

26 August 2016

Velpic 2016 Full Year Results

Highlights

- 2015/16 was a year of significant transition for the company from a dormant exploration company to a dynamic Software as a Service (SaaS) company with global potential
- Successful re-listing on the Australian Securities Exchange as VPC in October 2015
- Ongoing development of the Velpic platform, culminating in the release of Version 3.0, maintaining Velpic's first mover advantage in the global Learning Management System (LMS) market
- With \$9m+ in capital raised over this period, investor interest and support remains strong
- Velpic now has solid foundations from which to execute its three-pillar commercialisation strategy achieving further domestic and international growth
- Velpic positioned to accelerate client growth with further revenue uplift expected in FY17

Velpic Limited (ASX: VPC) ("Velpic" or "the Company") is pleased to announce its financial results for the Financial Year commencing on 22 October 2015, upon Velpic's re-listing on the Australian Securities Exchange (ASX) under the code "VPC", and ending June 30 2016 (FY16).

Successful re-listing

Velpic successfully listed on the Australian Securities Exchange in October 2015 following its acquisition by International Coal Limited, changing the nature of the listed entity's activities to that of a technology company. The Velpic Group consists of two related entities: Velpic, a cloud-based video e-Learning platform, and Dash Digital, a brand technology agency.

Financial Results

The Company delivered substantial revenue growth during FY16, with revenue from operations of \$1,460,273, compared to revenue of \$30,676 for FY15 prior to the acquisition of Velpic. The increase in revenue during the reporting period was primarily due to the incorporation of Dash Digital's existing revenue streams and the growth in revenues from Velpic's SaaS-based platform. Also strengthening Velpic's revenues is the expansion of its sales channels that has accelerated due to Velpic's client acquisition across Australia.

Velpic reported a net loss after tax from ordinary activities of \$4,216,681 in FY16. When adjusted for a number of one-off expenses linked to legacy operations and the cost of completing the acquisition of Velpic, the adjusted loss equates to \$2,480,074.

Velpic invested heavily into its eLearning platform, developing SME Version 3.0 during the year. Velpic continued to make substantial investments into product development and in expanding its human resources and sales capability functions. This provides a strong base from which to leverage future revenue growth.

Successful capital raising initiatives

During FY16, Velpic undertook two successful capital raisings, receiving substantial support from new and existing investors. In addition to the October 2015 \$4 million re-compliance Prospectus Issue, in July 2016 the Company completed a 2 for 5 renounceable rights issue raising \$5.7 million before costs via the issue of 190 million shares and 95 million options. Shares were issued at \$0.03 per share, together with one free attaching option for every 2 new shares subscribed for with an exercise price of \$0.06 and term of 24 months.

These capital raisings allowed Velpic to substantially progress its growth initiatives, including accelerating sales growth of its eLearning platform across Australia and working towards expanding its customer presence internationally.

Outlook

Velpic expects further revenue growth in FY17 as its sales channels continue to grow and deliver more customers.

Version 3.0 is expected to be a major catalyst for Velpic's international expansion and will help build on Velpic's strong client growth momentum. In addition, Version 3.0 has diversified Velpic's revenue streams into the SME market, setting firm foundations for further growth in recurring SaaS fees.

The Company intends to continue client acquisition for the Velpic platform and rapidly accelerate the Company's overseas expansion. Over the course of FY17, there will be an emphasis on the development of additional sales partnerships and digital marketing channels. This is expected to make a strong and positive contribution to revenue and cashflow as growth in customer numbers begins to accelerate with minimal increase in current overhead.

Velpic Chief Executive, Russell Francis commented:

"We have worked extremely hard and in only eight months we have transformed Velpic from a private business with a single enterprise revenue stream, based solely in Western Australia, to a public company with the ability to perform on the international stage. Our transformation has been carefully planned and executed and as a result, we are extremely excited about what the next year brings."

"We have developed three go-to-market pillars for client growth: enterprise sales, reseller partnerships and SME self-sign ups which we expect to solidly underpin our future revenue growth."

****ENDS****

Appendix 4E follows at the end of this report

VELPIC LIMITED AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2016

Appendix 4E
Preliminary Financial Report

Rule 4.3A

Appendix 4E
Preliminary final report

Name of entity

VELPIC LIMITED (Formerly International Coal Limited)

ABN

65 149 197 651

Financial year ended

30 June 2016

Previous corresponding period

30 June 2015

Explanation for the below results and commentary

On 22 October 2015, the company completed the acquisition of Velpic Australia Pty Ltd (formerly The Inductor Pty Ltd) as Trustee for the Inductor Trust ('Velpic') and Dash Digital Pty Ltd as Trustee for the Dash Unit Trust ('Dash'). As a result of the acquisition, the shareholders approved at a general meeting held on 3 September to change its name to Velpic Limited and the principal activities to a technology company. The results below therefore include the financial performance of Velpic and Dash for the period since the acquisition, 22 October 2015 to 30 June 2016. The acquired business contributed revenues of \$1,403,942 and net loss of \$1,676,502 to the group for the period from 22 October 2015 to 30 June 2016. If the acquisition had occurred on 1 July 2015, consolidated revenue and consolidated loss after tax for the year ended 30 June 2016 would have been \$2,161,953 and \$5,052,435 respectively.

Results for announcement to the market

	30 June 2016	30 June 2015	Change %
Revenue from continuing operations	1,460,273	30,676	Increase 4660.3%
Profit/(Loss) from ordinary activities after tax attributable to members	(4,655,335)	(12,060,287)	Decrease by 61.4%
Net profit/ (loss) attributable to members	(4,655,335)	(12,060,287)	Decrease by 61.4%
Dividends (distributions)		Amount per Security	Franked Amount per Security
Final dividend		None	-
Interim dividend			
Previous corresponding period		None	-
Record date for determining entitlements to the dividend		N/A	

Details of individual and total dividends or distributions and dividend or distribution payments

None

Details of any dividend or distribution reinvestment plans in operation

None

Net tangible assets per security

30/06/2016	30/06/2015
0.24 cents per share	0.99 cents per share

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Details of entities over which control has been gained or lost during the period:

Name of entity	Date of gain or loss of control	Profit/ (loss) after tax of the controlled entities since the date in the current period	Profit/ (loss) after tax of the controlled entities during the whole of the previous corresponding period
Velpic Australia (formerly Inductor Pty Ltd) as Trustee for the Inductor Trust	Gained control on 22 October 2015	(1,349,092)	(222,506)
Dash Digital Pty Ltd as Trustee for the Dash Unit Trust	Gained control on 22 October 2015	(327,410)	(168,406)

Details of associates and joint venture entities

The Group had entered into several joint venture and farm-in agreements with several parties in relation to its tenements in prior years. The following are details of these agreements:

- Queensland Coal Investments Pty Ltd (QCI) - entered on 21 June 2012 in relation to Exploration Permits in the Bundaberg region namely, EPC 2194, 2195, 2146 and 2631. \$11,227 was incurred as part of this agreement in the prior financial year ended 30 June 2015. The consolidated group share of assets employed and interest in the joint venture was 100%. Under the Agreement, QCI is required to spend \$1,500,000 in order to earn a 25% interest in the tenements. At year ended 30 June 2015, QCI had accumulated costs of \$1,623,377 incurred over these exploration permits. However on 25 February 2014, QCI decided not to spend further on these tenements but was entitled to 25% in the project. As at 30 June 2015, all costs incurred on this agreement has been written off. As at 30 June 2016, Tenure EPC 2195 and EPC 2196 are still live.
- Coal Face Resources Pty Ltd (CFR) - entered on 12 April 2013 in relation to the Don Juan Project (Exploration Permit EPC 2286). The Group incurred \$12,715 in the prior financial year ended 30 June 2015. However as the Company's intention was to surrender this tenement, the consolidated group share of assets was \$NIL, the amount incurred was written off to the Statement of Profit or Loss and comprehensive income. The interest in the joint venture is 46%.
- On 20 September 2012, the company announced it had signed a Terms Sheet with CFR to acquire 20% interest in the project referred to as the Consuelo Project upon granting of the tenements EPC 2318, 2327 and 2332. The terms of the agreement offered the former Company, International Coal Ltd the opportunity to earn up to 71% of the Consuelo Project within 3 years from the date of the grant of these tenements. On 15 September 2015, the Company decided to cancel the agreement with CFR in relation to the two tenements EPC 2318 and 2327 and as a result the consolidated group's share of assets was reduced to \$206,667 in relation to tenement EPC 2332 at 30 June 2015.

As the Company's principal activities have changed during the year, the Board has decided to write off all capitalised exploration expenditure during the year totalling \$1,200,724. The Company is also currently looking for potential buyers to acquire current tenements held.

Foreign entities

None

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Commentary for results of the period

As a result of the acquisition of Velpic Australia Pty Ltd (formerly the Inductor Pty Ltd) as trustee for the Inductor Trust ('Velpic') and Dash Digital Pty Ltd as trustee for the Dash Unit Trust ('Dash'), the Group's revenue has significantly increased from last year. The loss for the year has therefore included significant non-recurring expenses relating to the results of the business whilst it was an exploration company as well as the costs associated with the acquisition of Velpic and Dash.

The net loss after tax after adjusting for these recurring items is as follows:

	30 June 2016
	\$
Net loss after tax	(4,655,335)
Impairment of capitalised exploration expenditure	1,200,724
Re-compliance and acquisition costs	174,596
Share-based payments	799,941
Adjusted net loss after tax	(2,480,074)

Accounting policies, estimation methods and measurement bases used in this Appendix 4E are the same as those used in the last annual financial statements and the last half-year financial statements.

Compliance statement

The attached preliminary financial report has been prepared in accordance with the Australia Accounting Standards issued by the Australian Accounting Standards Board and are based on accounts that are currently in the process of being audited.

Signed By:



Piers Lewis
Company Secretary

VELPIC LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Consolidated	
	30 June 2016	30 June 2015
	\$	\$
Revenue	1,399,559	30,676
Other revenue	60,714	-
	<u>1,460,273</u>	<u>30,676</u>
Expenses		
Production costs	(449,501)	-
Compliance costs	(214,674)	(39,825)
Directors' fees	(73,266)	(119,994)
Depreciation	(16,319)	(3,398)
Reversal of doubtful debts	26,030	-
Employee benefits expense	(2,202,522)	(292,080)
Impairment of capitalised exploration expenditure	(1,200,724)	(11,263,905)
Exploration expenditure incurred	(27,691)	-
Interest expense	(6,570)	-
Marketing	(168,639)	-
Professional and consulting fees	(438,509)	(190,667)
Re-compliance and acquisition costs	(174,596)	-
Rent and utilities	(146,009)	(406)
Share-based payments	(799,941)	-
Travel expense	(79,646)	-
Other expenses	(143,031)	(206,207)
	<u>(4,655,335)</u>	<u>(12,085,806)</u>
Loss for the year before income tax		
Income tax benefit / (expense)	-	25,519
	<u>(4,655,335)</u>	<u>(12,060,287)</u>
Loss for the year after income tax		
Other comprehensive income	-	-
	<u>(4,655,335)</u>	<u>(12,060,287)</u>
Total comprehensive loss for the year		
Basic and diluted loss per share (cents per share)	(1.19)	(7.2)

The above consolidated statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with accompanying notes.

VELPIC LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Consolidated	
	30 June 2016	30 June 2015
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,005,712	935,080
Trade and other receivables	390,171	16,688
Income tax receivable	-	25,519
Other current assets	126,546	208,825
Total current assets	2,522,429	1,186,112
Non-current assets		
Exploration and evaluation assets	-	994,057
Mineral assets	-	206,667
Plant & equipment	78,982	-
Intangible assets	23,662	-
Goodwill	4,940,017	-
Total non-current assets	5,042,661	1,200,724
Total assets	7,565,090	2,386,836
Liabilities		
Current liabilities		
Trade and other payables	1,370,709	574,238
Provisions	18,040	-
Total current liabilities	1,388,749	574,238
Non-current liabilities		
Provisions	53,821	-
Total non-current liabilities	53,821	-
Total liabilities	1,442,570	574,238
Net Assets	6,122,520	1,812,598
Equity		
Issued capital	23,668,936	16,117,904
Reserves	3,490,675	2,076,450
Accumulated losses	(21,037,091)	(16,381,756)
Total Equity	6,122,520	1,812,598

The above consolidated statement of financial position should be read in conjunction with accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital	Share- based payments reserve	Consolidated Deferred compensation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2015	16,117,904	2,076,450	-	(16,381,756)	1,812,598
Comprehensive loss for the year					
Loss for the year	-	-	-	(4,655,335)	(4,655,335)
Total comprehensive loss for the year	-	-	-	(4,655,335)	(4,655,335)
<i>Transactions with owners in their capacity as owner</i>					
Shares issued	7,754,716	-	-	-	7,754,716
Options issued	-	164,225	-	-	164,225
Share issue costs	(203,684)	-	-	-	(203,684)
Deferred share issue	-	-	1,250,000	-	1,250,000
Balance at 30 June 2016	23,668,936	2,240,675	1,250,000	(21,037,091)	6,122,520
Balance at 1 July 2014	15,674,904	2,052,850	-	(4,321,469)	13,406,285
Comprehensive loss for the period					
Loss for the year	-	-	-	(12,060,287)	(12,060,287)
Total comprehensive loss for the year	-	-	-	(12,060,287)	(12,060,287)
<i>Transactions with owners in their capacity as owner</i>					
Shares issued	470,000	-	-	-	470,000
Share issue costs	(27,000)	-	-	-	(27,000)
Share-based payments for supply of services	-	23,600	-	-	23,600
Balance at 30 June 2015	16,117,904	2,076,450	-	(16,381,756)	1,812,598

The above consolidated statement of changes in equity should be read in conjunction with accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS

	Consolidated	
	30 June 2016	30 June 2015
	\$	\$
Cash flows from operating activities		
Receipts from customers	1,575,770	-
Payments to suppliers and employees	(4,923,289)	(641,058)
Transaction costs associated with the acquisition of subsidiaries	(215,490)	-
Income tax - research and development rebate	31,545	285,829
Interest received	28,910	36,019
Interest paid	(6,458)	-
Net cash flows (used in) operating activities	(3,509,012)	(319,210)
Cash flows from investing activities		
Cash acquired on acquisition of businesses	108,767	-
Payments for acquisition of business	-	(200,000)
Payments for evaluation and exploration expenditure	-	(199,811)
Payments for plant and equipment	(30,256)	(2,251)
Proceeds on disposal of plant and equipment	1,208	-
Payments for trademarks	(731)	-
Net cash flows from (used in) investing activities	78,988	(402,062)
Cash flows from financing activities		
Net proceeds from issue of shares and options	4,012,500	470,000
Cost of share issue	(203,684)	(27,000)
Funds received in advance from non-renounceable rights issue	772,000	-
Cost paid in advance for non-renounceable rights issue	(12,934)	-
Repayment of borrowings from Director	(67,226)	-
Net cash flows provided by financing activities	4,500,656	443,000
Net increase/(decrease) in cash and cash equivalents	1,070,632	(278,272)
Cash and cash equivalents at beginning of the year	935,080	1,213,352
Cash and cash equivalents at end of the year	2,005,712	935,080

The above consolidated statement of cash flows should be read in conjunction with accompanying notes.

VELPIC LIMITED AND CONTROLLED ENTITIES
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Preliminary Financial Report

Notes to the preliminary financial report

Notes to the consolidated statement of profit or loss and other comprehensive income

Revenue

	Consolidated 30 June 2016	Consolidated 30 June 2015
	\$	\$
Revenue from external customers	1,399,559	-
Other revenue		
• Interest revenue	28,910	30,676
• Other income	31,804	-
	60,714	30,676

Expenses

	Consolidated 30 June 2016	Consolidated 30 June 2015
	\$	\$
Foreign exchange losses (net)	2,970	-
Interest expense	6,570	-
Depreciation of non-current assets	16,319	3,398
Exploration and evaluation assets – impairment	1,200,724	11,263,905
Share-based payment expense:		
- Share-based payment via issue of options	164,225	23,600
- Share-based payment via issue of shares	617,216	-
- Share-based payment pending issue of shares	18,500	-
	799,941	23,600
Employee benefit expense:		
- Salaries and superannuation	2,019,908	207,085
- Other benefits	16,488	60,000
- Employment taxes	73,852	-
- Other costs	92,274	-
	2,202,522	267,085

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Preliminary Financial Report

Notes to the preliminary financial report (continued)

Notes to the consolidated statement of profit or loss and other comprehensive income (continued)

Loss per share

(a) Basic Loss Per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	Consolidated 30 June 2016	Consolidated 30 June 2015
	\$	\$
Loss for the year	4,655,335	12,060,287
	Consolidated 30 June 2016	Consolidated 30 June 2015
	No.	No.
Weighted average number of ordinary shares for the purpose of basic earnings per share	392,056,108	166,490,277

(b) Diluted Loss Per Share

As the company has made a loss for the year ended 30 June 2016, the options on issue have no dilutive effect, therefore diluted earnings per share is equal to basic earnings per share.

Notes to the consolidated statement of financial position

Summary of acquisition

On 22 October 2015, Velpic Limited acquired 100% of the issued shares and units in Dash Digital Pty Ltd ATF the Dash Unit Trust and Velpic Australia Pty Ltd (formerly The Inductor Pty Ltd) ATF the Inductor Trust for consideration of \$4,575,000. The Group has recognised the fair values of the identifiable assets and liabilities based upon the best information available as of the reporting date. Business combination accounting is as follows:

Purchase consideration:	\$
Cash paid (deposit paid in financial year 2015)	200,000
Ordinary shares issued – 125 million shares issued at \$0.025 per share	3,125,000
Contingent share consideration	1,250,000
Total purchase consideration	<u>4,575,000</u>
Value of consideration used to repay vendor entity debt	(967,422)
Value of consideration used to repay vendor debts to consultants	(250,000)
Fair value attributable to assets acquired	<u><u>3,357,578</u></u>

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value
	\$
Cash and cash equivalents	108,767
Property, plant & equipment	65,994
Trademarks	22,931
Receivables	579,174
Payables	(638,413)
Employee benefit obligations	(389,040)
Borrowings	(1,331,852)
Net identifiable assets acquired	<u>(1,582,439)</u>
Add: Goodwill	4,940,017
	<u><u>3,357,578</u></u>

Notes to the consolidated statement of financial position (continued)

Summary of acquisition (continued)

Contingent consideration

The contingent consideration due under the acquisition is dependent upon hitting milestone targets and the amount of consideration due is as follows:

- Milestone 1 – issue of 50 million ordinary shares if 100,000 lessons are completed on Velpic's training platform within 3 years of the acquisition completing;
- Milestone 2 – issue of 50 million ordinary shares if Velpic obtains cumulative revenue of \$10,000,000 within 3 years of the acquisition completing;
- Milestone 3 – issue of 25 million ordinary shares if Velpic obtains revenue of \$50,000,000 in any of the 5 financial years after the acquisition completing.

Significant Judgement

The milestone 1 consideration shares have been valued using an underlying share price of \$0.025 per share and applying a 100% probability of achieving the milestone based on the Directors' current expectation. The milestone 2 and milestone 3 consideration shares have been assigned a nil value as both milestones are based on the Company achieving revenue targets in the future. At the date of acquisition, the Directors have no reasonable grounds in which to assess the likelihood of these milestones being met and therefore have assigned a nil value to these.

(a) Acquired receivables

The fair value of trade and other receivables is \$579,174 and includes trade receivables with a fair value of \$227,896. The gross contractual amount for trade receivables due is \$258,767, of which \$30,871 is expected to be uncollectible.

(b) Revenue and profit contribution

The acquired business contributed revenues of \$1,403,942 and net loss of \$1,676,502 to the group for the period from 22 October 2015 to 30 June 2016. If the acquisition had occurred on 1 July 2015, consolidated revenue and consolidated loss after tax for the year ended 30 June 2016 would have been \$2,161,953 and \$5,052,435 respectively.

(c) Acquisition related costs

Acquisition-related costs of \$174,596 that were not directly attributable to the issue of shares are included in profit or loss for the year ended 30 June 2016. A further \$119,090 was recorded in the profit and loss of the previous financial year, some of which remain unpaid at 30 June 2015. As a result, total cash payments of \$215,490 are included in operating cash flows in the statement of cash flows.

(d) Goodwill

The Board has determined that at the date of acquisition, there were no separate identifiable intangible assets. The goodwill is attributable to Velpic's strong position to continue to roll out its cloud based video e-learning software platform and the expected cash flows after the Company's acquisition of the new subsidiary. The goodwill will not be deductible for tax purposes.

Intangibles and goodwill

	Trademarks	Consolidated Goodwill	Total
	\$	\$	\$
Balance at 1 July 2015	-	-	-
Additions	731	-	731
Acquisitions through business combinations	22,931	4,940,017	4,962,948
Impairment	-	-	-
Balance at 30 June 2016	23,662	4,940,017	4,963,679

No impairment loss was recognised in the 2016 financial year.

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Notes to the preliminary financial report (continued)

Notes to the consolidated statement of financial position (continued)

Share Capital

	Consolidated 30 June 2016 \$	Consolidated 30 June 2015 \$
487,950,245 (2015: 183,230,003) Ordinary shares issued and fully paid	23,668,936	16,117,904

Movement in ordinary shares on issue

	Fair Value	Consolidated 30 June 2016		Consolidated 30 June 2015	
		Number	\$	Number	\$
Balance at beginning of year		183,230,003	16,117,904	159,730,003	15,674,904
Placement to shareholders		-	-	23,500,000	470,000
Shares issued in lieu of cash for consulting services	\$0.037	459,500	17,001	-	-
Shares issued in lieu of cash for Director fees	\$0.020	10,220,242	204,405	-	-
Shares issued in lieu of cash for consulting services	\$0.020	1,040,500	20,810	-	-
Shares issued for acquisition of Dash Digital Pty Ltd and Velpic Australia Pty Ltd	\$0.025	125,000,000	3,125,000	-	-
Shares issued for capital raising	\$0.025	160,500,000	4,012,500	-	-
Issue of shares to consultants (i)	\$0.050	7,500,000	375,000	-	-
Cost of share issue		-	(203,684)	-	(27,000)
Balance at end of year		487,950,245	23,668,936	183,230,003	16,117,904

(i) Fair value determined based on market price on date of agreement.

Notes to consolidated statement of cash flows

Reconciliation to the Statement of Cash Flows

	Consolidated 30 June 2016 \$	Consolidated 30 June 2015 \$
Cash and cash equivalents	1,246,646	935,080
Funds received in advance for non-renounceable rights issue (i)	772,000	-
Expenses paid for non-renounceable rights issued pending completion at 30 June 2016 (i)	(12,934)	-
	2,005,712	935,080

(i) The Company commenced a non-renounceable rights issue in June 2016 and was completed subsequent to year end on 8 July 2016. At balance date, \$772,000 was received and \$12,934 was paid for costs.

Non-cash investing and financing activities

The consideration for acquiring Velpic Australia and Dash Digital during the year was \$4,575,000. Of this, \$4,375,000 was issued in form of shares. Refer to note to the consolidated statement of financial position for details of the acquisition.

VELPIC LIMITED AND CONTROLLED ENTITIES
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Appendix 4E
Preliminary Financial Report

Notes to the preliminary financial report (continued)

Segment Information

The directors have considered the requirements of AASB 8 – Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker, which is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows.

For the year ended 30 June 2016, the Company had only one geographical location being Australia and operated in two business segments being a Software-as-a-Service business, a digital branding and consulting business. The operating segments were acquired on 22 October 2015 and the results shown below include only the period since the date of acquisition.

	Software-as – a-Service	Consolidated Consulting Services	Other	Total
	\$	\$	\$	\$
30 June 2016				
Revenue				
Sales to external customers	255,674	1,143,885	-	1,399,559
Interest revenue	-	4,124	24,786	28,910
Other Revenue	259	-	31,545	31,804
Total Segment Revenue	255,932	1,148,010	56,331	1,460,273
Segment net operating profit after tax	(1,349,092)	(327,410)	(2,978,833)	(4,655,335)
Interest expense	112	6,458	-	6,570
Depreciation expense	4,644	11,675	-	16,319
Impairment – exploration expenditure	-	-	1,200,724	1,200,724
Segment assets	5,110,221	1,574,314	880,555	7,565,090
Segment liabilities	218,696	347,065	876,809	1,442,570

For further information, please contact:

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About the Velpic Group

The Velpic Group consists of two related entities: Velpic, a cloud-based video e-Learning platform, and Dash Digital, a brand technology agency.

Velpic has developed a unique online platform that provides a scalable, cloud-based training, induction and education solution for businesses. The platform allows businesses to create their own training lessons and distribute them to staff and contractors, who can access the Velpic Platform on all devices including mobile phones and tablets.

The cloud-based platform has global potential and is set to disrupt the traditional Learning Management System (LMS) marketplace, and Velpic already has an extensive list of ASX 200 clients using the platform.

Dash Digital is a full service digital branding, marketing, web and app development organisation that seamlessly blends creative and development talents across all disciplines – visual design, print graphics, websites, software development and online marketing.