of franking account at year end of the parent		nil	nil
e. Deferred tax assets / (liabilities) not brought to accounts			
Tax losses: revenue		4,859,145	4,198,054
Temporary differences		137,252	161,395
		4,996,397	4,359,449
f. Tax losses and deductible temporary differences			
Unused tax losses and deductible temporary differences for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:		18,165,293	15,867,426
		18,165,293	15,867,426

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2018 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;

ii. the company continues to comply with conditions for deductibility imposed by law; and

iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss.

Note 8 Earnings per share (EPS)	Note	2018 $	2017 $
a. Reconciliation of earnings to profit or loss			
Loss for the year		(3,687,035)	(4,355,291)
Loss used in the calculation of basic and diluted EPS		(3,687,035)	(4,355,291)
		2018 No.	2017 No.
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		1,265,131,594	1,092,241,975
		2018 ¢	2017 ¢
c. Earnings per share			
Basic and diluted EPS (cents per share)	8d	(0.29)	(0.40)

d. At the end of the 2018 financial year, the Group has 195,000,000 unissued shares under options (2017: 412,180,061) and 500,000,000 performance shares on issue (2017: 500,000,000). The Group does not report diluted earnings per share on annual losses generated by the Group. During the 2017 financial year the Group's unissued shares under option and partly-paid shares were anti-dilutive.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 9 Cash and cash equivalents	Note	2018 $	2017 $
a. Current			
Cash at bank		1,078,563	2,038,180
		1,078,563	2,038,180
b. Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents		1,078,563	2,038,180
		1,078,563	2,038,180

c. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 27 Financial risk management.

d. Cash Flow Information	Note	2018 $	2017 $
(ii) Reconciliation of cash flow from operations to (loss)/profit after income tax			
Loss after income tax		(3,687,035)	(4,355,291)
Non-cash flows in (loss)/profit from ordinary activities:			
Depreciation		489	-
Impairment		-	4,491
Share-based payments		561,983	1,233,621
Equity settled fees		-	750,000
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:			
Increase in receivables		(114,309)	(35,889)
Decrease/(increase) in prepayments and other assets		25,216	(27,495)
(Decrease)/increase in trade and other payables		125,789	(82,938)
(Decrease)/increase in provisions		47,984	14,859
Cash flow from operations		(3,039,883)	(2,498,642)

e. Credit standby facilities

The Group has no credit standby facilities.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 10 Trade and other receivables	2018 $	2017 $
a. Current		
Trade receivables	95,329	47,531
Other receivables (i)	25,200	41,708
	120,529	89,239
b. Non-current		
Deposits	47,253	-
	47,253	-

(i) Other receivables are non-interest bearing and expected to be received within 30 days

(ii) The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 27 Financial risk management.

Note 11 Other assets	2018 $	2017 $
Current		
Prepayments	7,952	33,253
Other current assets	86	-
GST and other input taxes receivable.	41,810	6,044
	49,848	39,297

Note 12 Impairment Write Downs	2018 $	2017 $
Impairment write down – Sugar Dragon	-	4,491
	-	4,491
a. Investment in Sugar Dragon		
Balance at the beginning of the year	-	4,491
Impairment write down(i)		(4,491)
Carrying value of investment	-	-

(i) Refer to Note 13 Financial assets for further details around the carrying value and impairment recognised on the investment in Sugar Dragon.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 13 Other financial assets	2018 $	2017 $
a. Current		
Cost	500,000	500,000
Accumulated impairment losses	(500,000)	(500,000)
	-	-

(i) The financial instrument held as available for sale have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. Financial assets are classified as level 2.

(ii) During the year ended 30 June 2015, a total of 7,692,308 fully paid ordinary shares were acquired at a conversion price of $0.065 per share, providing IAM with a 15% equity position in Sugar Dragon Limited. Following the ASX decision to not admit Sugar Dragon Limited to official list pursuant to lodgement of a Prospectus with ASIC on 27 January 2016 and ASX listing application submitted on 2 February 2016, the management of Intiger Group recognised an impairment expense of $4,491 for the year ended 30 June 2017.

Note 14 Intangible asset	2018 $	2017 $
a. Non-current		
Intellectual property at cost	1,935,650	1,935,650
Total Intangible Assets	1,935,650	1,935,650

	Intellectual Property $	Total $
b. Movements in carrying amount		
Balance at 1 July 2016	-	-
Additions	1,935,650	1,935,650
Balance at 30 June 2017	1,935,650	1,935,650
Balance at 30 June 2018	1,935,650	1,935,650

Note 15 Property, plant, and equipment	2018 $	2017 $
a. Non-current		
Computer and Communication Equipment at cost	1,937	-
Less: Accumulated Depreciation	(489)	-
Total plant and equipment	1,448	-

Notes to the consolidated financial statements -
for the year ended 30 June 2018

Note 16 Trade and other payables

	Note	2018 $	2017 $
a. Current			
Unsecured			
Trade payables (i)(ii)		71,001	208,422
Accruals	23	317,727	281,041
Employment related payables		216,241	-
Related party payables		1,280	-
		606,249	489,463

(i) Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

(ii) Included within the balance is an amount of Nil (2017: $251,042) payable to current and former directors and their related parties.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 27 Financial risk management.

Note 17 Provisions

	2018 $	2017 $
a. Current		
Employee entitlements	62,843	14,859
	62,843	14,859

Note 18 Issued capital

	2018 No.	2017 No.	2018 $	2017 $
Fully paid ordinary shares at no par value	1,377,895,817	1,117,620,396	43,322,215	40,583,804
a. Ordinary shares				
At the beginning of the period	1,117,620,396	875,587,815	40,583,804	39,803,482
Shares issued during the year:				
Prospectus	-	174,030,549	-	-
Debt conversion	-	37,500,000	-	750,000
Option conversion	-	30,502,032	-	244,016
Option Conversion	260,275,421		2,738,411	
Transaction costs relating to share issues	-	-	-	(213,694)
At reporting date	1,377,895,817	1,117,620,396	43,322,215	40,583,804

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 18 Issued capital (cont.)	2018 No.	2017 No.	2018 $	2017 $
b. Performance shares				
Performance shares	500,000,000	500,000,000	-	-
At beginning of the period	500,000,000	-	-	-
Issue of Performance Shares under the Acquisition	-	500,000,000	-	-
At reporting date	500,000,000	500,000,000	-	-

The Company has 500,000,000 performance shares on issue, being 250,000,000 Class A Performance Shares and 250,000,000 Class B Performance Shares, with the following milestones:

Milestone
Class A Performance Shares: • The aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$1,000,000 between the date of issue of the Performance Shares and 30 June 2019. • One Class A Performance Share converts on achievement of the milestone into one Class C Performance Share and one Ordinary Share.
Class B Performance Shares: • The aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$4,000,000 between the date of issue of the Performance Shares and 30 June 2019. • One Class B Performance Share concerts on achievement of the milestone into one Class D Performance share and one Ordinary Share.
Class C Performance Shares: • The aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$11,000,000 between the date of issue of the Performance Shares and 30 June 2019. • One Class C Performance Share converts on achievement of the milestone into one Ordinary Share.
Class D Performance Shares: • The aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$40,000,000 between the date of issue of the Performance Shares and 30 June 2019. • One Class D Performance Share converts on achievement of the milestone into one Ordinary Share.

No value has been allocated to the performance shares due to the significant uncertainty of meeting the performance milestones which are based on future events. To date, none of the Milestones have been met.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 18 Issued capital (cont.)	Note	2018 No.	2017 No.	2018 $	2017 $
c. Options					
Options		195,000,000	412,180,061	2,990,809	3,440,497
At the beginning of the period		412,180,061	302,682,093	3,440,497	1,011,671
Options issued/(lapsed) during the year:					
2.00₵ options, expiry: 30.06.2020	21a(ii)(1)	-	50,000,000	-	1,176,334
2.00₵ options, expiry: 30.06.2020	21a(ii) (2)	-	50,000,000	-	1,176,334
2.00₵ options, expiry: 30.06.2020	21a(ii) (3)	-	40,000,000	-	76,158
2.50₵ options, expiry: 30.06.2020	21a(i) (1)	55,000,000	-	561,983	-
Options lapsed		(11,904,640)	-	-	-
Options exercised		(260,275,421)	(30,502,032)	(1,011,671)	-
At reporting date		195,000,000	412,180,061	2,990,809	3,440,497

d. Capital Management

The Directors' objectives when managing capital are to ensure that the Group can maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the availability of liquid funds in order to meet its short-term commitments.

The focus of the Group's capital risk management is the current working capital position against the requirements of the Group in respect to its operations, software developments programmes, and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group were as follows:

	Note	2018 $	2017 $
Cash and cash equivalents	9	1,078,563	2,038,180
Trade and other receivables	10	120,529	89,239
Other current assets	11	49,848	39,297
Trade and other payables	16	(606,249)	(489,463)
Provisions	17	(62,843)	(14,859)
Working capital position		579,848	1,662,394

Note 19 Reserves	2018 $	2017 $
Foreign exchange reserve (i)	(9,868)	(18,872)
Option reserve (ii)	2,990,809	3,440,497
	2,980,941	3,421,625

(i) **Foreign exchange translation reserve**

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiaries.

(ii) **Option reserve**

The option reserve records items recognised as expenses on the value of directors and employee equity issues.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 20 Controlled entities

a. Parent entity

Intiger Group Limited is the ultimate parent of the Group.

(i) **Subsidiaries**

	Country of Incorporation	Class of Shares	Percentage Owned 2018	Percentage Owned 2017
Orion Exploration Pty Ltd	Australia[(1)]	Ordinary	-	100.0
Eastbourne Exploration Pty Ltd	Australia[(1)]	Ordinary	-	100.0
Intiger Process Enhancement Pty Ltd	Australia[(1)]	Ordinary	-	100.0
Intiger Asset Management Limited	Hong Kong	Ordinary	100.0	100.0
Tiger 1 Limited	Hong Kong[(1)]	Ordinary	-	100.0
Tiger 2 Limited	Hong Kong[(1)]	Ordinary	-	100.0
Lion 2 Business Process, Inc	Philippines	Ordinary	100.0	100.0

(1) The inactive companies were deregistered by the Company.

b. Investments in subsidiaries are accounted for at cost.

Note 21 Share-based payments

	Note	2018 $	2017 $
Share-based payment expense	21a	561,983	1,252,491
Net share-based payment recognised in Profit or Loss		561,983	1,252,491
Share-based payment expense recognised in issued capital		(656,208)	-
Expiration of vested share-based payments recognised in retained earnings		(355,463)	-
Gross share-based transactions		(449,688)	1,252,491

a. Share-based payment arrangements in effect during the period

(i) Share-based payments recognised in profit or loss

Number under Option	Date of Expiry	Exercise Price	Vesting Terms
55,000,000 [(1)]	30 June 2020	$0.025	Immediately upon issue

1 *Unquoted options issued pursuant to the Incentive Option Plan in consideration for services to be provided by certain employees of the Company. Unquoted exercisable at $0.025 on or before 30 June 2020. These options were valued as $561,983 on grant date.*

(ii) Share-based payments recognised in profit or loss in prior periods

Number under Option	Date of Expiry	Exercise Price	Vesting Terms
50,000,000 [(1)]	30 June 2020	$0.02	Immediately upon issue
50,000,000 [(2)]	30 June 2020	$0.02	Immediately upon issue
40,000,000 [(3)]	30 June 2020	$0.02	Immediately upon issue

1 *Unquoted options issued for the introduction of the Intiger Group to the Company. Unquoted exercisable at $0.02 on or before 30 June 2020. These options were valued as $1,176,333 on grant date.*

2 *Unquoted options were issued as consideration for the purchase of Intiger Asset Management Pty Ltd and associated entities. These options were valued as $1,176,333 on grant date.*

3 *Options were issued on 21 April 2017 pursuant to the Company's Employee Incentive Scheme in consideration for services to be provided by certain employees of the Company subject to the following vesting conditions:*

(i) 12,500,000 vest and become exercisable upon the aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$1 million between the date of issue of the Options and 30 June 2020;

(ii) 12,500,000 vest and become exercisable upon the aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$4 million between the date of issue of the Options and 30 June 2020;

(iii) 7,500,000 vest and become exercisable upon the aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$11 million between the date of issue of the Options and 30 June 2020; and

(iv) 7,500,000 vest and become exercisable upon the aggregate audited consolidated net profit after tax of the Intiger Group being not less than A$40 million between the date of issue of the Options and 30 June 2020.

These options were valued as $76,158 on grant date.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 21 Share-based payments (cont.)

b. Movement in share-based payment arrangements during the period

A summary of the movements of all company options issued as share-based payments is as follows:

	2018		2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	140,000,000	$0.0200	-	-
Granted	55,000,000	$0.0138	140,000,000	$0.0200
Exercised	-	-	-	-
Expired	-		-	-
Outstanding at year-end	195,000,000	$0.0214	140,000,000	$0.0200
Exercisable at year-end	155,000,000	$0.0218	100,000,000	$0.0200

(i) No options were exercised during the year.

(ii) The weighted average remaining contractual life of options outstanding at year end was 2.00 years (2017: 3.00 years). The weighted average exercise price of outstanding shares at the end of the reporting period was $0.0214 (2017: $0.0200).

(iii) The fair value of the options granted to employees is deemed to represent the value of the employee services received over the vesting period.

c. Fair value of options grants during the period

The fair value of the options granted to employees is deemed to represent the value of the employee services received over the vesting period.

The weighted average fair value of options granted during the year was $0.0102 (2017: $0.0198). These values were calculated using the Black-Scholes option pricing model, applying the following inputs to options issued this year:

Grant date:	22 June 2018
Grant date share price:	$0.020
Option exercise price:	$0.025
Number of options issued:	55,000,000
Expiry Date	30 June 2020
Expected share price volatility:	107%
Risk-free interest rate:	1.98%
Value per option	$0.0102

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 22 Key Management Personnel compensation (KMP)

The names and positions of KMP are as follows:

- Mr Patrick Canion — Non-executive Chairman
- Mr Mark Fisher — Non-executive Director
- Mr Tony Chong — Non-executive Director
- Mr Mathew Walker — Non-executive Director (resigned 7 August 2017)

Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by the Corporations Regulations 2M.3.03 is provided in the Remuneration report table on page 8.

	Note	2018 $	2017 $
Short-term employee benefits		323,753	554,055
Post-employment benefits		25,392	10,737
Total		349,145	564,792

Note 23 Related party transactions

	2018 $	2017 $
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Included in accruals are amounts payable to Mr Fisher in respect to accrued salary package. Accrued salary is included in the Remuneration Report contained in the Directors' Report on page 8.	253,188	251,042
Cicero Corporate Services Pty Ltd (**Cicero**), formerly an entity controlled by Mr Walker, provided financial services and company secretarial services to Intiger Group Limited. These services were provided indirectly by Mr Walker and were therefore not included in the Remuneration Report contained in the Directors' Report on page 8. Cicero ceased to be a related party in August 2017.	22,078	90,532
Lavan Legal (**Lavan**), a law firm where Mr Chong was a partner, provided general legal services to the Group. These services were not provided by Mr Chong and were therefore not included in the Remuneration Report contained in the Directors' Report on page 8. Lavan ceased to be a related party in May 2017.	63,122	-
Squire Patton Boggs, a law firm where Mr Chong is a partner, provided general legal services to the Group. These services were not provided by Mr Chong and were therefore not included in the Remuneration Report contained in the Directors' Report on page 8.	5,719	-

Note 24 Commitments

	2018 $	2017 $
Operating lease commitments due:		
Not later than 12 months	207,177	-
Between 12 months and five years	-	-
Later than five years	-	-
Total operating lease commitments	207,177	-

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 25 Contingent liabilities

On 30 May 2018, the Company received correspondence from the Inland Revenue Department in Hong Kong regarding its subsidiary Intiger Asset Management Limited (Hong Kong). The letter has requested the Company to provide details of any income derived outside of Hong Kong for the 2016 and 2017 financial year. The Company disputes this assessment as no revenue was earned in, or related to, this jurisdiction. Accordingly, the Company is investigating this disputed claim and has engaged external consultants to determine the potential tax exposure (if any).

There are no other contingent liabilities as at 30 June 2018 (2017: Nil).

Note 26 Operating segments

a. **Identification of reportable segments**

The Group has identified its operating segment based on the internal reports that are reviewed and used by the Board of Directors (Chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group operates primarily in development of the Intiger platform and services. The financial information presented in the consolidated statement of comprehensive income and the consolidated statement of financial position is the same as that presented to the chief operating decision maker.

Unless stated otherwise, all amounts reported to the Board of directors as the chief operating decision maker is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group. During the current period, the Group is considered to operate in one segment, being the digital and offshore processing financial planning sector.

b. **Revenue by geographical region**

	2018 $	2017 $
Revenue attributable to external customers is disclosed below, based on the location of the external customer:		
Australia	629,078	472,281
Total revenue	629,078	472,281

c. **Assets by geographical location**

	2018 $	2017 $
Location of segment assets by geographical location of the assets is disclosed below:		
Australia	4,945,233	4,278,074
Philippines	213,200	136,332
Total assets	5,158,433	4,414,406

d. **Major customers**

The Group has a number of customers to whom it provides services. The Group supplies a single external customer who accounts for 16% of the external revenue (2017: 33%). The next most significant client accounts of 13% (2017: 20%) of external revenue.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 27 Financial risk management

a. Financial Risk Management Policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts payable and receivable.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2018 Total $	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2017 Total $
Financial Assets								
☐ Cash and cash equivalents	1,078,563	-	-	1,078,563	2,038,180	-	-	2,038,180
☐ Loans and other receivables	-	-	167,782	167,782	-	-	89,239	89,239
Total Financial Assets	1,078,563	-	167,782	1,246,345	2,038,180	-	89,239	2,127,419
Financial Liabilities								
Financial liabilities at amortised cost								
☐ Trade and other payables	-	-	606,249	606,249	-	-	489,463	489,463
Total Financial Liabilities	-	-	606,249	606,249	-	-	489,463	489,463
Net Financial Assets/(Liabilities)	1,078,563	-	(438,467)	640,096	2,038,180	-	(400,224)	1,637,956

b. Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

(i) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 27 Financial risk management (cont.)

The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Credit risk exposures

The maximum exposure to credit risk is to its alliance partners and is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board's policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where ever possible.

Impairment losses

The ageing of the Group's trade and other receivables at reporting date was as follows:

	Gross 2018 $	Impaired 2018 $	Net 2018 $	Past due but not impaired 2018 $
Trade receivables				
Not past due	72,546	-	72,546	-
Past due up to 60 days	9,291	-	9,291	9,291
Past due 60 days to 90 months	768	-	768	768
Past due over 90 months	-	-	-	-
	82,605	-	82,605	10,059
Other receivables				
Not past due	37,924	-	37,924	-
Total	120,529	-	120,529	10,059

(ii) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 27 Financial risk management (cont.)

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

Contractual Maturities

The following are the contractual maturities of financial liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $
Financial liabilities due for payment						
Trade and other payables	606,249	489,463	-	-	606,249	489,463
Total contractual outflows	606,249	489,463	-	-	606,249	489,463
Financial assets						
Cash and cash equivalents	1,078,563	2,038,180	-	-	1,078,563	2,038,180
Trade and other receivables	167,782	89,239	-	-	167,782	89,239
Total anticipated inflows	1,246,345	2,127,419	-	-	1,246,345	2,127,419
Net (outflow)/inflow on financial instruments	640,096	1,637,956	-	-	640,096	1,637,956

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(iii) Market risk

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

The Board meets on a regular basis and considers the Group's interest rate risk.

(1) ***Interest rate risk***

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Due to the low amount of debt exposed to floating interest rates, interest rate risk is not considered a high risk to the Group. Movement in interest rates on the Group's financial liabilities and assets is not material.

(2) ***Foreign exchange risk***

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The Group has no material exposure to foreign exchange risk.

Notes to the consolidated financial statements

for the year ended 30 June 2018

Note 27 Financial risk management (cont.)

(3) ***Price risk***

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group does not presently hold material amounts subject to price risk. As such the Board considers price risk as a low risk to the Group.

i. Sensitivity Analyses

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables. Foreign exchange risk relates solely to the translation of the Group's foreign subsidiary, and as such has no effect on profit.

(1) ***Interest rates***	Profit $	Equity $
Year ended 30 June 2018		
±100 basis points change in interest rates	± 10,786	± 10,786
Year ended 30 June 2017		
±100 basis points change in interest rates	± 20,382	± 20,382

(2) ***Foreign exchange***	Profit $	Equity $
Year ended 30 June 2018		
±10% of Australian dollar strengthening/weakening against the PHP	± nil	± 6,628
Year ended 30 June 2017		
±10% of Australian dollar strengthening/weakening against the PHP	± nil[(i)]	± 23,198

(i) No effect as this relates solely to the translation of the foreign entity.

ii. Net Fair Values

(1) ***Fair value estimation***

The fair values of financial assets and financial liabilities are presented in the table in Note 27a and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables; and
- Trade and other payables.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Notes to the consolidated financial statements
for the year ended 30 June 2018

Note 28 Events subsequent to reporting date

On 22 August 2018, the company announced that it has received binding commitments from institutional and sophisticated investors for a placement of $3,000,000 which will be completed by way of a two-tranche placement. The first tranche being issued within the Company existing ASX listing Rule 7.1 placement capacity to issue 100,000,000 shares at $0.01 per share, together with one free attaching unlisted option to acquire a share for every tranche one share.

The second tranche being subject to shareholder approval at the Company's general meeting of shareholder on or about 5 October 2018, is to issue 200,000,000 shares at $0.01 per share, together with one free attaching unlisted option to acquire a share for every second tranche share.

On 29 August 2018, the Company issued the shares for the first tranche and received $1,000,000 for the issue of 100,000,000 shares at $0.01 per share.

There are other no material events subsequent to reporting date.

Note 29 Parent entity disclosures	2018 $	2017 $
a. Financial Position of Intiger Group Limited		
Current assets	819,579	1,657,269
Non-current assets	4,121,712	2,908,113
Total assets	4,941,291	4,565,382
Current liabilities	587,980	343,716
Total liabilities	587,980	343,716
Net assets	4,353,311	4,221,666
Equity		
Issued capital	43,322,215	39,833,804
Reserve	2,990,807	2,188,004
Accumulated losses	(41,959,711)	(37,800,142)
Total equity	4,353,311	4,221,666
b. Financial performance of Intiger Limited		
Profit / (loss) for the year	(2,543,663)	(3,815,364)
Other comprehensive income	-	-
Total comprehensive income	(2,543,663)	(3,815,364)

c. Guarantees entered into by Intiger Group Limited for the debts of its subsidiaries

There are no guarantees entered into by Intiger Limited for the debts of its subsidiaries as at 30 June 2018 (2017: none).

Directors' declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 15 to 48, are in accordance with the *Corporations Act 2001* (Cth) and:

   (a) comply with Accounting Standards;

   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 1 to the financial statements; and

   (c) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Group.

   (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001* (Cth);

2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, based on the factors outlined in Note 1a.ii. Going Concern.

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:

PATRICK CANION
Non-executive Chairman
Dated this Thursday, 27 September 2018

HLB Mann Judd
Accountants | Business and Financial Advisers

Independent Auditor's Report to the Members of Intiger Group Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Intiger Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material Uncertainty Regarding Going Concern

We draw attention to Note 1(a)(ii) in the financial report, which indicates that the Group incurred a net loss of $3,687,035 during the year ended 30 June 2018 As stated in Note 1(a)(ii), these events or conditions, along with other matters as set forth in Note 1(a)(ii), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the key audit matter
Impairment assessment of intangible assets Refer to note 1(q)(iv) *Key judgements and estimates – Impairment of intangibles and indefinite useful lives*	
At 30 June 2018, the Group's balance sheet includes intellectual property with a carrying value of $1.935 million. In line with the Group's segment allocation, these are all assigned to the single Cash Generating Unit ("CGU"). The assessment of impairment of the Group's intangible assets incorporates significant judgement with respect to factors such as revenue forecasts, discount rates and growth in relation to key customers. The Group is exposed to potential impacts of economic uncertainty in Australia including those inherent in the in the financial services sector, consumer acceptance of the product, regulatory obstacles, cost pressures, and increases in the Group's weighted average cost of capital. We needed to assess whether the Group's value in use model for impairment included appropriate consideration of these factors with respect to management's significant estimates and judgements and the selection of key external and internal inputs is why impairment of assets is considered a key audit matter.	Our procedures included, but were not limited to: • we assessed management's determination of the Group's CGU based on our understanding of the nature of the Group's operations. We also analysed the internal reporting of the Group to assess how earnings streams are monitored and reported; • we evaluated management's process regarding evaluation of the Group's assets to identify any asset impairment losses; • we tested entity level controls in place, such as the preparation and review of budgets and forecasts; • we assessed and challenged the Group's assumptions and estimates used to determine the recoverable value of its assets, including those relating to forecast revenue, cost, capital expenditure, and discount rates by adjusting for future events and corroborating the key market related assumptions to external data; • we checked the mathematical accuracy of the cash flow models and agreed relevant data to the latest forecasts; and • we performed sensitivity analysis over the model by focusing on the impact of changing growth and discount rates.

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

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

HLB Mann Judd

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 12 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Intiger Group Limited for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Nick Walker
Partner

Melbourne
27 September 2018

Corporate governance statement

This Corporate Governance Statement is current as at 27 September 2018 and has been approved by the Board of the Company.

This Corporate Governance Statement discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication *Corporate Governance Principles and Recommendations 3rd Edition* (Recommendations). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons for not following them, along with what (if any) alternative governance practices have been adopted in lieu of the Recommendation.

The Company has adopted Corporate Governance Policies which provide written terms of reference for the Company's corporate governance practices. The Board of the Company has not yet formed an audit committee, nomination committee, risk management committee or remuneration committee.

The Company's Corporate Governance Policies are contained within the Corporate Governance Plan and available on the Company's website at www.intigergrouplimited.com.au.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Roles of the Board & Management

The role of the Board is to provide overall strategic guidance and effective oversight of management. The Board derives its authority to act from the Company's Constitution.

The Board is responsible for, and has the authority to determine all matters relating to the strategic direction, policies, practices, establishing goals for management and the operation of the Company. The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer.

The role of management is to support the Chief Executive Officer and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

In addition to matters it is expressly required by law to approve, the Board has reserved the following matters to itself:

- Driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- Appointment, and where necessary, the replacement, of the Chief Executive Officer and other senior executives and the determination of their terms and conditions including remuneration and termination;
- Approving the Company's remuneration framework;
- Monitoring the timeliness and effectiveness of reporting to Shareholders;
- Reviewing and ratifying systems of audit, risk management and internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters;
- Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- Approving and monitoring the budget and the adequacy and integrity of financial and other reporting such that the financial performance of the company has sufficient clarity to be actively monitored;
- Approving the annual, half yearly and quarterly accounts;
- Approving significant changes to the organisational structure;
- Approving decisions affecting the Company's capital, including determining the Company's dividend policy and declaring dividends;
- Ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- Procuring appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively;

Corporate governance statement

- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the Company has adopted, and that its practice is consistent with, a number of guidelines including:
  - Corporate Code of Conduct;
  - Continuous Disclosure Policy;
  - Diversity Policy;
  - Performance Evaluation;
  - Procedures for Selection and Appointment of Directors;
  - Risk Management Review Procedure and Internal Compliance and Control Policy;
  - Trading Policy; and
  - Shareholder Communication Strategy.

Subject to the specific authorities reserved to the Board under the Board Charter, the Board delegates to the Chief Executive Officer responsibility for the management and operation of Intiger. The Chief Executive Officer is responsible for the day-to-day operations, financial performance and administration of Intiger within the powers authorised to him from time-to-time by the Board. The Chief Executive Officer may make further delegation within the delegations specified by the Board and will be accountable to the Board for the exercise of those delegated powers.

Further details of Board responsibilities, objectives and structure are set out in the Board Charter which is contained within the Corporate Governance Place available on the Intiger website.

Board Committees

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate committees at this time including audit and risk, remuneration or nomination committees, preferring at this stage of the Company's development, to manage the Company through the full Board of Directors. The Board assumes the responsibilities normally delegated to the audit and risk, remuneration and nomination Committees.

If the Company's activities increase, in size, scope and nature, the appointment of separate committees will be reviewed by the Board and implemented if appropriate.

Board Appointments

The Company undertakes comprehensive reference checks prior to appointing a director, or putting that person forward as a candidate to ensure that person is competent, experienced, and would not be impaired in any way from undertaking the duties of director. The Company provides relevant information to shareholders for their consideration about the attributes of candidates together with whether the Board supports the appointment or re-election.

The terms of the appointment of a non-executive director, executive directors and senior executives are agreed upon and set out in writing at the time of appointment.

The Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board, including agendas, Board papers and minutes, advising the Board and its Committees (as applicable) on governance matters, monitoring that the Board and Committee policies and procedures are followed, communication with regulatory bodies and the ASX and statutory and other filings.

Diversity

The Board has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect to gender, age, ethnicity and cultural diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives (if considered appropriate) and to assess annually both the objectives (if any have been set) and the Company's progress towards achieving them.

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The Board considers that, due to the size, nature and stage of development of the Company, setting measurable objectives for the Diversity Policy at this time is not appropriate. The Board will consider setting measurable objectives as the Company increases in size and complexity.

The participation of women in the Company at the date of this report is as follows:

Women employees in the Company	62.5%
Women in senior management positions	16.7%
Women on the Board	0.00%

The Company's Diversity Policy is contained within the Corporate Governance Plan and is available on its website.

Board & Management Performance Review

On an annual basis, the Board conducts a review of its structure, composition and performance.

The annual review includes consideration of the following measures:

- comparing the performance of the Board against the requirements of its Charter;
- assessing the performance of the Board over the previous 12 months having regard to the corporate strategies, operating plans and the annual budget;
- reviewing the Board's interaction with management;
- reviewing the type and timing of information provided to the Board by management;
- reviewing management's performance in assisting the Board to meet its objectives; and
- identifying any necessary or desirable improvements to the Board Charter.

The method and scope of the performance evaluation will be set by the Board and may include a Board self-assessment checklist to be completed by each Director. The Board may also use an independent adviser to assist in the review.

The Chairman has primary responsibility for conducting performance appraisals of Non-Executive Directors, in conjunction with them, having particular regard to:

- contribution to Board discussion and function;
- degree of independence including relevance of any conflicts of interest;
- availability for and attendance at Board meetings and other relevant events;
- contribution to Company strategy;
- membership of and contribution to any Board committees; and
- suitability to Board structure and composition.

The Board conducts an annual performance assessment of the Chief Executive Officer against agreed key performance indicators.

Board and management performance reviews were conducted during the year in accordance with the above processes.

Independent Advice

Directors have a right of access to all Company information and executives. Directors are entitled, in fulfilling their duties and responsibilities, may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman. A copy of any such advice received is made available to all members of the Board.

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PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Board Composition

The Company only listed on 13 July 2016 and as at the date of this report the Board was comprised of the following members:

Mr Patrick Canion	Non-Executive Chairman (appointed 17 August 2016);
Mr Mark Fisher	Managing Director (appointed 17 August 2016);
Mr Tony Chong	Non-Executive Director (appointed 7 August 2017); and
Mr Mathew Walker	Non-Executive Director (appointed 1 August 2014; ceased 7 August 2017).

As announced to the market on 31 May 2018, Mr Mark Fisher stepped aside for several months whilst he recovers from surgery. Mark continues as Executive Director of Intiger, though he is not performing any operational duties. Mr George Jaja was appointed as Acting Chief Executive Officer but he is not a director of the Company.

The Board consists of a majority of Non-Executive Directors.

Intiger has adopted a definition of 'independence' for Directors that is consistent with the Recommendations.

Mr Fisher is not considered to be independent as he is an executive of the Company.

Board Selection Process

The Board considers that a diverse range of skills, backgrounds, knowledge and experience is required in order to effectively govern Intiger. The Board believes that orderly succession and renewal contributes to strong corporate governance and is achieved by careful planning and continual review.

The Board is responsible for the nomination and selection of directors. The Board reviews the size and composition of the Board regularly and at least once a year as part of the Board evaluation process.

The Board will establish a Board Skills Matrix. The Board Skills Matrix will include the following areas of knowledge and expertise:

- Strategic expertise;
- Specific industry knowledge;
- Accounting and finance;
- Risk management;
- Experience with financial markets; and
- Investor relations.

Induction of New Directors and Ongoing Development

New Directors are issued with a formal Letter of Appointment that sets out the key terms and conditions of their appointment, including Director's duties, rights and responsibilities, the time commitment envisaged, and the Board's expectations regarding involvement with any Committee work.

An induction program is in place and new Directors are encouraged to engage in professional development activities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

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PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

The Company has implemented a Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders.

All employees and Directors are expected to:

- respect the law and act in accordance with it;
- maintain high levels of professional conduct;
- respect confidentiality and not misuse Company information, assets or facilities;
- avoid real or perceived conflicts of interest;
- act in the best interests of shareholders;
- by their actions contribute to the Company's reputation as a good corporate citizen which seeks the respect of the community and environment in which it operates;
- perform their duties in ways that minimise environmental impacts and maximise workplace safety;
- exercise fairness, courtesy, respect, consideration and sensitivity in all dealings within their workplace and with customers, suppliers and the public generally; and
- act with honesty, integrity, decency and responsibility at all times.

An employee that breaches the Code of Conduct may face disciplinary action including, in the cases of serious breaches, dismissal. If an employee suspects that a breach of the Code of Conduct has occurred or will occur, he or she must report that breach to the Company Secretary. No employee will be disadvantaged or prejudiced if he or she reports in good faith a suspected breach. All reports will be acted upon and kept confidential.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

The Board as a whole fulfils to the functions normally delegated to the Audit Committee as detailed in the Audit and Risk Committee Charter.

The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

The Board receives regular reports from management and from external auditors. It also meets with the external auditors as and when required.

The external auditors attend Intiger's AGM and are available to answer questions from security holders relevant to the audit.

Prior approval of the Board must be gained for non-audit work to be performed by the external auditor. There are qualitative limits on this non-audit work to ensure that the independence of the auditor is maintained.

There is also a requirement that the lead engagement partner responsible for the audit not perform in that role for more than five years.

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CEO and CFO Certifications

The Board, before it approves the entity's financial statements for a financial period, receives from its CEO and CFO (or, if none, the persons fulfilling those functions) a declaration provided in accordance with Section 295A of the Corporations Act that, in their opinion, 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.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

The Company has a Continuous Disclosure Policy which outlines the disclosure obligations of the Company as required under the ASX Listing Rules and Corporations Act. The policy is designed to ensure that procedures are in place so that the market is properly informed of matters which may have a material impact on the price at which Company securities are traded.

The Board considers whether there are any matters requiring disclosure in respect of each and every item of business that it considers in its meetings. Individual Directors are required to make such a consideration when they become aware of any information in the course of their duties as a Director of the Company.

The Company is committed to ensuring all investors have equal and timely access to material information concerning the Company.

The Board has designated the Company Secretary as the person responsible for communicating with the ASX. All key announcements at the discretion of the Chief Executive Officer are to be circulated to and reviewed by all members of the Board.

The Chairman, the Board, Chief Executive Officer and the Company Secretary are responsible for ensuring that:

a) Company announcements are made in a timely manner, that announcements are factual and do not omit any material information required to be disclosed under the ASX Listing Rules and Corporations Act; and

b) Company announcements are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

The Company recognises the value of providing current and relevant information to its shareholders. The Board of the Company aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- communicating effectively with shareholders through releases to the market via ASX, the company website, information posted or emailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to clear and understandable information about the Company; and
- making it easy for shareholders to participate in general meetings of the Company.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company. These contact details are available on the "Contact" page of the Company's website.

Shareholders may elect to, and are encouraged to, receive communications from Intiger and Intiger's securities registry electronically. The contact details for the registry are available on the "Contact Us" page of the Company's website.

The Company maintains information in relation to its Constitution, governance documents, Directors and senior executives, Board and committee charters, annual reports and ASX announcements on the Company's website.

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PRINCIPLE 7: RECOGNISE AND MANAGE RISK

The Board is committed to the identification, assessment and management of risk throughout Intiger's business activities.

The Board is responsible for the oversight of the Company's risk management and internal compliance and control framework. The Company does not have an internal audit function. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Chief Executive Officer having ultimate responsibility to the Board for the risk management and internal compliance and control framework. Intiger has established policies for the oversight and management of material business risks.

Intiger's Risk Management and Internal Compliance and Control Policy recognises that risk management is an essential element of good corporate governance and fundamental in achieving its strategic and operational objectives. Risk management improves decision making, defines opportunities and mitigates material events that may impact security holder value.

Intiger believes that explicit and effective risk management is a source of insight and competitive advantage. To this end, Intiger is committed to the ongoing development of a strategic and consistent enterprise wide risk management program, underpinned by a risk conscious culture.

Intiger accepts that risk is a part of doing business. Therefore, the Company's Risk Management and Internal Compliance and Control Policy is not designed to promote risk avoidance. Rather Intiger's approach is to create a risk conscious culture that encourages the systematic identification, management and control of risks whilst ensuring we do not enter into unnecessary risks or enter into risks unknowingly.

Intiger assesses its risks on a residual basis; that is, it evaluates the level of risk remaining and considering all the mitigation practices and controls. Depending on the materiality of the risks, Intiger applies varying levels of management plans.

The Board has required management to design and implement a risk management and internal compliance and control system to manage Intiger's material business risks. It receives regular reports on specific business areas where there may exist significant business risk or exposure. The Company faces risks inherent to its business, including economic risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term. The Company has in place policies and procedures, including a risk management framework (as described in the Company's Risk Management and Internal Compliance and Control Policy), which is developed and updated to help manage these risks. The Board does not consider that the Company currently has any material exposure to environmental or social sustainability risks.

The Company's process of risk management and internal compliance and control includes:

- identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect those risks;
- formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls; and
- monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

The Board review's the Company's risk management framework at least annually to ensure that it continues to effectively manage risk.

Management reports to the Board as to the effectiveness of Intiger's management of its material business risks on at each Board meeting.

Corporate governance statement

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

The Board as a whole fulfils to the functions normally delegated to the Remuneration Committee as detailed in the Remuneration Committee Charter.

Intiger has implemented a Remuneration Policy which was designed to recognise the competitive environment within which Intiger operates and also emphasise the requirement to attract and retain high calibre talent in order to achieve sustained improvement in Intiger's performance. The overriding objective of the Remuneration Policy is to ensure that an individual's remuneration package accurately reflects their experience, level of responsibility, individual performance and the performance of Intiger.

The key principles are to:

- review and approve the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
- ensure that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
- fairly and responsibly reward executives having regard to the performance of the Group, the performance of the executive and the prevailing remuneration expectations in the market;
- remunerate fairly and competitively in order to attract and retain top talent;
- recognise capabilities and promote opportunities for career and professional development; and
- review and approve equity-based plans and other incentive schemes to foster a partnership between employees and other security holders.

The Board determines the Company's remuneration policies and practices and assesses the necessary and desirable competencies of Board members. The Board is responsible for evaluating Board performance, reviewing Board and management succession plans and determines remuneration packages for the Chief Executive Officer, Non-Executive Directors and senior management based on an annual review.

Intiger's executive remuneration policies and structures and details of remuneration paid to directors and key management personnel (where applicable) are set out in the Remuneration Report.

Non-Executive Directors receive fees (including statutory superannuation where applicable) for their services, the reimbursement of reasonable expenses and, in certain circumstances options.

The maximum aggregate remuneration approved by shareholders for Non-Executive Directors is $300,000 per annum. The Directors set the individual Non-Executive Directors fees within the limit approved by shareholders.

The total fees paid to Non-Executive Directors during the reporting period were $102,020. The Directors set the individual Non-Executive Directors fees within the limit approved by shareholders.

Executive directors and other senior executives (where appointed) are remunerated using combinations of fixed and performance-based remuneration. Fees and salaries are set at levels reflecting market rates and performance-based remuneration is linked directly to specific performance targets that are aligned to both short- and long-term objectives.

In accordance with the Company's Securities Trading policy, participants in an equity-based incentive scheme are prohibited from entering into any transaction that would have the effect of hedging or otherwise transferring the risk of any fluctuation in the value of any unvested entitlement in the Company's securities to any other person.

Further details in relation to the Company's remuneration policies are contained in the Remuneration Report, within the Directors' report.

Additional Information for Listed Public Companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies and is applicable as at 18 September 2018.

1 Capital

a. Ordinary share capital

1,477,895,817 ordinary fully paid shares held by 2,531 shareholders.

b. Options over Unissued Shares and Performance Shares

- The Company has an additional 300,000,000 options on issue in accordance with section 9.1 of the Directors' Report
- The Company has 500,000,000 performance shares on issue, being 250,000,000 Class A Performance Shares and 250,000,000 Class B Performance Shares in accordance with Note 18b Performance shares of the financial statements.

c. Voting Rights

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

- **Ordinary shares**: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Unlisted Options:** Options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised or performance shares convert and subsequently registered as ordinary shares.

d. Substantial Shareholders as at 18 September 2018.

Nil

e. Distribution of Shareholders as at 18 September 2018.

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	153	18,403	0.00
1,001 – 5,000	30	87,589	0.01
5,001 – 10,000	89	717,372	0.05
10,001 – 100,000	930	47,192,467	3.19
100,001 – and over	1,329	1,429,879,986	96.75
	2,531	**1,477,895,817**	**100.00**

f. Unmarketable Parcels as at 18 September 2018

As at 18 September 2018 there were 698 fully paid ordinary shareholders holding less than a marketable parcel of shares, comprising 11,533,768 shares.

g. On-Market Buy-Back

There is no current on-market buy-back.

h. Restricted Securities

The Company has no restricted securities on issue.

Additional Information for Listed Public Companies

i. 20 Largest Shareholders — Ordinary Shares as at as at 18 September 2018

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	The Trust Company (Australia) Limited <MOF A/C>	53,333,333	3.61
2.	Mr Domenic Marino	27,983,333	1.89
3.	Merrill Lynch (Australia) Nominees Pty Limited	25,001,237	1.69
4.	Riverbank Investment Corporation Pty Ltd	24,359,238	1.65
5.	Mr Richard Edward Poole	24,000,000	1.62
6.	Citicorp Nominees Pty Limited	22,699,313	1.54
7.	Priscilla Super Pty Ltd <Priscilla Super Fund A/C>	18,000,000	1.22
8.	Fire & Metal Pty Ltd <MHSC Family A/C>	15,562,074	1.05
9.	Mr Timothy Samuel White	14,666,667	0.99
10.	Jakana Pty Ltd <Bateman Super Fund A/C>	13,833,333	0.94
11.	Mr David Kenneth Anderson & Mrs Charmayne Anderson <The Canterbury S/Fund A/C>	12,833,333	0.87
12.	Mr Amarjeet Sandhu	12,250,000	0.83
13.	Mr Lee Francis Taylor	11,911,400	0.81
14.	Mr Richard Anthony Wright & Ms Judith Denise Roberson <Ric Wright Super Fund A/C>	11,798,816	0.80
15.	Mr Michael Peter Davis	10,375,000	0.70
16.	Mrs Ann Maree Johnson	10,167,869	0.69
17.	Pelagyia Pty Ltd <Caprice Super Fund A/C>	10,000,000	0.68
18.	Nike Holdings Pty Limited	9,133,333	0.62
19.	Insko Holdings Pty Ltd	9,000,000	0.61
20.	Mr Lachlan William Kearney	7,600,965	0.51
	TOTAL	**344,509,244**	**23.32**

2 Unquoted Securities

As at 18 September 2018, the following unquoted securities are on issue:

- 250,000,000 Class A Performance Shares – 4 holders
- 250,000,000 Class B Performance Shares – 4 holders
- 55,000,000 Options expiring 30 June 2020 @ $0.025 – 4 holders
- 40,000,000 Options Expiring 30 June 2020 @ $0.02 (subject to vesting) – 3 holders
- 105,000,000 Options expiring 31 October 2020 @ $0.015 – 62 holders

a. Holders with more than 20%

Name	Number	%
Merrill Lynch (Australia) Nominees Pty Limited	24,833,333	23.65%

3 The Company Secretary is Stephen Buckley

4 Principal registered office

As disclosed in Note 2 Company details on page 29 of this Annual Report.

Additional Information for Listed Public Companies

5 Registers of securities

As disclosed in the Corporate directory on page i of this Annual Report.

6 Stock exchange listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, As disclosed in the Corporate directory on page i of this Annual Report.

7 Use of funds

The Company has used its funds in accordance with its initial business objectives.

Intiger Group Limited