Pointerra Limited

ABN 39 078 388 155

Annual Report

For the year ended 30 June 2017

Corporate Information

Pointerra Limited
ABN 39 078 388 155

Directors
Graham Griffiths, Non-Executive Chairman
Ian Olson, Managing Director
Dr Robert Newman, Non-Executive Director
Neville Bassett, Non-Executive Director

Company Secretary
Neville Bassett

Registered Office
Level 4, 216 St Georges Terrace
Perth, WA 6000

Telephone:	+61 8 6268 2622
Facsimile:	+61 8 6268 2699

Principal Office
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Subiaco, WA 6008

Internet

Website:	www.pointerra.com
Email:	info@pointerra.com

Auditor
Bentleys Audit & Corporate (WA) Pty Ltd
Level 3, 216 St Georges Terrace
Perth, WA 6000

Share Registry
Advanced Share Registry Services Ltd
110 Stirling Highway
Nedlands, WA 6009

Email:	admin@advancedshare.com.au
Telephone:	+61 8 9389 8033
Facsimile:	+61 8 9262 3723

Solicitors
Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth, WA 6000

Telephone:	+61 8 9321 4000
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Stock Exchange Listing
Pointerra Limited shares are listed on the Australian Securities Exchange (ASX Code: 3DP)

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Annual Report 2017

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Directors' Report

The directors of Pointerra Limited ("the Company") present their report, together with the financial statements of the Company, for the financial year ended 30 June 2017.

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

NAME OF PERSON	POSITION	DATE APPOINTED
Graham Griffiths	Non-executive Chairman	30 June 2016*
Ian Olson	Managing Director	30 June 2016
Dr Robert Newman	Non-executive Director	30 June 2016*
Neville Bassett	Non-executive Director	30 June 2016

* Effective 1 July 2017 Graham Griffiths assumed the role of Non-Executive Chairman, with retired Chairman Rob Newman continuing to support the Company as a Non-Executive Director.

Information on directors

Mr Graham Griffiths – Non-Executive Chairman
B.Bus, (Acc) FAICD

Mr Griffiths is an experienced information and communications technology executive including 22 years at the multinational level with computer vendor NCR Corporation and telecommunications provider AT&T (US and Asia based), in various senior sales, marketing and R&D positions.

He was subsequently managing director for 11 years of ASX-listed technology commercialisation company ipernica ltd, during which time he led the IPO. He was also responsible for the acquisition of Nearmap, a global leader in the provision of geospatial map technology, by ipernica in 2008, and supported the early stage of commercialisation and launch of Nearmap.

Mr Griffiths' involvement in the geospatial industry commenced in 2006 as a non-executive director for both NGIS Australia, a privately held provider of location-based information and technology solutions, and Indji Systems, which develops a range of world-leading geospatial products that empower businesses through location-based technologies. He is a director and angel investor supporting a number of early stage technology companies to scale their businesses globally.

Mr Ian Olson – Managing Director
CA, B.Com, MAICD

Mr Olson is a Chartered Accountant and professional public company director with a 25-year career in finance and the capital markets and has helped numerous high-growth companies move from private to public status via the ASX.

Mr Olson was until recently the owner of WKC Spatial, a geospatial business that specialised in the capture, processing, modelling and management of 3D point cloud data.

Ian started his career with Ernst & Young and has worked in London and New York with global investment banks. He is also the Non-Executive Chairman of Gage Roads Brewing Co Ltd.

Dr Robert Newman – Non-Executive Director
Ph.D.

Dr Newman has established a unique track record as a successful high technology entrepreneur in both Australia and Silicon Valley. He has twice founded and built businesses based on technology from Western Australian universities and both times successfully entered overseas markets. These businesses combined have established market values of over $200 million.

As a Ph.D. student at the University of Western Australia, Dr Newman was the inventor and co-founder of QPSX Communications Pty Ltd, which sold products to telecommunications carriers in Australia, Europe and the US. He was also the founding CEO of Atmosphere Networks. The technology was developed at Curtin University and he established a company with US venture capital backing, and ran it until it was acquired by Ditech Communications. He is co-founder and executive director of Stone Ridge Ventures, a technology venture capital firm.

Dr Newman's focus is on identifying disruptive technologies with global potential. He is also an active director of high technology companies, including being the initial Chairman of Nearmap Pty Ltd when it was privately owned. He is currently Managing Director of Nearmap Ltd.

Mr Neville Bassett – Non-Executive Director
AM, FCA

Mr Bassett is a Chartered Accountant operating his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. He consults to a number of publicly listed companies and private company groups in a diversity of industry sectors, and is a director or company secretary of a number of public and private companies. Mr Bassett has been involved with numerous public company listings and capital raisings. His involvement in the corporate arena has also included mergers and acquisitions, and includes significant knowledge and exposure to the Australian financial markets. He has a wealth of experience in matters pertaining to the Corporations Act, ASX listing requirements, corporate taxation and finance.

Mr Bassett is the principal director of Westar Capital Limited, the holder of an Australian Financial Services License and is a Fellow of Chartered Accountants Australia and New Zealand. He is State Chairman and a former National Director of a major not-for-profit organisation.

Directorships of other listed companies
Directorships of other listed companies held by directors during the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Mr Graham Griffiths	Botanix Pharmaceuticals Ltd	1 July 2016 – current
Mr Ian Olson	Gage Roads Brewing Co Limited (Non-executive Chairman)	12 November 2007 – current
	Threat Protect Australia Limited	23 October 2015 – 29 November 2016
	Diploma Group Limited	10 October 2007 – 31 March 2015
	Range Resources Limited	18 August 2014 – 11 December 2014
Dr Robert Newman	Nearmap Ltd	17 February 2011 – current
Mr Neville Bassett	Longford Resources Ltd (Non-executive Chairman)	22 March 2004 – current
	Meteoric Resources NL	29 November 2012 – current
	Vector Resources Ltd	22 April 2010 – current
	Laconia Resources Ltd	8 May 2015 – current
	Quantify Technology Holdings Ltd	5 February 2016 – 1 March 2017
	The Gruden Group Ltd	20 August 2014 – 13 May 2016

Directors' interests in shares and options

At the date of this report, the direct and indirect interests of the Directors in the ordinary shares, performance shares and options of the Company were:

	Ordinary shares	Performance shares	Options
Robert Newman	6,839,724	6,320,908	5,000,000
Ian Olson	18,561,006	18,953,883	30,000,000
Graham Griffiths	3,816,666	-	20,000,000
Neville Bassett	1,732,266	-	5,000,000

Directors' meetings

Attendances by each Director at directors' meetings during the year were as follows:

	Directors Meetings	
	Number Eligible to Attend	Number Attended
Robert Newman	5	5
Ian Olson	5	5
Graham Griffiths	5	5
Neville Bassett	5	5

Directors' meetings during the year were held via circular resolution.

Company Secretary

Mr Neville Bassett – appointed 30 June 2016

For further information about Mr Bassett, please refer to the information on directors in this Directors' Report.

Principal Activities

Pointerra is a Perth, Western Australia-based company, focused on building a powerful on-line Data as a Service (DaaS) solution for mapping the earth from massive 3D point clouds. Pointerra's cloud-based service is based on compression and visualisation algorithms which index massive point cloud data sets into a unified model, for which Pointerra has a Provisional Patent Application. The processed point cloud data has the capacity to be dynamically searched and visualised by anyone, anywhere.

Review of Operations

Highlights

- **First cash receipts from paying customers**
- **Key sales team hires in enterprise and surveyor channels**
- **Material growth in enterprise customer and surveyor channel sales pipelines**
- **Continued development of important enterprise level Tier-1 reseller and integration opportunities**
- **Continued technical R&D enhancements and IP protection milestones**

Sales, Partnerships and Software Licensing

During the year the Company focussed on signing up trial customers to its world-first DaaS solution for 3D data in both the "surveyor & data capture professional" and "enterprise" channels. Pointerra grew this pipeline of trial customers across a range of sectors in these channels culminating in first DaaS sales from recurring monthly subscriptions by paying customers in the "surveyor & data capture professional" channel during Q4.

Growth in the sales pipeline provided the impetus to commence a recruitment process to provide additional resources for the sales team, which commenced in June and resulted in the addition to two experienced individuals who come to Pointerra from roles with global geospatial giants Hexagon and Trimble.

The new recruits have made an immediate impact with material incremental growth in the sales pipeline, particularly in the enterprise customer channel where higher DaaS subscription price points are generated. Highlights of growth in the enterprise customer sales channel through the new sales recruits include the addition of government utilities (domestic and international) and global AEC (Architecture-Engineering-Construction) groups as trial licence customers.

Pointerra also continued to work with several regional and global tier-1 partners from the geospatial, engineering, aerospace and technology sectors towards the goals of securing strategic partnerships (revenue generating enterprise reseller agreements) and technology integration (software licensing and royalty income) outcomes for the Company.

ADVISIAN MOU

Pointerra signed an MOU with Advisian Digital Enterprise, part of WorleyParsons Limited. Through the MOU, Pointerra will seek markets for its 3D data management and visualisation technology in conjunction with Advisian Digital Enterprise. Advisian is a global consulting firm built from the merger of Evans & Peck, MTG Ltd. and EcoNomics™ as well as the integration of WorleyParsons Technical Consulting and INTECSEA.

Pointerra is working with Advisian's global Digital Enterprise team to provide the 3D data management and visualisation element of Advisian's ASSURE asset management solution for a range of customer applications in the hydrocarbons, infrastructure, minerals and metals and chemicals sectors.

AAM MOU

Pointerra signed an MOU with AAM, the largest geospatial company in our region. AAM provides access to its valuable geospatial data through various channels, including its GEOCIRRUS cloud-based GIS solution via a DaaS model and the GEOCIRRUS Discovery Portal (the AAM shopfront for data/content).

As part of expanding and improving its GEOCIRRUS strategy, AAM has agreed to licence, under a commercial agreement, Pointerra's unique 3D geospatial technology. Both parties are currently working to integrate Pointerra's technology into GEOCIRRUS, enabling AAM to more effectively sell access to its 3D data library.

Under the MOU Pointerra will also be licenced by AAM to sell access to AAM's 3D data (and derivative products) through its own 3D data marketplace.

The full commercial terms of the relationship are being documented in a formal technology licence and partnership agreement, which was initially envisaged to be concluded by the end of July and has been delayed by operational priorities but is still on track for completion in the near-term.

Under the terms of the MOU, AAM will pay Pointerra a one-off licence fee for the use of Pointerra's technology in GEOCIRRUS; AAM will pay Pointerra a royalty based on data usage through the GEOCIRRUS Discovery Portal; and Pointerra will pay AAM a royalty based on data sales made through Pointerra's 3D data marketplace.

RESELLER & PARTNERSHIP AGREEMENTS

Pointerra also signed a number of reseller and partnership agreements during the year with NGIS, Curtin University, Esri, CR Kennedy and Blue Marble Geographics. These relationships have provided important technology UI and integration evaluation counterparties and continue to be developed and supported as they also provide important leveraged access to globally distributed revenue generating opportunities.

The Company has a highly scalable, low cost business model to commercialise its technology and generate near-term revenue and earnings. A diversity of customer size, nature and geographic location, provides a growing sales and earnings pipeline to fund Pointerra's ultimate vision of leading the global market for 3D data.

R&D and Software Development

During the year Pointerra's technical team continued to enhance the deployment of the Company's innovative 3D data solution in the Amazon Web Services ("AWS") cloud environment and make our technology available for 3rd party integration evaluation through custom-API's.

The Company also achieved a significant commercial and technical milestone, being the release of a commercially saleable solution containing at least 100 billion points of 3D data, providing confirmation that the Company's world-first technology had successfully passed the Class A Performance Share milestone hurdle.

Through a combination of Pointerra's proprietary storage and visualisation technology and the massively scalable AWS cloud computing environment, the achievement of this milestone has allowed the Company to begin scaling its DaaS offering to trial and paying customers, as well as attracting technology licensing opportunities with leading regional and global geospatial sector players.

Other development activities included:

- 2nd generation technology stack functionally complete and now in final integration testing phases prior to deployment.
- Cost optimisation through extensive use of Amazon spot pricing for all R&D work. Resulted in cost reduction of around 80% for R&D compute resources. Next phase will be to move as much of the production technology stack as possible to spot pricing.
- Progression of second patent to International Type Search stage. We have been advised that "it appears likely that a patent is able to be granted on the invention".
- Ongoing development of APIs for 3rd party developers to integrate our technology.
- Enabled AWS CloudFront distribution, providing 90 points of presence around the globe for fast response times for users outside of Australia.
- Many new product features, including; opened signups - anyone can sign up for a Pointerra account without needing an invitation; added Stripe payment system integration so that customers can select an area of points and purchase them instantly using their credit card; added guest token system so that paying customers can share their data with external users; development of new functionality to allow users to view individual scans or layers - this will greatly enhance the user experience for terrestrial laser scanning data.

Corporate

During the year several corporate events occurred including the change of roles for Non-Executive Director Graham Griffiths who assumed the role of Non-Executive Chairman, effective 1 July.

Pointerra's evolution from a technology development stage to a globally focused sales business sales-focussed outlook leverages the decades of international technology sales experience that Graham brings to the Company. Retiring Chairman Rob Newman continues to support the Company as a Non-Executive Director, providing the Company with continuity during the transition and ongoing industry skills relevant to Pointerra's global ambitions.

During the year the Company in conjunction with corporate advisers, undertook a number of investor relations roadshows to the East Coast and also retained the services of a comprehensive research report by TMT Analytics.

The Company also secured voluntary escrow extension for a further 12-months commencing 30 June 2017 by the holders of nearly 52 million (previously 12-month escrowed) Vendor Ordinary Shares and just over 120 million (previously 12-month escrowed) Vendor Class A, B and C Performance Shares.

Financial review

During the year operating cash outflows were in line with management expectations. During Q4 the Company also commenced documentation of relevant R&D activities for the FY17 year in preparation for lodging a claim for a refundable tax offset under the federal government's R&D tax incentive program. The relevant documentation was lodged and $496K was received subsequent to year end. The Company continues to operate a lean, agile, low-cost operating model as it begins to scale customer sales.

Operating Results

The loss for the financial year after providing for income tax was $1,304,751 (2016: $2,757,663).

Financial Position

As at 30 June 2017, the Company had cash of $2,818,005 (2016: $5,074,609) and net assets of $3,066,688 (2016: 4,277,118).

Future Developments

Pointerra will continue to commercialise its technology via its Data as a Service ("DaaS") recurring subscription based revenue model as well as by seeking technology licensing and partnership opportunities with Tier-1 companies across the geospatial, technology, engineering and construction sectors to generate a mix of license fees and royalties. Pointerra's ultimate vision is to create an online marketplace for the massive amounts of 3D point cloud data currently captured by governments and the commercial sector globally.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the financial year.

Environmental Issues

The Company has a policy of at least complying, but in most cases exceeding, its environmental performance obligations. No environmental breaches have been notified by any government agency during the year ended 30 June 2017. The Board believes that the Company has adequate systems in place for the management of its environmental regulations.

Shares under Option

At the date of this report, the unissued ordinary shares of Pointerra Limited under option are as follows:

Number under option	Exercise price	Date of expiry
107,000,000 unlisted options	$0.05	30 June 2019
60,000,000 performance shares	$Nil	30 June 2018
60,000,000 performance shares	$Nil	30 June 2019

Refer to Note 18 for further information on terms of performance shares.

Indemnifying officers or auditor

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- The Company has entered into agreements to indemnify all Directors and provide access to documents, against any liability arising from a claim brought by a third party against the Company. The agreement provides for the company to pay all damages and costs which may be awarded against the Directors.
- No indemnity has been paid to auditors.

Remuneration Report (audited)

This report details the nature and amount of the remuneration for each member of key management personnel of Pointerra Limited for the year ended 30 June 2017.

For the purposes of this report, Key Management Personnel of the company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly. The Company did not have any other key management personnel other than its Directors.

For the purposes of this Remuneration Report, the term 'Executive' encompasses all Directors and the Company Secretary of the company.

Remuneration Philosophy

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

To this end, the company embodies the following principles in its remuneration framework:

‘The Board as a whole is responsible for considering remuneration policies and packages applicable both to board members and senior executives of the company. The Board remuneration policy is to ensure the remuneration package, which is not linked to the performance of the company, properly reflects the person’s duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.’

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and senior manager remuneration is separate and distinct. The company does not engage remuneration consultants.

Non-executive Director Remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the *ASX Listing Rules* specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The current aggregate remuneration pool is $500,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board may consider advice from external consultants as well as the fees paid to non-executive Directors of comparable companies when undertaking the annual review process. Each director receives a fee for being a Director of the company.

Non-executive Directors are encouraged by the Board to hold shares in the company. It is considered good governance for directors to have a stake in the Company on whose board he or she sits.

Voting on the Remuneration Report

At the Company’s 2016 Annual General Meeting a resolution to adopt the 2016 Remuneration Report was put to vote and passed unanimously on a show of hands, with the proxy received also indicating majority (90%) support in favour of adopting the Remuneration Report.

Managing Director and Executive Remuneration Structure

Based on the current stage in the company’s development, its size, structure and strategies, the Board considers that the key performance indicator in assessing the performance of Executives and their contribution towards increasing shareholder value is commercially based, inclusive of share price performance over the review period.

Individual and company operating targets associated with traditional financial and non-financial measures are difficult to set given the small number of Executives and their need to be flexible and multi-tasked, as the company responds to a continually changing business environment. Consequently, a formal process of defining Key Performance Indicators (KPI’s) and setting targets against the KPI’s has not been adopted at the present time.

The proportion of fixed remuneration and variable remuneration is established for each Executive by the Board.

Fixed Remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration, which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board; having regard to the Company and individual performance, relevant comparable remuneration in the industry sector and, where appropriate, external advice. Executives receive their fixed remuneration in cash.

Variable Remuneration – Short-Term Incentive (STI)

The objective of the STI is to link the achievement of corporate and operational objectives over the year with the remuneration received by the Executives charged with achieving that increase. The total potential STI available is set at a level so as to provide sufficient incentive to the Executives to achieve the performance goals and such that the cost to the company is reasonable in the circumstances.

Annual STI payments granted to each Executive depend on their performance over the preceding year and are based on recommendations from the Managing Director and/or the Chairman following collaboration with the Board. Typically included are measures such as contribution to strategic initiatives, risk management and leadership/team contribution.

The aggregate of annual STI payments available for Executives across the company is subject to the approval of the Board. Payments are usually delivered as a cash bonus. There were no STI payments made during the financial year.

Variable Remuneration – Long-Term Incentive (LTI)

The objective of the LTI plan is to reward Executives in a manner, which aligns the element of remuneration with the creation of shareholder wealth. As such LTI's are made to Executives who are able to influence the generation of shareholder wealth and thus have an impact on the company's performance.

The level of LTI granted is, in turn, dependent on a number of factors including, the seniority of the Executive and the responsibilities the Executive assumes in the company.

LTI grants to Executives are delivered in the form of options. These options are issued at an exercise price determined by the Board at the time of issue.

Typically, the grant of LTIs occurs at the commencement of employment or in the event that the individual receives a promotion and, as such, is not subsequently affected by the individual's performance over time.

However, under certain circumstances, including breach of employment conditions, the Directors may cause the options to expire prior to their vesting date. In addition, individual performance is more commonly rewarded over time by STIs.

No LTI options were issued during the financial year.

Company performance, shareholder wealth and Director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and executives. Options issued to Directors have an exercise price higher than the current share price of the Company.

The table below shows the performance of the Company since inception.

	2017	2016
Net profit / (loss)	($1,304,751)	($2,757,663)
Share price at year end	$0.025	*

* The Company was readmitted to quotation on the ASX on 11 July 2016.

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the Company. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

	Position	Contract details (duration and termination)	Proportions of elements of remuneration related to performance			Proportions of elements of remuneration not related to performance	
			Non-salary cash-based incentives	Shares/ Units	Options/ Rights	Fixed Salary/ Fees	Total
			%	%	%	%	%
Key Management Personnel							
Ian Olson	Managing Director	Ongoing commencing 30 June 2016. 6 months' notice to terminate.	-	-	-	100	100
Robert Newman	Director	Service agreement in place with termination upon resignation, non-election at shareholders meeting or prohibited by law.	-	-	-	100	100
Graham Griffiths	Director	Service agreement in place with termination upon resignation, non-election at shareholders meeting or prohibited by law.	-	-	-	100	100
Neville Bassett	Director	Service agreement in place with termination upon resignation, non-election at shareholders meeting or prohibited by law.	-	-	-	100	100

Details of remuneration for the year ended 30 June 2017

Name	Short-term benefits		Post-employment benefits	Share-based payments	Total	Performance related
	Cash salary & fees $	Non-cash benefit $	Superannuation $	Options $	$	%
Robert Newman	45,000	-	-	-	45,000	-
Ian Olson	240,000	-	22,800	-	262,800	-
Graham Griffiths	36,000	-	-	-	36,000	-
Neville Bassett	36,000	-	-	-	36,000	-
	357,000	-	22,800	-	379,800	-

Details of remuneration for the year ended 30 June 2016

As a result of the reverse acquisition of Pointerra Limited (formerly Soil Sub Technologies Limited) by Pointerra Pty Ltd on 30 June 2016, the disclosures contained in the table represent those calculated in accordance with AASB 124 Related Party Disclosures in combination with applying AASB 3 Business Combinations and in particular, the reverse acquisition provisions of AASB 3.

The amounts disclosed for the 2016 financial year in the table represent remuneration paid by Pointerra Pty Ltd (the accounting acquirer) to Directors and KMP of the accounting acquirer over the period 1 July 2015 to 30 June 2016 (the acquisition date) and remuneration paid by the Pointerra Limited Group following the completion of the acquisition on 30 June 2016 to KMP and Directors of the post-acquisition group.

This ensures that the remuneration report disclosures are calculated on a basis that is consistent with that applied in reporting the results and balances of the Group and related party disclosures in the financial statements under the reverse acquisition rules of AASB 3 Business Combinations.

Name	Short-term benefits		Post-employment benefits	Share-based payments	Total	Performance related
	Cash salary & fees $	Non-cash benefit $	Superannuation $	Options $	$	%
Robert Newman (1)	-	-	-	67,653	67,653	-
Ian Olson (1)	-	-	-	405,922	405,922	-
Graham Griffiths (1)	-	-	-	270,614	270,614	-
Neville Bassett (1)	-	-	-	67,653	67,653	-
Guy T. Le Page (2)	-	-	-	-	-	-
Keong Chan (2)	-	-	-	-	-	-
Azlan Asidin(2)	-	-	-	-	-	-
	-	-	-	811,842	811,842	-

(1) Appointed 30 June 2016

(2) Resigned 30 June 2016

Shares and Options Held by Key Management Personnel

The number of ordinary shares and options in Pointerra Limited held by each Key Management Personnel of the company during the relevant financial years are as follows:

Ordinary Shares Held by Key Management Personnel – 30 June 2017

Key Management Person	Balance at beginning of year	Granted as remuneration during year	Issued on exercise of options during year	Other changes during the year	Balance at end of year
Robert Newman	4,469,384	-	-	2,370,340(1)	6,839,724
Ian Olson	10,903,300	-	-	7,657,706(2)	18,561,006
Graham Griffiths	3,566,666	-	-	250,000	3,816,666
Neville Bassett	1,732,266	-	-	-	1,732,266
	20,671,616	-	-	10,278,046	30,949,662

(1) On 30 June 2017, 2,370,340 Class A Performance shares were converted into Ordinary Shares, refer to Note 18 for further information.

(2) 300,000 and 250,000 Ordinary Shares were acquired from an on-market trades on 5 September 2016 and 3 May 2017 respectively. On 30 June 2017, 7,107,706 Class A Performance shares were converted into Ordinary Shares, refer to Note 18 for further information.

Ordinary Shares Held by Key Management Personnel – 30 June 2016

Key Management Person	Balance at beginning of year	Granted as remuneration during year	Issued on exercise of options during year	Other changes during the year	Balance at end of year
Robert Newman (1)	-	-	-	4,469,384	4,469,384
Ian Olson (2)	-	-	-	10,903,300	10,903,300
Graham Griffiths (3)	-	-	-	3,566,666	3,566,666
Neville Bassett (3)	-	-	-	1,732,266	1,732,266
Guy T. Le Page (4)	-	-	-	-	-
Keong Chan (5)	-	-	-	-	-
Azlan Asidin (6)	-	-	-	-	-
	-	-	-	20,671,616	20,671,616

(1) Appointed 30 June 2016. 3,469,384 shares and 8,691,248 performance shares were issued to Mr Newman in consideration for his shareholding in Pointerra Pty Ltd.

(2) Appointed 30 June 2016. 10,403,300 shares and 26,061,589 performance shares were issued to Mr Olson in consideration for his shareholding in Pointerra Pty Ltd.

(3) Appointed 30 June 2016.

(4) Resigned 30 June 2016. As at the date of his resignation, Mr Le Page directly or indirectly held 10,221,721 shares.

(5) Resigned 30 June 2016. As at the date of his resignation, Mr Chan directly or indirectly held 3,189,656 shares.

(6) Resigned 30 June 2016. As at the date of his resignation, Mr Asidin directly or indirectly held 533,333 shares.

Options Held by Key Management Personnel – 30 June 2017

Key Management Person	Balance at beginning of year	Granted as remuneration during year	Issued on exercise of options during year	Other changes during the year	Balance at end of year	Vested and exercisable at end of year
Robert Newman	5,000,000	-	-	-	5,000,000	5,000,000
Ian Olson	30,000,000	-	-	-	30,000,000	30,000,000
Graham Griffiths	20,000,000	-	-	-	20,000,000	20,000,000
Neville Bassett	5,000,000	-	-	-	5,000,000	5,000,000
	60,000,000	-	-	-	60,000,000	60,000,000

Options Held by Key Management Personnel – 30 June 2016

Key Management Person	Balance at beginning of year	Granted as remuneration during year	Issued on exercise of options during year	Other changes during the year	Balance at end of year	Vested and exercisable at end of year
Robert Newman (1)	-	5,000,000	-	-	5,000,000	5,000,000
Ian Olson (1)	-	30,000,000	-	-	30,000,000	30,000,000
Graham Griffiths (1)	-	20,000,000	-	-	20,000,000	20,000,000
Neville Bassett (1)	-	5,000,000	-	-	5,000,000	5,000,000
Guy T. Le Page (2)	-	-	-	-	-	-
Keong Chan (2)	-	-	-	-	-	-
Azlan Asidin (2)	-	-	-	-	-	-
	-	60,000,000	-	-	60,000,000	60,000,000

(1) Appointed 30 June 2016

(2) Resigned 30 June 2016

Other transactions with key management personnel of the Company:

Loans <u>from</u> key management personnel

	2017	2016
Robert Newman	-	$2,963
Ian Olson	-	$5,709

Shares issued to Directors

	2017		2016	
	Ordinary Shares	Performance Shares	Ordinary Shares	Performance Shares
Robert Newman	-	-	3,469,384	8,691,248
Ian Olson	-	-	10,403,300	26,061,589
Neville Bassett	-	-	1,732,266	-

On 30 June 2016, ordinary shares and performance shares were issued to directors or their related parties in consideration for the acquisition of their shares in Pointerra Pty Ltd.

Other transactions

A total of $11,467.50 was paid to NGIS Australia Pty Ltd, a company of which Graham Griffiths is a related party of (Chairman of the Board) in consideration for expenses that were classified as research and development costs.

Subsequent events

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

Non-audit services

No non-audit services were provided by the auditor during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been received and can be found directly following the directors' report.

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

Neville Bassett
Director
29 September 2017

Bentleys
THINKING AHEAD

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To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of Pointerra Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 29th day of September 2017

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2017

	Note	2017 $	2016 $
Revenue		4,635	-
Other income	7	548,351	-
Administrative expenses	8	(599,130)	(15,000)
Advertising and marketing expenses		(37,283)	(5,282)
Compliance and regulatory expenses		(35,911)	(13,688)
Research and development expenses	9	(1,078,615)	-
Share based payment expenses	20	(30,772)	(811,842)
Acquisition transaction expense	3	-	(1,891,727)
Other expenses	10	(76,026)	(20,124)
Loss before income tax		(1,304,751)	(2,757,663)
Income tax expense		-	-
Loss after income tax for the year		(1,304,751)	(2,757,663)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to members of the Company		(1,304,751)	(2,757,663)
Earnings per share		**Cents**	**Cents**
Basic and diluted loss per share	17	(0.40)	(3.16)

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

as at 30 June 2017

	Note	2017 $	2016 $
CURRENT ASSETS			
Cash and cash equivalents	11	2,818,005	5,074,609
Trade and other receivables	12	536,336	10,254
Other		6,475	-
TOTAL CURRENT ASSETS		3,360,816	5,084,863
NON-CURRENT ASSETS			
Plant and equipment	13	60,768	4,873
Intangible assets	14	46,011	-
TOTAL NON-CURRENT ASSETS		106,779	4,873
TOTAL ASSETS		3,467,595	5,089,736
CURRENT LIABILITIES			
Trade and other payables	15	369,010	766,472
Borrowings	16	-	46,146
Provisions		31,897	-
TOTAL CURRENT LIABILITIES		400,907	812,618
TOTAL LIABILITIES		400,907	812,618
NET ASSETS		3,066,688	4,277,118
EQUITY			
Issued capital	18	5,728,469	5,662,919
Reserves	19	1,408,902	1,380,131
Accumulated losses		(4,070,683)	(2,765,932)
TOTAL EQUITY		3,066,688	4,277,118

The accompanying notes form part of these condensed financial accounts

Consolidated Statement of Changes in Equity

for the year ended 30 June 2017

	Note	Issued Capital $	Option Reserves $	Accumulated Losses $	Total $
BALANCE AT 1 JULY 2015		100	-	(8,269)	(8,169)
Loss for the year		-	-	(2,757,663)	(2,757,663)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(2,757,663)	(2,757,663)
Transactions with owners recorded directly in equity					
Shares issued		6,931,050	-	-	6,931,050
Share issue transaction costs		(1,268,231)	-	-	(1,268,231)
Share-based payments		-	1,380,131	-	1,380,131
BALANCE AT 30 June 2016		5,662,919	1,380,131	(2,765,932)	4,277,118
BALANCE AT 1 JULY 2016		5,662,919	1,380,131	(2,765,932)	4,277,118
Loss for the year		-	-	(1,304,751)	(1,304,751)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(1,304,751)	(1,304,751)
Transactions with owners recorded directly in equity					
Share-based payments	20	65,550	28,771	-	94,321
BALANCE AT 30 June 2017		5,728,469	1,408,902	(4,070,683)	3,066,688

The accompanying notes form part of these condensed financial accounts

Consolidated Statement of Cash Flows

for the year ended 30 June 2017

	Note	2017 $	2016 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3,946	-
Payments to suppliers and employees		(1,422,670)	-
Interest and other costs of finance paid		(679)	
Interest received		51,975	-
Net Cash Used In Operating Activities	24(b)	(1,367,428)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment		(76,563)	-
Payments to acquire intangible and other assets		(52,684)	-
Net cash on acquisition of controlled entity		-	75,478
Net Cash Used In Investing Activities		(129,247)	75,478
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(46,146)	-
Payment of share issue and recapitalisation related costs		(713,783)	-
Proceeds from issue of shares		-	4,999,031
Net Cash Provided By Financing Activities		(759,929)	4,999,031
Net increase/(decrease) in cash held		(2,256,604)	5,074,509
Cash and Cash Equivalents at beginning of the period		5,074,609	100
Cash and Cash Equivalents at end of the period	24(a)	2,818,005	5,074,609

The accompanying notes form part of these financial accounts

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Pointerra Limited is a for-profit company limited by shares incorporated in Australia whose shares are publicly traded on the ASX.

The registered office is:
C/- Westar Capital Limited, Level 4, 216 St Georges Terrace, Perth WA 6000

The principal place of business is:
Level 2, 27 Railway Road, Subiaco WA 6008

The financial report for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the Directors on 29 September 2017.

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation
The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act *2001*. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements comprise the financial statements of Pointerra Limited and its subsidiaries at the reporting date (the “Group”).

The consolidated financial statements have been prepared on an accruals basis and are measured at historical cost, except for assets and liabilities acquired in business combinations, which are initially measured at fair value. All amounts are presented in Australian dollars.

Accounting policies have been consistently applied, unless otherwise stated.

Acquisition of Pointerra Pty Ltd
On 30 June 2016, Pointerra Limited (formerly Soil Sub Technologies Limited) acquired 100% of the ordinary share capital of Pointerra Pty Ltd. In accordance with reverse asset acquisition accounting principles under AASB 3 Business Combinations, Pointerra Pty Ltd is the deemed acquirer of Soil Sub Technologies Limited.

Basis of consolidation
Subsidiaries are fully consolidated from the date the Group obtains control until such time as control ceases. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses arising from intra-group transactions are eliminated in full.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values. The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

Investments in subsidiaries are accounted for at cost in the separate financial statements of Pointerra Limited.

Income tax

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

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

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

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

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

Tax consolidation legislation
Pointerra Limited and its wholly-owned Australian subsidiary have not implemented tax consolidation legislation.

Plant and equipment
Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in the profit and loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Intangibles

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives for current and comparative periods are as follows:

– patents and trademarks: 5–20 years

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

Recognition and initial measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

a) the amount at which the financial asset or financial liability is measured at initial recognition;
b) less principal repayments;
c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method;
d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through 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 value with a consequential recognition of an income or expense in profit or loss.

Impairment of assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. No liabilities are recognised for non-accumulating sick leave.

The liability for long service leave and other employee entitlements expected to be settled more than 12 months from the reporting date is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and years of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Contributions to defined contribution superannuation funds are recognised as an expense as they become payable.

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency translation

Functional and presentation currency

The financial report is presented in Australian dollars, which is the Company's functional currency.

Transactions and balances

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

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

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

Share-based payment transactions

The Company measures the cost of equity-settled transactions with Directors and 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.

For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services, the value of options is calculated using the Black-Scholes option pricing model, or the quoted bid price where applicable.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Trade and other payables

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

Issued capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction net of tax of the share proceeds received.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance 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.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goods and Services Tax (GST)

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

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.

Comparatives

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

Critical accounting estimates and judgments

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

Key Estimate – Share-based payments

The Company measures the cost of equity-settled transactions with Directors and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model using the assumptions disclosed in Note 20. The accounting estimates and assumptions relating to equity settled share-based payments used would have no impact on assets and liabilities within the next reporting period but may impact expenses and equity.

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group during the financial year.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2017. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 9 Financial Instruments

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

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. 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 those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Group will adopt this standard from 1 July 2018 but the impact of its adoption is unlikely to have a material effect based on the current position of the Group.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 ‘Leases’ and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a ‘right-of-use’ asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a ‘right-of-use’ asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Group will adopt this standard from 1 July 2019 but the impact of its adoption is unlikely to have a material effect based on the current position of the Group.

AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions
The amendments clarify the following:
1. In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity settled share based payments
2. Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employee’s tax obligation to meet the employee’s tax liability which is then remitted to the tax authority, i.e. the share-based payment arrangement has a ‘net settlement feature’, such an arrangement should be classified as equity settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature
3. A modification of a share-based payment that changes the transaction from cash settled to equity settled should be accounted for as follows:
    - The original liability is derecognised
    - The equity-settled share based payment is recognised at the modification date fair value of the equity instrument granted to the extent that services have been rendered up to the modification date
    - Any difference between the carrying amount of the liability at the modification date and the amount recognised in equity should be recognised in profit or loss immediately.

The amendments are effective for annual reporting periods beginning on or after 1 January 2018 with earlier application permitted. Specific transition provisions apply. The directors of the Company do not anticipate that the application of the amendments in the future will have a significant impact on the Group’s consolidated financial statements as the Group does not have any cash settled share based payment arrangements or any withholding tax arrangements with tax authorities in relation to share based payments.

NOTE 3. Business Combinations

On 30 June 2016, Pointerra Limited (formerly Soil Sub Technologies Limited) acquired 100% of the ordinary share capital of Pointerra Pty Ltd as detailed in the prospectus lodged with the ASX on 29 April 2016.

In accordance with reverse asset acquisition accounting principles, Pointerra Pty Ltd is the deemed acquirer of Soil Sub Technologies Limited, as Pointerra Pty Ltd gained control of the Board and voting power by virtue of shareholdings. The consideration is deemed to have been incurred by Pointerra Pty Ltd in the form of equity instruments issued to Soil Sub Technologies Limited shareholders. The consolidation of these two companies is on the basis of the continuation of Pointerra Pty Ltd with no fair value adjustments, whereby Pointerra Pty Ltd is the accounting parent. Therefore, the most appropriate treatment for the transaction is to account for it under AASB 2 Share Based Payments, whereby Pointerra Pty Ltd is deemed to have issued shares to Soil Sub Technologies Limited shareholders in exchange for the net assets held by Soil Sub Technologies Limited.

In this instance, the value of the Soil Sub Technologies Ltd shares provided has been determined as the notional number of equity instruments that the shareholders of Pointerra Pty Ltd would have had to issue to Soil Sub Technologies Ltd to give the owners of Pointerra Pty Ltd the same percentage ownership in the combined entity.

The acquisition date fair value of this consideration has been determined with reference to the fair value of the issued shares of Soil Sub Technologies Limited immediately prior to the acquisition and has been determined to be $1,050,514 based on 35,017,127 shares based on a value of $0.03 per share, being the issue price under the Prospectus. As a result, transaction costs of $1,891,727 have been determined being the difference between the consideration and the fair value of net assets of Soil Sub Technologies Limited as at the acquisition date.

Below is a summary of the consideration transferred and fair value of the assets and liabilities acquired at acquisition date.

Fair value of consideration transferred	1,050,514
Fair value of assets and liabilities held at acquisition date (Soil Sub Technologies Limited)	
Cash at bank	75,478
Trade and other receivables	5,671
Trade and other payables	(415,857)
Financial liabilities	(506,505)
Fair value of net liabilities assumed on acquisition	(841,213)
Excess deemed consideration on acquisition transaction expense	1,891,727

NOTE 4. INCOME TAX

	2017 $	2016 $
(a) The components of tax expense comprise:		
Current	-	-
Deferred	-	-
(b) Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax expense as follows:		
Prima facie tax on operating loss at 27.5% (2016: 30%)	(358,807)	(827,299)
Add / (Less):		
Tax effect of:		
Non-assessable income	(136,503)	-
Research & Development refundable offset	(182,575)	-
Other permanent differences	26,788	-
Deferred tax assets not brought to account	651,097	827,299
Income tax expense/(benefit)	-	-
(c) Deferred tax assets		
Accrued expenses	30,049	4,500
Capital raising costs	348,764	304,375
Tax losses	-	114,306
Total deferred tax assets	378,813	423,181
Set-off deferred tax liabilities pursuant to set-off provisions	(26,343)	-
Less deferred tax assets not recognised	352,470	(423,181)
Net deferred tax assets	-	-
(d) Deferred tax liabilities		
Other	26,343	-
Set-off deferred tax liabilities	(26,343)	-
Net deferred tax liabilities	-	-
(e) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	-	381,019
Potential tax benefit @ 27.5% (2016: 30%)	-	114,306

The benefit for tax losses will only be obtained if:

i. The company and consolidated entity derive future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;
ii. The company and consolidated entity continue to comply with the conditions for deductibility imposed by law; and
iii. No changes to the tax legislation adversely affect the ability of the company and consolidated entity to realise these benefits.

NOTE 5. AUDITOR'S REMUNERATION

	2017	2016
	$	$
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	31,909	15,000
	31,909	15,000

NOTE 6. KEY MANAGEMENT PERSONNEL COMPENSATION AND RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation

Short-term employee benefits	357,000	-
Post-employment benefits	22,800	-
Share-based payments	-	811,842
	379,800	811,842

(b) Loans from key management personnel

Robert Newman	-	2,963
Ian Olson	-	5,709
	-	8,672

The loans are non-interest bearing, unsecured and have no fixed terms of repayment.

(c) Shares issued to directors

The following ordinary shares and performance shares were issued to directors or their related parties in consideration for the acquisition of their shares in Pointerra Pty Ltd.

	2017		2016	
	Ordinary Shares	Performance Shares	Ordinary Shares	Performance Shares
Robert Newman	-	-	3,469,384	8,691,248
Ian Olson	-	-	10,403,300	26,061,589
Neville Bassett	-	-	1,732,266	-

(d) Other transactions with related parties

A total of $11,467.50 was paid to NGIS Australia Pty Ltd, a company of which Graham Griffiths is a related party of (Chairman of the Board) in consideration for expenses that were classified as research and development costs.

NOTE 7. OTHER INCOME

	2017	2016
	$	$
Research and development refundable tax offset	496,376	-
Interest Income	51,975	-
	548,351	-

NOTE 8. ADMINISTRATIVE EXPENSES

Accounting and audit fees	(77,635)	(15,000)
Consulting and contracting expenses	(264,179)	-
Director fees	(116,400)	-
Employee benefits expense	(140,916)	-
	(599,130)	(15,000)

NOTE 9. RESEARCH AND DEVELOPMENT EXPENSES

	2017	2016
	$	$
Employee benefits expense	(832,417)	-
Other research and development expenses	(246,198)	-
	(1,078,615)	-

NOTE 10. OTHER EXPENSES

Depreciation and amortisation expense	(21,466)	(589)
Legal fees	(35,557)	(8,864)
Sundry expenses	(19,003)	(10,671)
	(76,026)	(20,124)

NOTE 11. CASH AND CASH EQUIVALENTS

Cash at bank	518,005	5,074,609
Deposits on call	2,300,000	-
	2,818,005	5,074,609

NOTE 12. TRADE AND OTHER RECEIVABLES

CURRENT		
Accounts receivable	977	-
R&D tax offset receivable	496,376	-
GST receivable	38,983	10,254
	536,336	10,254

NOTE 13. PLANT AND EQUIPMENT

At cost	76,825	5,462
Accumulated depreciation	(16,057)	(589)
	60,768	4,873

Movement in the carrying amounts or plant and equipment during the year:

Balance at beginning of year	4,873	-
Additions	69,685	5,462
Depreciation expense	(13,790)	(589)
Balance at end of year	60,768	4,873

NOTE 14. INTANGIBLE ASSETS

	2017	2016
	$	$
At cost	53,687	-
Accumulated amortisation	(7,676)	-
	46,011	-
Movement in the carrying amounts or intangible assets during the year:		
Balance at beginning of year	-	-
Additions	53,687	-
Amortisation expense	(7,676)	-
Balance at end of year	46,011	-

Intangible assets consist of patents and website development costs.

NOTE 15. TRADE AND OTHER PAYABLES

CURRENT		
Unsecured Liabilities:		
Trade Payables	148,464	751,472
Sundry creditors and accrued expense	220,546	15,000
	369,010	766,472

All amounts are expected to be settled on 30-day terms.

NOTE 16. BORROWINGS

CURRENT		
Loans from unrelated parties	-	37,474
Loans from related parties	-	8,672
	-	46,146

The loans are non-interest bearing, unsecured and have no fixed terms of repayment.

NOTE 17. EARNINGS PER SHARE

	2017	2016
	$	$
Earnings used in calculating basic loss per share	(1,304,751)	(2,757,663)
Movements:	**No.**	**No.**
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	326,533,801	87,320,561

This calculation does not include instruments that could potentially dilute basic earnings per share in the future, as these instruments are anti-dilutive, since their inclusion would reduce the loss per share.

NOTE 18. ISSUED CAPITAL

	2017 $	2016 $
373,842,157 (2016: 325,992,157) fully paid ordinary shares	6,996,700	6,931,150
Less: capital raising fees	(1,268,231)	(1,268,231)
Net issued capital	5,728,469	5,662,919

Movements:	**$**	**No.**
As at 1 July 2015	100	10,000
Soil Sub Technologies Ltd issued capital prior to acquisition	-	35,017,127
Acquisition of Pointerra Technologies Pty Ltd	1,050,514	86,666,666
Elimination of Pointerra Technologies Pty Ltd shares upon reverse acquisition	-	(10,000)
Capital raising	4,999,031	166,634,364
Shares issued in settlement of financial liabilities acquired	506,505	25,174,000
Share-based payments in lieu of cash corporate advisory fee	375,000	12,500,000
Share issue costs	(1,268,231)	-
As at 30 June 2016	5,662,919	325,992,157
Share-based payments in lieu of cash corporate advisory fee	65,550	2,850,000
Share issue costs conversion of Class A performance shares	-	45,000,000
As at 30 June 2017	5,728,469	373,842,157

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The Company has 120,000,000 remaining performance shares issued as part consideration for the acquisition of Pointerra Technologies Pty Ltd.

NOTE 18. ISSUED CAPITAL (continued)

Performance shares

The performance shares were issued on 30 June 2016 as part consideration for the acquisition of Pointerra Pty Ltd.

Class	Expiry	Performance	No. Shares
Class A	30 June 2017	Release of a commercially saleable product based on a 3D dynamic points database containing at least 100 billion points.	-
Class B	30 June 2018	Execution of a commercial technology evaluation agreement with an independent third party for potential use of Pointerra's DaaS solution, and the volume weighted average price of shares traded on the ASX over 20 consecutive days not less than $0.06.	60,000,000
Class C	30 June 2019	Execution of a commercial license agreement with an independent third party for potential use of Pointerra's DaaS solution, and the volume weighted average price of shares traded on the ASX over 20 consecutive days not less than $0.09.	60,000,000
			120,000,000

On 28 June 2017 45,000,000 Class A performance shares were converted as a result of achieving the performance milestone of releasing a commercially saleable product based on a 3D dynamic points database containing at least 100 billion points.

Upon conversion, the shares into which performance shares convert will rank equally with other ordinary shares.

If the relevant milestone is not achieved by the required date, each performance share in that class will be automatically redeemed by the Company for $0.00001 within 10 business days of non-satisfaction of the milestone.

Options

At the end of the year, the following options over unissued ordinary shares were outstanding:

- 107,000,000 options expiring 30 June 2019 at an exercise price of $0.05.

Capital Management

The Directors' objectives when managing capital are to ensure that the Company can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.
Due to the nature of the Company's activities, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet business development and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

NOTE 19. RESERVES

	2017	2016
Option Reserves	**$**	**$**
Balance at beginning of year	1,380,131	-
Share based payments	28,771	1,380,131
Balance at end of year	1,408,902	1,380,131

NOTE 20. SHARE-BASED PAYMENTS

(a) Shares issued for corporate advisory services

2,850,000 shares were issued on 9 June 2017 in settlement of a corporate advisory fees of $65,550.

(b) Options issued to employees

5,000,000 incentive options with an expiry date of 30 June 2019 and an exercise price of $0.05 were issued on 9 June 2017 pursuant to the Pointerra Ltd Employee Option Plan. The options were valued at $0.0058 and were expensed as share-based payments.

(c) Option valuation assumptions

The fair value of the options granted was estimated as at the date of grant using a Black-Scholes model. The following table lists the inputs to the model:

	2017	2016
Dividend yield (%)	Nil	Nil
Expected volatility (%)	81%	88%
Risk-free interest rate (%)	1.63%	1.59%
Expected life (years)	2.1	3.0
Share price at grant date, based on acquisition offer price ($)	0.023	0.030

(d) Options outstanding at end of year

The following table illustrates the number and weighted average exercise prices (WAEP) of share options granted as share-based payments on issue during the year.

	2017 Number	2017 WAEP $	2016 Number	2016 WAEP $
Outstanding at 1 July	102,000,000	0.05	-	-
Granted during the year	5,000,000	0.05	102,000,000	0.05
Outstanding at 30 June	107,000,000	0.05	102,000,000	0.05

The weighted average remaining contractual life for options outstanding as at 30 June 2017 was 2 years (2016: 3 years).

(e) Share-based Payments summary

Class	Quantity	Grant date	Grant date Fair Value $	Expiry date	Exercise price	Vesting date
Options	5,000,000	9/06/2017	28,771	30/06/2019	0.05	-
Shares	1,000,000	9/06/2017	23,000	-	-	-
Shares	1,250,000	9/06/2017	28,750	-	-	-
Shares	500,000	9/06/2017	11,500	-	-	-
Shares	100,000	9/06/2017	2,300	-	-	-

No options expired or were exercised during the year.

NOTE 21. COMMITMENTS

Commitments	2017 $	2016 $
Not later than 1 year	43,128	-
Later than 1 year and not later than 5 years	43,128	-
Later than 5 years	-	-

The Group has entered into a rental contract for the lease of office space from a third party. This contract will give rise to an annual expense of $43,128 excluding outgoings for the next two years.

NOTE 22. CONTINGENT LIABILITIES AND ASSETS

There are no contingent assets or liabilities.

NOTE 23. OPERATING SEGMENTS

The Group has only one reportable segment, being the development and commercialisation of its unique 3D geospatial data technology.

NOTE 24. CASH FLOW INFORMATION

(a) Reconciliation of cash	2017	2016
	$	$
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash and cash equivalents	2,818,005	5,074,609
	2,818,005	5,074,609

(b) Reconciliation of cash flow from operations with operating profit after income tax	2017	2016
Operating loss after income tax	(1,304,751)	(2,757,663)
Non-cash flows in loss from ordinary activities		
Depreciation and amortisation	21,466	589
Share-based payments	94,321	811,842
Foreign exchange	(600)	-
Expense recognised in respect of equity-settled share-based payments	-	1,891,727
Changes in assets and liabilities		
Increase in trade and other receivables	(526,082)	(3,832)
Increase in trade and other payables	316,321	57,337
Increase in Provisions	31,897	-
Net Cash Used In Operating Activities	(1,367,428)	-

(c) Non-cash financing and investing transactions

i. 45,000,000 performance shares were converted on 28 June 2017 as a result of achieving the performance milestone of releasing a commercially saleable product based on a 3D dynamic points database containing at least 100 billion points. These performance shares were initially issued on 30 June 2016 as consideration for the acquisition of Pointerra Technologies Pty Ltd. Refer to Note 18 for further information.

NOTE 25. EVENTS AFTER THE BALANCE SHEET DATE

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

NOTE 26. FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks and accounts payable. The main purpose of non-derivative financial instruments are to raise finance for company operations. The Company does not have any derivative instruments at 30 June 2017.

i. Liquidity Risk

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

The Company 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 Company. Due to the nature of the Company's activities, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Company's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The financial liabilities of the Company are confined to trade and other payables and current borrowings, as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date. Current borrowings are non-interest bearing and have no fixed terms of repayment.

ii. Market Risk

The Board meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

iii. 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 Company is also exposed to earnings volatility on floating rate instruments. Interest rate risk is not material to the Company as no debt arrangements have been entered into.

iv. Foreign exchange risk

The company is not exposed to fluctuations in foreign currencies.

v. Credit Risk

Credit risk related to balances with banks and other financial institutions is managed by the Directors in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	2017	**2016**
Cash and cash equivalents	**$**	**$**
- AA- Rated	2,818,005	5,074,609

NOTE 26. FINANCIAL INSTRUMENTS (continued)

(b) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2017	Floating interest rate	Fixed interest maturing in 1 year or less	Fixed interest maturing over 1 to 5 years	Non-interest bearing	Total
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	518,005	2,300,000	-	-	2,818,005
Trade and other receivables	-	-	-	542,811	542,811
	518,005	**2,300,000**	**-**	**542,811**	**3,360,816**
Weighted average interest rate	0.10%	2.22%	0%	0%	
Financial liabilities					
Trade and other payables	-	-	-	369,010	369,010
Provisions	-	-	-	31,897	31,897
	-	**-**	**-**	**400,907**	**400,907**

2016	Floating interest rate	Fixed interest maturing in 1 year or less	Fixed interest maturing over 1 to 5 years	Non-interest bearing	Total
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	5,074,609	-	-	-	5,074,609
Trade and other receivables	-	-	-	10,254	10,254
	5,074,609	**-**	**-**	**10,254**	**5,084,863**
Weighted average interest rate	0.10%	0%	0%	0%	
Financial liabilities					
Trade and other payables	-	-	-	766,472	766,472
Borrowings	-	-	-	46,146	46,146
	-	**-**	**-**	**812,618**	**812,618**

Sensitivity Analysis

The sensitivity analysis below has been determined on the exposure to interest rates at the reporting date and on the basis of the stipulated change taking place at the beginning of the year and held constant throughout the reporting period. A sensitivity of 0.5% has been selected, as this is considered reasonable considering the current market conditions (2016: 0.5%).

At 30 June 2017, if interest rates had moved, as illustrated in the table below, with all other variables held constant, profit/(loss) would have been affected as follows:

	2017	2016
Profit/(loss) and equity	**$**	**$**
+ 0.5% (50 basis points) (2016: +0.5% (50 basis points))	14,090	25,373
- 0.5% (50 basis points) (2016: -0.5% (50 basis points))	(14,090)	(25,373)

Fair value estimation

The carrying amounts of financial assets and financial liabilities are equal to their fair value based on their short-term nature. No financial assets or liabilities are required to be measured at their fair value on a recurring basis.

NOTE 27. PARENT ENTITY INFORMATION

Pointerra Limited is the legal parent entity.

	2017	2016
	$	$
Current assets	3,355,919	5,080,180
Non-current assets	103,727	-
Total assets	**3,459,646**	**5,080,180**
Current liabilities	(400,907)	(755,799)
Total liabilities	**(400,907)**	**(755,799)**
Net assets	**3,058,739**	**4,324,381**
Equity		
Contributed equity	11,292,324	11,226,774
Reserves	1,427,816	1,399,045
Accumulated losses	(9,661,401)	(8,301,438)
Total equity	**3,058,739**	**4,324,381**
Total comprehensive loss	**(2,410,477)**	**(2,702,495)**

Legal subsidiary

Name	Country of Incorporation	Class of share	% Equity interest 2017	% Equity interest 2016	Principal activities
Pointerra Pty Ltd[(i)]	Australia	Ordinary	100%	100%	Visualisation and processing of 3D point cloud datasets

i. Acquired 30 June 2016

Directors' Declaration

In accordance with a resolution of the Directors of Pointerra Limited, the Directors of the Company declare that:

(a) 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;

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2 to the financial statements;

(c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

(d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

Neville Bassett
Director

29 September 2017

Independent Auditor's Report

To the Members of Pointerra Limited

Bentleys
THINKING AHEAD

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pointerra Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2017, 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:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional 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.

Key Audit Matter	How our audit addressed the key audit matter
Recognition of Research & Development Tax Incentive (Refer to note 7) Under the Research and Development ("R&D") tax incentive scheme, the Consolidated Entity receives a 43.5% refundable tax offset of eligible expenditure. An R&D submission has been filed with AusIndustry, and a receivable of $496,376 has been recorded at year end representing the claim to be received for the year ended 30 June 2017. This area is a key audit matter due to the inherent subjectivity that is involved in the Consolidated Entity making judgements in relation to estimation and recognition of the R&D tax incentive income and receivable.	Our procedures included, amongst others: - obtaining an understanding of the objectives and activities in the R&D program; - reviewing the lodgment documents and related working papers utilised by the expert engaged by the Consolidated Entity; - assessing the scope of services and capabilities of the expert engaged by the Consolidated Entity; - comparing the eligible expenditure used in the receivable calculation to the expenditure recorded in the general ledger; - agreeing the receipt of the refund to the bank statement subsequent to year end; and - assessing the adequacy of the disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2017, 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 Note 2, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional 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.

- 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 Consolidated Entity'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 Consolidated Entity'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 Consolidated Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

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.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 29th day of September 2017

Corporate Governance Statement

The Board of Directors of the Company is responsible for the Corporate Governance of the Company. The Board is committed to achieving and demonstrating the highest standard of corporate governance applied in a manner that is appropriate to the Company's circumstances.

The Company has taken note of the Corporate Governance Principles and Recommendations 3rd edition, which was released by the ASX Corporate Governance Council on 27 March 2014 and became effective for the financial year beginning on or after 1 July 2014.

The Company's Corporate Governance Statement is current as of the date of this report and it has been approved by the Board. The Corporate Governance Statement is available on the Company's website at: www.pointerra.com

Additional Information for Shareholders

The shareholder information set out below was applicable as at 25 September 2016.

Distribution of equity securities:
Analysis of numbers of equity security holders by size of holding:

Holding	Total holders	Number of Shares	% of issued capital
1 - 1,000	800	48,321	0.01
1,001 - 5,000	133	324,293	0.09
5,001 - 10,000	75	515,226	0.14
10,001 - 100,000	394	17,707,366	4.74
100,001 - 9,999,999,999	318	355,246,951	95.03
Total	1,720	373,842,157	100

	Number of shares in minimum parcel size	Holders	Units
Less than marketable parcel	11,904	1,053	1,403,618

The names of the 20 largest holders of fully paid ordinary shares as at 25 September 2017:

	Name	Number of shares	Percentage
1.	Cartovista Pty Ltd	40,837,233	10.92
2.	HSBC Custody Nominees (Australia) Limited	14,494,807	3.88
3.	Pershing Australia Nominees Pty Ltd <Indian Ocean A/C>	14,400,000	3.85
4.	Egmont Pty ltd <C Carter Super Fund No 1 A/C>	13,300,000	3.56
5.	Philippa Cameron Cummins	12,500,000	3.34
6.	Celtic Capital Pty Ltd <The Celtic Capital A/C>	8,500,000	2.27
7.	Jennifer Olson	7,977,157	2.13
8.	Saltini Pty Ltd <Sheldrick Family S/F A/C>	6,100,000	1.63
9.	Michael Freeth	5,822,742	1.56
10.	Mark & Alison Morrison	5,822,742	1.56
11.	BT Global Holdings Pty Ltd <BT Unit A/C>	5,666,666	1.52
12.	Jennifer Olson	5,450,125	1.46
13.	Michael Freeth	5,144,972	1.38
14.	Cleland Projects Pty Ltd <CT A/C>	5,000,000	1.34
15.	Scintilla Strategic Investments Limited	5,000,000	1.34
16.	Orequest Pty Ltd	4,333,333	1.16
17.	Austral Capital Pty Ltd <Austral Equity Fund>	4,000,000	1.07
18.	Ocean View WA Pty Ltd	4,000,000	1.07
19.	Mark & Alsion Morrison	3,978,194	1.06
20.	Smyth Super Investments Pty Ltd	3,920,374	1.05
Total		**176,248,345**	**47.15**
Total all ordinary shares		**373,842,157**	

Additional Information for Shareholders

Substantial holders:
Substantial holders in the Company are set out below:

Name	Number of shares	Class of shares
Cartovista Pty ltd	42,003,900	Ordinary

Performance shares
Details of unquoted performance shares on issue as at 25 September 2016.

Class	Expiry	Performance milestones for conversion	Number of shares	Number of holders
Class B	30/6/2018	Execution of a commercial technology evaluation agreement with an independent third party for potential use of Pointerra's DaaS solution, and the volume weighted average price of shares traded on the ASX over 20 consecutive days is not less than $0.06.	60,000,000	12
Class C	30/6/2019	Execution of a commercial license agreement with an independent third party for potential use of Pointerra's DaaS solution, and the volume weighted average price of shares traded on the ASX over 20 consecutive days is not less than $0.09.	60,000,000	12
			120,000,000	

Holdings of more than 20% of each class:

Holder	Class B	Class C
Cartovista Pty Ltd	22,101,076	22,11,076

The performance shares convert to ordinary fully paid shares on a one for one basis.

On 28 June 2017 45,000,000 Class A performance shares were converted as a result of achieving the performance milestone of releasing a commercially saleable product based on a 3D dynamic points database containing at least 100 billion points.

Restricted Securities

The Company has on issue the following restricted securities:

Class of Security	Number	Date cease to be restricted securities
Ordinary shares fully paid	45,784,063	12 July 2018
Class B Performance Shares	12,637,395	12 July 2018
Class C Performance Shares	12,637,395	12 July 2018
Options (30/6/2019; $0.05)	102,000,000	12 July 2018
Subject to Voluntary Escrow		
Ordinary shares fully paid	82,287,024	30 June 2018
Class B Performance Shares	44,533,667	30 June 2018
Class C Performance Shares	44,533,667	30 June 2018

On-market Buy-back

There is no current on-market buy-back.

Consistency with business objectives

The Company has used its cash and assets in a form readily convertible to cash that it had at the time re-compliance in a way consistent with its stated business objectives.