

26 February 2016

## Appendix 4D and Half year Financial Statements

The Directors of Site Group International Limited ("Site") are pleased to announce the release of:

- Appendix 4D – Half Year Report for the 6 months ended 31 December 2015: and
- Half year financial statements

The continued growth in the Site business is reflected in the release of this statement with pleasing revenue growth to \$35.7m with an EBITDA of \$4.1m.

The attached half year report contains details of the achievements of the group over the last 6 months.

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### Media and Investors

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*Principal & Registered Office: Level 4, 488 Queen St, Brisbane QLD 4000*

# Site

Site Group International Limited  
*ABN 73 003 201 910*

ASX Half-Year Information – 31 December 2015

Lodged with the ASX under Listing Rule 4.2A

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Site Group International Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

**APPENDIX 4D  
HALF-YEAR REPORT TO THE AUSTRALIAN STOCK EXCHANGE**

<b>Name of entity</b>	Site Group International Limited
<b>ABN</b>	73 003 201 910
<b>Half Year Ended</b>	31 December 2015
<b>Previous corresponding reporting period</b>	31 December 2014

**Results for Announcement to the Market**

	<b>\$'000</b>	<b>Percentage increase / (decrease) over previous corresponding period</b>
Revenue from ordinary activities	\$35,686	74% increase
Profit / (loss) from ordinary activities after tax attributable to members	\$3,359	1,989% Increase
Net Profit / (loss) for the period attributable to members	\$3,359	1,989% Increase
<b>Dividends</b>	<b>Amount per security</b>	<b>Franked amount per security</b>
Final dividend	Nil	Not applicable
Interim dividend	Nil	Not applicable
Record date for determining entitlements to the dividends (if any)	Not applicable	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
Refer to directors' report on page 7.		

**Dividends**

Date the dividend is payable	Not applicable
Record date to determine entitlement to the dividend	
Amount per security	
Total dividend	
Amount per security of foreign sourced dividend or distribution	
Details of any dividend reinvestment plans in operation	
The last date for receipt of an election notice for participation in any dividend reinvestment plans.	

**NTA Backing**

	<b>Current Period</b>	<b>Previous corresponding period</b>
Net tangible asset backing per ordinary security	2.11 cents	0.63 cents

**APPENDIX 4D  
HALF-YEAR REPORT TO THE AUSTRALIAN STOCK EXCHANGE**

**Control Gained Over Entities Having Material Effect**

Name of entity (or group of entities)	Wild Geese International Pty Ltd	Innovium Pty Ltd
Date control gained	1 July 2015	1 July 2015
Contribution by entity to Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	\$562,726	\$133,677
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	Unable to reliably determine	Unable to reliably determine

**Foreign Entities Accounting Framework**

Same accounting principles have been applied for the overseas subsidiaries as the Australian entities.

**Audit / Review Status**

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification:  Not Applicable			

**Attachments Forming Part of Appendix 4D**

Attachment #	Details
Signed by (Director / Company Secretary)	
Print Name	Vernon Wills
Date	26 February 2016

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# Site

Site Group International Limited  
ABN 73 003 201 910

Financial Statements for the Half Year ended 31 December, 2015

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Site Group International Limited  
ABN 73 003 201 910

Financial Statements for the Half Year ended 31 December, 2015

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## Directors' Report

Your Directors submit their report for the half-year ended 31 December 2015.

### Directors

The names of the directors of the Company in office during the half-year and until the date of this report are:

Vernon Wills (Managing Director and CEO)  
Nicasio Alcantara  
Darryl Somerville (Chairman)  
Joseph Ganim

### Principal Activities

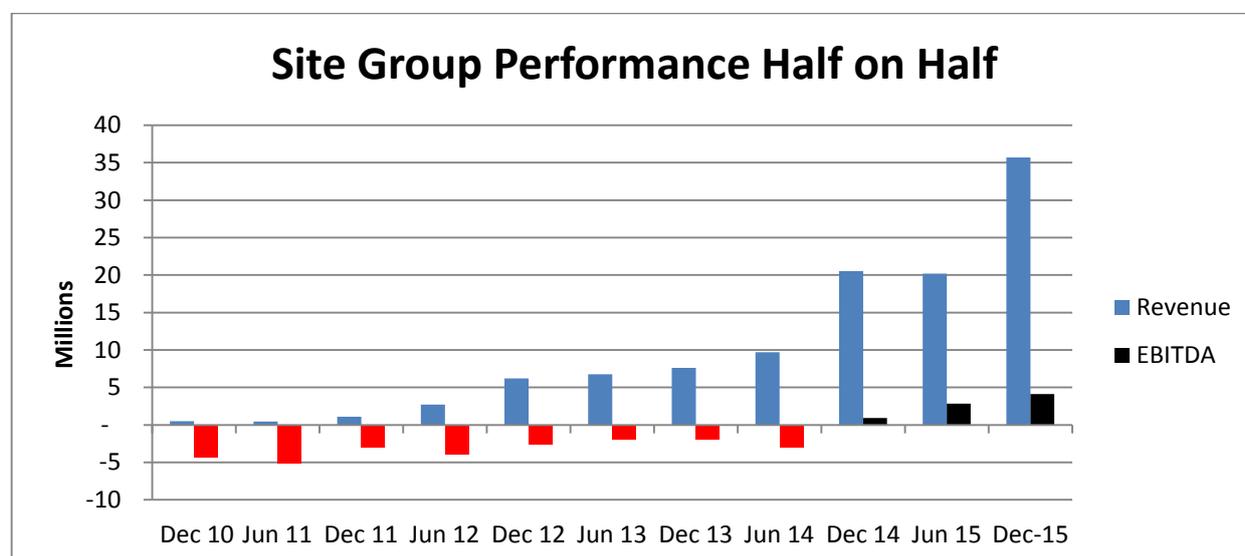
The principal activities of the consolidated entity during the half-year were the provision of training and education services in Australia and Internationally. The company is delivering workforce solutions across a variety of industries to both a retail and corporate market.

There has been no significant change in the principal activities of the consolidated entity during the period.

### Review of operations and results

#### Group

Total revenue and other income from operations was \$35,685,777 (2014: \$20,536,151) a 74% increase over the prior comparative period. In addition, after removal of non-recurring items, a positive EBITDA of \$4,112,418 compared to \$927,774 in the previous corresponding period, continues to highlight the continuous improvement achieved by the group. This growth in the business demonstrates the ramp up of operations and the successful integration of acquisitions. This is illustrated in the following graph:



**Graph 1: Reported Revenue and EBITDA - December 2010 to December 2015**

This growth in the business includes a sound performance by the tertiary education business and the successful integration of acquisitions Productivity Partners, CPM, Innovium and Wild Geese.

## Group continued...

There was also a measurable impact on the overall business from global commodity prices and the well reported impact on the resources, oil and gas sectors.

A delay in commencement of several of Site's newer initiatives has impacted both Clark and PNG with these projects now expected to commence around June.

	31-Dec 2015	31-Dec 2014	Change 15-14 %	31-Dec 2013	Change 14-13 %	31-Dec 2012	Change 13-12 %
Revenue and other income	35,685,777	20,536,151	74%	7,632,746	169%	6,207,366	23%
Net profit / (loss)	3,359,148	160,765	1,989%	(2,644,009)	106%	(3,397,438)	22%
add back							
Depreciation and amortisation	1,432,241	904,638	58%	672,656	34%	719,530	(7%)
Interest paid	60,762	31,175	95%	8,996	247%	56,611	(84%)
Income tax expense	(130,045)	61,761	-	1,744	-	-	-
deduct							
Interest income	11,727	16,074	(27%)	18,846	(15%)	16,085	17%
EBITDA*	4,710,379	1,142,265	312%	(1,979,459)	158%	(2,637,382)	25%
Non recurring items	(597,961)	(214,491)	-	-	-	-	-
EBITDA before non recurring items	4,112,418	927,774	343%	(1,979,459)	147%	(2,637,382)	25%
Operating cash inflow/(outflow)	(4,320,106)	(2,542,699)	(70%)	(995,515)	(155%)	(3,781,036)	74%

\* EBITDA is a non-IFRS measure however the Directors believe that it is a readily calculated measure that has broad acceptance and is used by regular users of published financial statements as a proxy for overall operating performance. EBITDA is not an audited/reviewed number.

**Table 1 Financial Summary**

For the half-year ended 31 December 2015, Site Group International Limited reported profit after tax of \$3,359,148 compared to a \$160,765 profit after tax in the previous corresponding period. Operating profit before income tax was \$3,229,103 for the period compared to a \$222,526 profit before tax in the corresponding period in 2014.

The significant investment made in the expansion of the Group's capability, through expansion of the service offering, will enable Site to continue to maximise the return on its investment through its existing facilities and through leveraging the existing client base.

The earnings before interest, taxes, depreciation and amortisation (EBITDA\*) improved to \$4,710,379 from \$1,142,265 in the prior comparative period. Excluding non-recurring items means the group trading result improved to an EBITDA of \$4,112,419 compared to the previous period of \$927,774. The trend of improving EBITDA is shown in graph 1 above.

Site continued the investment in online learning platforms and products for all areas of operations. This has led to an increase of depreciation and amortisation of over 50% to \$1,432,241 for the 6-month period.

## Site Skills Training - Domestic

Site Skills Training – Domestic division delivered revenue of \$4,803,385 in the 6 months to 31 December 2015 (2014: \$5,445,183) and an EBITDA loss of \$239,040 (2014: EBITDA of \$288,985). This result reflects the impact of commodity prices on this division which has been most significant in Queensland whilst WA and NT continue to perform in line with expectations.

Site Skills Training continues to service a broad range of clients in industries including construction, mining, logistics and energy.

Our centres such as Perth and Darwin continue to be market leaders with the focus on industry demand areas such as High Risk Licencing, Electrical Hazard, Hydraulics and Flange Integrity type

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training which, despite the downturn in some sectors, still faces high demand. While the impact of commodities being at a low point is being felt, projects are continuing to develop mines and process facilities continue to produce - all requiring competent and qualified personnel.

Site is seeking new opportunities for business growth by providing full-scale apprenticeships, traineeships and pre-apprenticeship training in the construction and energy sectors.

Management remain focussed on improving the operating margin delivered by Site Skills Training through initiatives such as digital learning resources and revised pricing models.

### Site Skills Training - International

Site Skills Training continues to expand internationally with recent projects in Malaysia, Myanmar, PNG, Singapore and Philippines.

At the Clark Campus, Philippines, workers for the energy industry destined for Timor Leste were trained. The focus on high impact training for selected industries has allowed growth in training programs, with a focus in delivery methods expected to deliver improving margins.

Following completion of the construction of the OceanaGold sponsored underground mine training environment at Clark, the first pilot group is producing strong outcomes and experience for the candidates it has created the opportunity to train. Site and OceanaGold are committed to developing programs for the safe competency based training of new and experienced miners and expect strong industry support going forward.

In addition to the Gas plant training commencing at the SPEI / Kumul facility in PNG, the coming 6 months should see the commencement of life skills programs in addition to trade skills licence courses.

A new training services agreement has been signed with Granite Services International designed to develop Granite's in-region specialist workforce around maintenance of heavy duty rotating equipment in power generation and other industrial applications. Additionally, an agreement has been reached with Abdulali Al-Ajmi Company for the delivery of training programs for a new crane and heavy equipment training college in Saudi Arabia.

Revenue for the 6 months was \$1,448,840 (2014: \$2,128,208) with an EBITDA\* loss of \$1,855,219 (2014: EBITDA\* loss of \$226,897). As stated above this reflects the expected completion of the Malampaya project in May 2015 (where Site trained over 7,000 candidates in 13,000 courses) and the sizable time delay between the completion of Malampaya and the commencement of the majority of new projects expected to show real benefits by mid-2016.

### Energy Services

Our Energy services division has been extended with the inclusion Oil and Gas Specialist Wild Geese International from 1 July 2015.

The development of the 'Safe Live Process Plant Environment' (SLPPE) In Myanmar with Uniteam and the already announced construction of an SLPPE for Papua New Guinea in conjunction with Kumul Petroleum (formerly National Petroleum Company of PNG) Enga Children's Fund and Orion Group creates a region first for tackling the issue of competency based, outcome driven employment. Working collectively with Government and Industry the benefits of this project will flow for many years for all involved. The deposit received of USD\$2.8m enables the commencement of fabrication at our Clark facility and establishment of a permanent SLPPE facility to continue to roll out of these live plant environments.

Additionally, work is continuing to develop a solution in partnership with industry to meet expected demand in the production phase of gas projects as construction phase winds down over the next few years.

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Revenue for the 6 months for the business was \$3,495,872 (2014: \$2,918,894) with an EBITDA\* of \$124,057 (2014: \$613,033).

### **Tertiary Education**

The Tertiary education division achieved substantial growth and integration goals in the first six months of the year. Revenue for the division was \$26,113,944 (2014: \$9,860,700) and EBITDA\* was \$7,571,060 (2014: \$1,782,462). The acquisition of Innovium was included in this segment from 1 July 2015.

The addition of new locations has been coupled with growth in our Distance Learning Programs and the enhancement of systems to facilitate this growth in an efficient manner.

Investment in the 6 months has also focused on the CRICOS and ELICOS licencing with an extension of the offering for international inbound students.

Site continues its investment in a range of TESOL and other coaching opportunities with relationships agreements being formed to take this capability beyond Clark into the Korean, Chinese and Japanese markets.

### **Cash position**

At 31 December 2015, the company had cash at bank of \$3,454,815 and available undrawn debt facilities of \$1,650,000. Given the expected operating results in the second half of the year, the company has sufficient funding to meet its medium term funding requirements.

### **Dividends**

Subsequent to 31 December 2015, the Directors have not recommended the payment of an interim dividend.

### **Earnings/ (loss) per share**

Basic earnings/ (loss) per share for the financial half-year is 0.68 cents (2014: 0.03 cents).

### **Auditor independence**

The Auditor's Independence Declaration to the Directors of Site Group International Limited, which forms part of the Directors' Report, is set out on page 11 of this report.

Signed in accordance with a resolution of the Directors this 26th day of February 2016.



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Vernon Wills - Director



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## Auditor's Independence Declaration to the Directors of Site Group International Limited

As lead auditor for the review of Site Group International Limited for the half-year ended 31 December 2015, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Site Group International Limited and the entities it controlled during the financial period.

Ernst & Young

Ric Roach  
Partner  
26 February 2016

To the members of Site Group International Limited

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Site Group International Limited, which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

### Directors' Responsibility for the Half-Year Financial Report

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

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Site Group International Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

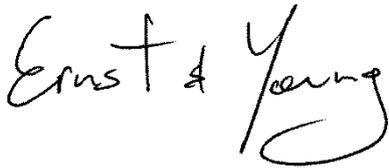
### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Site Group International Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Ernst & Young



Ric Roach  
Partner  
Brisbane  
26 February 2016

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## Directors' Declaration

In accordance with a resolution of the directors of Site Group International Limited, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of Site Group International Limited for the half year ended 31 December 2015 are in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and
  - ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Vernon Wills  
Director  
26 February 2016

**SITE GROUP INTERNATIONAL LIMITED ABN: 73 003 201 910  
AND CONTROLLED ENTITIES FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

**Statement of Comprehensive Income**

Consolidated Group			
	Note	Half-year ended 31-Dec-15 \$	Half-year ended 31-Dec-14 \$
<b>Continuing operations</b>			
Revenue	4	35,087,816	20,321,660
Other income		597,961	214,491
Interest income		11,727	16,074
<b>Total income</b>		<b>35,697,504</b>	<b>20,552,225</b>
Contractor and other service providers		(2,190,741)	(4,989,546)
Other direct fees and costs		(3,566,038)	(3,896,581)
Employee benefits expense		(9,368,224)	(5,533,889)
Depreciation and amortisation expense		(1,432,241)	(904,638)
Finance costs	2	(60,762)	(31,175)
Other expenses	3	(13,248,176)	(3,581,506)
Occupancy expenses		(2,311,913)	(1,567,946)
Foreign currency gain / (loss)		(290,306)	175,582
<b>Profit/(loss) before tax</b>		<b>3,229,103</b>	<b>222,526</b>
Income tax benefit / (expense)		130,045	(61,761)
<b>Profit/(loss) for the period from continuing operations</b>		<b>3,359,148</b>	<b>160,765</b>
<b>Profit/(loss) for the period</b>		<b>3,359,148</b>	<b>160,765</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss in subsequent periods:			
Translation of foreign operations		222,463	205,876
<b>Total other comprehensive income/(loss)</b>		<b>222,463</b>	<b>205,876</b>
<b>Total comprehensive income/(loss)</b>		<b>3,581,611</b>	<b>366,641</b>
<b>Earnings/(loss) per share</b>			
Earnings per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the parent.			
Basic and diluted (cents per share)		0.68	0.03

**SITE GROUP INTERNATIONAL LIMITED ABN: 73 003 201 910  
AND CONTROLLED ENTITIES AS AT 31 DECEMBER 2015**

**Statement of Financial Position**

Consolidated Group			
	Note	31-Dec-15 \$	30-Jun-15 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		3,454,815	2,275,177
Trade and other receivables	6	37,885,309	2,741,586
Inventories		60,762	41,342
Intangible assets		-	54,150
Prepayments		540,307	332,890
Security deposits		-	325,218
<b>TOTAL CURRENT ASSETS</b>		<b>41,941,193</b>	<b>5,770,363</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	9,657,125	9,404,041
Intangible assets	7	34,147,689	24,756,550
Security deposits		736,956	663,097
Other non-current financial assets		115,254	119,868
<b>TOTAL NON-CURRENT ASSETS</b>		<b>44,657,024</b>	<b>34,943,556</b>
<b>TOTAL ASSETS</b>		<b>86,598,217</b>	<b>40,713,919</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	30,033,397	3,734,791
Interest bearing debt	8	4,959,360	88,325
Current tax liabilities		40,992	169,789
Provisions		403,400	402,506
Contingent consideration liability	10	3,315,000	4,914,874
<b>TOTAL CURRENT LIABILITIES</b>		<b>38,752,149</b>	<b>9,310,285</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		2,265,152	2,085,393
Contingent consideration liability	10	-	1,000,000
Deferred income tax liability		756,446	286,490
Interest bearing debt		165,106	152,284
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,186,704</b>	<b>3,524,167</b>
<b>TOTAL LIABILITIES</b>		<b>41,938,853</b>	<b>12,834,452</b>
<b>NET ASSETS</b>		<b>44,659,364</b>	<b>27,879,467</b>
<b>EQUITY</b>			
Issued capital	5	70,393,032	57,374,746
Reserves		2,567,441	2,164,978
Retained earnings /(losses)		(28,301,109)	(31,660,257)
<b>TOTAL EQUITY</b>		<b>44,659,364</b>	<b>27,879,467</b>

**SITE GROUP INTERNATIONAL LIMITED ABN: 73 003 201 910  
AND CONTROLLED ENTITIES FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

**Statement of Changes in Equity**

	Share Capital		Reserves		Total
	Ordinary	Retained earnings / (losses)	Foreign currency translation reserve	Share based payments reserve	
	\$	\$	\$	\$	\$
<b>Consolidated Group</b>					
<b>Balance at 1 July 2014</b>	54,138,077	(33,619,187)	764,810	998,664	22,282,364
<b>Comprehensive income</b>					
Profit for the period	-	160,765	-	-	160,765
Other comprehensive income / (loss) for the period	-	-	205,876	-	205,876
<b>Total comprehensive income / (loss) for the period</b>	-	160,765	205,876	-	366,641
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Shares issued during the period	432,200	-	-	-	432,200
Transaction costs	(16,398)	-	-	-	(16,398)
Share-based Payments	-	-	-	173,600	173,600
<b>Total transactions with owners and other transfers</b>	415,802	-	-	173,600	589,402
<b>Balance at 31 December 2014</b>	54,553,879	(33,458,422)	970,686	1,172,264	23,238,407
<b>Balance at 1 July 2015</b>	57,374,746	(31,660,257)	1,062,858	1,102,120	27,879,467
<b>Comprehensive income</b>					
Profit for the period	-	3,359,148	-	-	3,359,148
Other comprehensive income / (loss) for the period	-	-	222,463	-	222,463
<b>Total comprehensive income / (loss) for the period</b>	-	3,359,148	222,463	-	3,581,611
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Shares issued during the period	13,096,526	-	-	-	13,096,526
Transaction costs	(78,240)	-	-	-	(78,240)
Share-based payments	-	-	-	180,000	180,000
<b>Total transactions with owners and other transfers</b>	13,018,286	-	-	180,000	13,198,286
<b>Balance at 31 December 2015</b>	70,393,032	(28,301,109)	1,285,321	1,282,120	44,659,363

**SITE GROUP INTERNATIONAL LIMITED ABN: 73 003 201 910  
AND CONTROLLED ENTITIES FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

**Statement of Cash Flow**

Consolidated Group			
	Note	Half-year ended 31-Dec-15 \$	Half-year ended 31-Dec-14 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		21,905,226	18,366,418
Payments to suppliers and employees		(25,642,339)	(20,776,806)
Interest received		8,942	15,965
Finance costs		(14,394)	(11,994)
Income tax paid		(577,541)	(136,282)
<b>Net cash provided by/(used in) operating activities</b>		<b>(4,320,106)</b>	<b>(2,542,699)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	9	(716,463)	(583,592)
Purchase of intangible assets		(320,416)	-
Cash backed performance bonds		306,550	(290,843)
Payment for business / subsidiary, net of cash acquired	7	(1,385,405)	(434,379)
<b>Net cash provided by/(used in) investing activities</b>		<b>(2,115,734)</b>	<b>(1,308,814)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		5,174,089	-
Proceeds from borrowings		2,544,931	2,400,000
Transaction costs on shares		(78,240)	(16,398)
<b>Net cash provided by/(used in) financing activities</b>		<b>7,640,780</b>	<b>2,383,602</b>
Net increase(decrease) in cash held		1,204,940	(1,467,911)
Effect of exchange rates on cash holdings in foreign currencies		(25,304)	36,629
Cash and cash equivalents at beginning of the period		2,275,179	3,142,971
<b>Cash and cash equivalents at end of the period</b>		<b>3,454,815</b>	<b>1,711,689</b>

## **Notes to the Financial Statements**

### **1 Significant accounting policies**

#### **Reporting entity**

Site Group International Limited (parent) is a company limited by shares incorporated in Australia whose shares are publically traded on the Australian Stock Exchange (ASX Code: SIT). The consolidated interim financial report of the company as at and for the six months ended 31 December 2015 comprises the parent company and its subsidiaries (together referred to as 'the consolidated entity' or 'Group').

#### **Statement of compliance**

The half-year financial report is an interim financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

The consolidated interim financial report was approved by the Board of Directors on 26 February 2016.

#### **Basis of preparation**

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2015 annual financial report for the financial year ended 30 June 2015, except for the impact described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective: New standards mandatory for the first time for the financial year beginning 1 July 2015 have not affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

The adoption of these amendments has not resulted in any major changes to the Group's accounting policies and has not had any effect on the financial position and performance of the Group for the half-year ended 31 December 2015.

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## Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2015.

## Going concern

The half year financial report has been prepared on the basis that the consolidated entity can continue to meet its financial obligations as and when they fall due and can therefore continue normal activities, including the settlement of liabilities and the realisation of assets in the ordinary course of business.

In the six months to 31 December 2015 the company made a net profit of \$3.4M but with a cash outflow from operating activities of \$4.3M, due to the significant growth of quality receivables mainly as a result of the expansion of the Tertiary Education segment. Current forecasts of operational performance and capital expenditure requirements indicate that the company will be cash flow positive in the second half of the 2016 financial year.

At 31 December 2015, the company had positive net current assets of \$3.2M. In addition, \$2.5M of the contingent consideration classified as a current liability on the Statement of Financial Position is payable in equity. The company had cash reserves of \$3.5M. The company has extended the Wayburn facility until 30 June 2016.

The directors believe that at the date of the signing of the financial statements there are reasonable grounds to believe that, having regard to the matters set out above, the entity will meet its operational cash flow forecasts. However, should this not be the case the directors expect the company to continue to have the support of its investors and raise sufficient funds (if needed) to meet the company's anticipated cash flow requirements so that it can meet its obligations as and when they fall due.

## 2 Finance costs

	Half Year Ended 31-Dec-15 \$	Half Year Ended 31-Dec-14 \$
<b>Finance Costs</b>		
Interest Expense - Third Parties	13,454	9,421
Interest Expense - Related Parties	45,116	14,629
Facilities Fee	2,192	7,125
	<b>60,762</b>	<b>31,175</b>

### 3 Other expenses

	Half Year Ended 31-Dec-15 \$	Half Year Ended 31-Dec-14 \$
<b>Other Expenses</b>		
Legal, accounting and other professional fees	320,994	238,063
Travel and accommodation	555,917	524,088
Commission expense	10,821,468	1,657,176
Marketing expense	533,231	289,444
Consultants cost	426,185	407,389
Other operating expenses	590,381	465,346
	<b>13,248,176</b>	<b>3,581,506</b>

### 4 Segment information

For management purposes Site Group International Limited has organised its business into four separate units based on the products and services offered – the Chief Operating Decision Makers (“CODM”), being the Directors and Executive Management of the company, review the results on this basis.

The four reportable business segments of the Group are:

- **Site Skills Training - Domestic** which delivers vocational training and assessment services through five training facilities located at Perth, Gladstone, Darwin, Landsborough and Logan. At these locations our experienced team assesses, up-skills and trains industry experienced candidates in the mining and processing, oil and gas, construction, camp services, hospitality and logistic sectors.
- **Site Skills Training - International** operates a 300,000m<sup>2</sup> facility at Clark Freeport Zone in the Philippines allowing the company to deliver Australian standard training in a low cost and controlled environment. This facility has the capacity to complete large scale residential training programs customised to meet client specific requirements. This division also incorporates Site WorkReady being the recruitment and assessment division for international clients. A facility in PNG is also being established with a consortium of the Enga Children’s Fund and Orion group.
- **Energy Services** refers to the establishment of specialised energy training and services delivered to the Oil and Gas industry.
- **Tertiary Education** delivers Diploma level courses at an expanding number of campuses around Australia through Captain Cook College and also specialist Tesol course and conferences.

The CODM monitors the operating results of its business units separately for the purposes of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit/loss consistent with the operating profit/loss in the consolidated financial statements. Group financing and corporate overheads are managed on a group basis and not allocated to operating segments. Transfer prices between the operating segments are on an arm’s length basis in a manner similar to transactions with third parties.

## 4 Segment information continued...

### Period ended 31 December 2015

	Site Skills Training (Domestic)	Site Skills Training (International)	Energy Services	Tertiary Education	Total Segments	Corporate and Eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenue							
Sales revenue - External customer	4,803,385	1,421,360	3,495,872	26,113,944	35,834,561	(148,784)	35,685,777
Sales revenue - Inter-segment	-	27,488	-	-	27,488	(27,488)	-
<b>Total segment revenue</b>	<b>4,803,385</b>	<b>1,448,848</b>	<b>3,495,872</b>	<b>26,113,944</b>	<b>35,862,049</b>	<b>(176,272)</b>	<b>35,685,777</b>
<b>Segment net operating profit/ (loss) after tax</b>	<b>(679,134)</b>	<b>(2,102,787)</b>	<b>(347,740)</b>	<b>7,499,744</b>	<b>4,370,084</b>	<b>(1,010,936)</b>	<b>3,359,148</b>
Interest revenue	-	2,558	2,033	1,180	5,772	5,956	11,727
Interest expense	(2,271)	(6,035)	(12)	(1,455)	(9,773)	(48,796)	(58,569)
Depreciation and amortisation	(437,824)	(244,090)	(590,019)	(84,885)	(1,356,819)	(75,423)	(1,432,241)
Income tax expense	-	-	116,200	13,845	130,045	-	130,045
<b>Segment assets as at 31 December 2015</b>	<b>3,387,245</b>	<b>8,266,311</b>	<b>17,293,126</b>	<b>52,366,991</b>	<b>81,313,673</b>	<b>5,284,544</b>	<b>86,598,217</b>
<b>Segment liabilities as at 31 December 2015</b>	<b>937,849</b>	<b>3,236,851</b>	<b>4,619,407</b>	<b>23,589,544</b>	<b>32,383,651</b>	<b>9,555,203</b>	<b>41,938,853</b>

### Period ended 31 December 2014

	Site Skills Training (Domestic)	Site Skills Training (International)	Energy Services	Tertiary Education	Total Segments	Corporate and Eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenue							
Sales revenue - External customer	5,445,183	2,128,208	2,918,894	9,860,700	20,352,985	(31,325)	20,321,660
Sales revenue - Inter-segment	-	-	-	-	-	214,491	214,491
<b>Total segment revenue</b>	<b>5,445,183</b>	<b>2,128,208</b>	<b>2,918,894</b>	<b>9,860,700</b>	<b>20,352,985</b>	<b>183,166</b>	<b>20,536,151</b>
<b>Segment net operating profit/ (loss) after tax</b>	<b>(12,262)</b>	<b>(479,821)</b>	<b>317,319</b>	<b>1,760,404</b>	<b>1,585,640</b>	<b>(1,424,875)</b>	<b>160,765</b>
Interest revenue	-	1,875	-	5,013	6,888	9,186	16,074
Interest expense	(4,867)	(210)	(75)	(1,439)	(6,591)	(17,459)	(24,050)
Depreciation and amortisation	(296,380)	(254,588)	(213,137)	(46,372)	(810,477)	(94,161)	(904,638)
Income tax expense	-	-	(82,502)	20,741	(61,761)	-	(61,761)
<b>Segment assets as at 30 June 2015</b>	<b>3,536,602</b>	<b>8,643,282</b>	<b>6,971,065</b>	<b>18,177,534</b>	<b>37,328,483</b>	<b>3,385,436</b>	<b>40,713,919</b>
<b>Segment liabilities as at 30 June 2015</b>	<b>774,737</b>	<b>2,822,635</b>	<b>285,078</b>	<b>2,351,566</b>	<b>6,234,016</b>	<b>6,600,436</b>	<b>12,834,452</b>

	Half Year Ended 31-Dec-15 \$	Half Year Ended 31-Dec-14 \$
<b>Reconciliation of profit</b>		
Segment profit	4,370,084	1,585,640
Inter-company management fees	804,000	-
Head office occupancy costs	(92,507)	(88,949)
Corporate employee benefits including directors costs	(1,353,689)	(837,041)
Legal accounting and other professional fees	(167,301)	(137,779)
Travel costs	(181,813)	(158,586)
Other corporate costs	(19,626)	(202,520)
Group profit	3,359,148	160,765
	31-Dec-15 \$	30-Jun-15 \$
<b>Reconciliation of assets</b>		
Segment operating assets	81,313,673	37,328,483
Cash at bank	1,923,029	146,755
Security deposits	401,600	398,815
Intangibles	2,697,035	2,751,185
Other assets	262,880	88,681
Group operating assets	86,598,217	40,713,919
<b>Reconciliation of liabilities</b>		
Segment operating liabilities	32,383,651	6,234,016
Corporate trade payables	1,076,215	594,841
Contingent consideration liability	3,315,000	5,914,874
Other liabilities	5,163,987	90,721
Group operating liabilities	41,938,853	12,834,452

## 5 Issued capital

Issued capital as at 31 December 2015 amounted to \$70,393,032 (522,792,229 ordinary shares) (30 June 2015: \$57,374,746 (484,824,119 shares)). Movement in ordinary shares on issue:

	No. Shares	\$
<b>30 June 2014 share capital</b>	479,633,405	54,138,077
Share issue - 22 July 2014	3,010,714	432,200
Share issue - 22 July 2014	250,000	-
Share issue - 2 December 2014	1,255,000	-
Share issue - 2 December 2014	475,000	-
Share issue - 27 May 2015	200,000	-
Payments received under exercise of employee share plan	-	40,000
Transaction costs relating to capital raising	-	(16,398)
Recognition of contingent consideration on acquisition	-	2,780,867
<b>30 June 2015 share capital</b>	484,824,119	57,374,746
Share issue - 1 July 2015	5,714,286	2,000,000
Share issue - 10 July 2015	601,609	210,563
Share issue - 22 September 2015	382,973	-
Share issue - 19 October 2015	7,684,954	2,689,736
Share issue - 25 November 2015	10,805,033	3,025,409
Share issue - 3 December 2015	2,499,999	700,000
Share buy back - 8 December 2015	(200,000)	-
Share buy back - 21 December 2015	(2,615,000)	-
Share issue - 21 December 2015	884,285	247,600
Share issue - 21 December 2015	1,235,964	432,587
Share issue - 21 December 2015	7,398,719	2,589,551
Share issue - 30 December 2015	3,575,288	1,001,081
Payments received under exercise of employee share plan	-	200,000
Transaction costs relating to capital raising	-	(78,240)
<b>31 December 2015 share capital</b>	522,792,229	70,393,032

- On 22 July 2014, the company issued 250,000 sign on and bonus shares at no cost to an employee in lieu of cash based remuneration and allowing management to participate in the growth of Site Group International Limited as shareholders.
- On 22 July 2014, the company issued 3,010,714 shares as payment for advisor services at \$0.14 per share.
- On 2 December 2014, 1,255,000 shares were issued under the Employee Share Plan. For accounting purposes, the nature of the share plan results in the shares being valued as if they were options. The issue price of \$0.20 per share will not be received or recorded until the conditions of issue are satisfied.
- On 2 December 2014, the company issued 475,000 sign on shares at no cost to an employee in lieu of cash based remuneration and allowing management to participate in the growth of Site Group International Limited as shareholders.
- On 27 May 2015, 200,000 shares were issued under the Employee Share Plan. For accounting purposes, the nature of the share plan results in the shares being valued as if they were options. The issue price of \$0.20 per share will not be received or recorded until the conditions of issue are satisfied.
- On 6 June 2015 the company received payment for the release of shares under the employee share scheme
- On 30 June 2015 the company recognised the value of the shares issued that formed part of contingent consideration on acquisition of Competent Project Management.

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## 5 Issued capital continued...

- On 1 July 2015, under the terms of the acquisition agreement for Wild Geese International Pty Ltd, the company issued 5,714,286 shares to the vendor shareholder at the issue share price of \$0.35 per share.
- On 10 July 2015, under the terms of the acquisition agreement for Innovium Pty Ltd, the company issued 601,609 shares to the vendor shareholder at the issue share price of \$0.35 per share.
- On 27 August 2015 the company received payment for the release of shares under the employee share scheme
- On 22 September 2015, the company issued 382,973 bonus shares at no cost to an employee in lieu of cash based remuneration, allowing management to participate in the growth of Site Group International Limited as shareholders.
- On 29 September 2015 the company received payment for the release of shares under the employee share scheme
- On 19 October 2015, under the terms of the acquisition agreement for Wild Geese International Pty Ltd, the company issued 7,684,954 shares to the vendor shareholder at the issue share price of \$0.35 per share.
- On 25 November 2015, the company completed the issue of 10,805,033 shares under a private placement of shares at \$0.28 per share.
- On 3 December 2015, the company completed the issue of 2,499,999 shares under a private placement of shares at \$0.28 per share.
- On 3 December 2015 and 8 December 2015, the company completed a buy-back of shares issued under the Employee Share Plan and sign on shares forfeited by employees when they resigned from the group.
- On 21 December 2015, the company completed a buy-back of shares issued under the Employee Share Plan and sign on shares forfeited by employees when they resigned from the group.
- On 21 December 2015, the company completed the issue of 884,285 shares under a private placement of shares at \$0.28 per share.
- On 21 December 2015, under the terms of the acquisition agreement for Competent Project Management Pte Ltd, the company issued 1,235,964 shares to the vendor shareholder at the issue share price of \$0.35 per share.
- On 21 December 2015, under the terms of the acquisition agreement for Productivity Partners Pty Ltd t/a Captain Cook College, the company issued 7,398,719 shares to the vendor shareholder at the issue share price of \$0.35 per share.
- On 30 December 2015, the company completed the issue of 3,575,288 shares under a private placement of shares at \$0.28 per share.

### Employee share plan

In November 2011, the shareholders approved the establishment of an Employee Share Plan (and subsequently re-approved on 24 November 2014) that would enable employees to subscribe for shares in the company. Under the terms of the plan an eligible person is offered shares in the company at a price determined by the board with a corresponding interest free loan to assist the person to subscribe for the shares. The shares are escrowed in two tranches with 50% being escrowed for 12 months and 50% being escrowed for 24 months. To be able to access the shares, the person must continue to be an employee, associate or Director at the time the shares are released from escrow. The Loan from the company must be repaid prior to the shares being sold or transferred to the employee.

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## 6 Trade and other receivables and payables

### Trade and other receivables

The significant increase in trade and other receivables is mainly from the difference between scheduled monthly payments for income and the revised monthly income generated from the increase in students in the period.

### Trade and other payables

The significant increase in trade and other payables is mainly due to the increased student uptake and the unearned income recognised on revenue apportionment over the required time for delivery of the course.

## 7 Business combinations

### Wild Geese International Pty Ltd

On 1 July 2015, the Group acquired 100% of the shares in Wild Geese International Pty Ltd (Wild Geese), a Registered Training Organisation delivering training and competency development, consultancy and personnel services to the Oil and Gas Industry. The acquisition has been accounted for using the acquisition method. The acquisition date fair value of the acquired business is preliminary and may be adjusted as a result of obtaining a formal valuation within 12 months in accordance with AASB 3 Business Combinations.

The provisional fair value of the identifiable assets and liabilities of Wild Geese International Pty Ltd as at the date of acquisition was:

	<b>Fair value recognised on acquisition</b>
	<b>\$</b>
<b>Assets</b>	
Cash	1,471,428
Debtors	1,146,868
Security deposits	31,823
Property, plant and equipment	14,978
Intangibles – intellectual property including training materials	72,213
Brand	60,000
Customer contracts	2,000,000
	<b>4,797,310</b>
<b>Liabilities</b>	
Trade and other payables	355,250
Provisions	438,132
Deferred income tax liability	600,000
	<b>1,393,382</b>
Provisional fair value of identifiable net assets	2,590,968
Goodwill arising from acquisition	7,237,413
<b>Purchase consideration</b>	<b>10,641,341</b>

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**Acquisition date fair value of purchase consideration transferred:**

Shares in Site Group International Limited, at fair value	4,689,736
Cash paid	2,344,868
Contingent consideration	2,000,000
Working capital - loan payable	1,606,737
<b>Total purchase consideration</b>	<b>10,641,341</b>
Net cash acquired with the subsidiary	1,471,428
Cash paid	(2,344,868)
<b>Net cash outflow</b>	<b>(873,440)</b>

The fair value of trade receivables amounts to \$1,146,868. The gross amount of trade receivables is \$1,146,868. None of the trade receivables have been impaired and it is expected that the full contractual amount can be collected.

The goodwill recognised on the acquisition of Wild Geese International Pty Ltd is attributed to the expected benefits of combining its existing Oil and Gas operations with Site's existing offering in this area. It is allocated to the Energy Services CGU and none of the recognised goodwill is expected to be deductible for income tax purposes.

From the date of acquisition (1 July, 2015), Wild Geese International Pty Ltd has contributed \$2,778,220 of revenue and \$562,726 of net profit before tax to the Group.

Transaction costs associated with the acquisition of Wild Geese have been expensed and are included in other expenses in the statement of comprehensive income and are part of operating cash flows in the statement of cash flows.

Pursuant to the agreement, the consideration for the acquisition comprises:

- Upfront: 3 x FY15 normalised EBITDA and;
- Earn out: 1 x FY16 normalised EBITDA

The normalised FY15 EBITDA of WGI was \$2,344,868. The consideration is a combination of 1/3 cash and 2/3 equity (escrowed for up to 3 years). The Upfront equity consideration is issued at 35 cents being the 30 day VWAP to 30 June 2015 and the Earn out equity consideration will be issued at the 30 day VWAP to 30 June 2016. Thus total consideration consists of: -

- (a) an initial payment at completion of \$7,034,604 adjusted in accordance with the terms of the Wild Geese Agreement and payable by way of:
  - (1) the issue of 13,399,240 Shares to the Wild Geese Vendors in proportion to their existing shareholding in Wild Geese; and
  - (2) a cash payment of \$2,344,868 in addition to a working capital payment of \$1,606,737, payable to the Wild Geese vendors in proportion to their existing shareholding in Wild Geese; and
- (b) an earn out payment equal to the EBITDA of Wild Geese for the 12 months ending 30 June 2016.

As at the acquisition date, the fair value of the contingent consideration was estimated to be \$2,000,000. Significant unobservable valuation inputs (level 3) are assumed including budgeted EBIT of Wild Geese International Pty Ltd of \$2,200,000 and a discount rate of 12%.

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## Innovium Pty Ltd

On 1 July 2015, the Group acquired 100% of the shares in Innovium Pty Ltd, a Registered Training Organisation which delivers a range of programs across project management and business for individuals and corporate clients. The acquisition has been accounted for using the acquisition method. The acquisition date fair value of the acquired business is preliminary and may be adjusted as a result of obtaining a formal valuation within 12 months in accordance with AASB 3 Business Combinations.

The provisional fair value of the identifiable assets and liabilities of Innovium Pty Ltd as at the date of acquisition was:

	<b>Fair value recognised on acquisition \$</b>
<b>Assets</b>	
Cash	65,614
Debtors	22,654
Security deposits	20,263
	<u><b>108,531</b></u>
<b>Liabilities</b>	
Trade and other payables	60,656
Provisions	13,044
	<u><b>73,700</b></u>
Provisional fair value of identifiable net assets	34,831
Goodwill arising from acquisition	490,732
<b>Purchase consideration</b>	<u><b>525,563</b></u>
<b>Acquisition date fair value of purchase consideration transferred:</b>	
Shares in Site Group International Limited, at fair value	210,563
Contingent consideration	315,000
<b>Total purchase consideration</b>	<u><b>525,563</b></u>
Net cash acquired with the subsidiary	65,614
Cash paid	-
<b>Net cash inflow</b>	<u><b>65,614</b></u>

The fair value and gross amount of trade receivables is the same and it is expected that the full contractual amounts can be collected.

The goodwill recognised on the acquisition of Innovium is attributed to the expected benefits of combining its existing course offering and management expertise with Site's existing training and assessment infrastructure. It is allocated to the Tertiary Education CGU and none of the recognised goodwill is expected to be deductible for income tax purposes.

From the date of acquisition (1 July 2015), Innovium Pty Ltd has contributed \$304,760 of revenue and \$133,677 of net profit before tax to the Group.

Transaction costs associated with the acquisition of Innovium have been expensed and are included in other expenses in the statement of comprehensive income and are part of operating cash flows in the statement of cash flows.

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Pursuant to the agreement, the consideration for the acquisition comprises:

- Upfront: 1 x FY15 EBITDA being \$210,563 (Equity);
- Earn out: 1 x FY16 EBITDA (2/3 Equity and 1/3 Cash); and
- Earn out: 0.5 x FY17 EBITDA (2/3 Equity and 1/3 Cash).

The Upfront equity consideration was issued at 35 cents being the 30 day VWAP to 30 June 2016 and the Earn out equity consideration will be issued at the 30 day VWAP to 30 June 2016 and 30 June 2017.

As at the acquisition date, the fair value of the contingent consideration was estimated to be \$315,000. Significant unobservable valuation inputs are assumed probability-adjusted EBIT of Innovium Pty Ltd of \$350,000 and a discount rate of 12%.

Total cash outflows arising from payments for business / subsidiary, net of cash acquired is as follows

Acquisition of Wild Geese International	(873,440)
Acquisition of Innovium	65,614
Contingent consideration cash payment (Captain Cook)	(577,579)
<b>Total Net Cash (Outflows)</b>	<b><u>(1,385,405)</u></b>

## 8 Related party transactions

### (a) The Group's main related parties are as follows:

#### i. Key Management Personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

### (b) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

### (c) Loans from related parties:

	31-Dec-15	30-Jun-15
	\$	\$
Interest bearing loan – Wayburn Holdings Pty Ltd	2,379,785	-
Interest bearing loan – Non-Executive Directors	201,598	-
Interest paid for the period – Wayburn Holdings Pty Ltd	29,785	23,741
Interest paid for the period – Non-Executive Directors	1,598	-

On 3rd May 2012 Wayburn Holdings Pty Ltd, a company associated with Managing Director and CEO Mr Vernon Wills established an unsecured loan facility for \$2.0 million. The interest rate of 7.0% per annum on the drawn component calculated and credited monthly. The facility was for a 12-month term and was repaid by the company prior to 30 June 2013. On 26 August 2013, the company renewed this facility on the same terms for a 12-month term to 31 August 2014 and then on to 31 August 2015 with an increase to the facility to \$4 million.

In 3 months ended 31 December 2015 the company drew down \$2.35 million from the loan facility. Interest charged on the loan was \$29,785 to 31 December 2015 (to 30 June 2015: \$23,741). On 17 February 2016, the company renewed this facility with Wayburn Holdings Pty Ltd for \$2.35 million on the same terms.

## 9 Property, plant and equipment

During the six months ended 31 December 2015, the group acquired assets with a cost of \$716,463 (2014: \$583,592).

## 10 Contingent consideration liability

	31-Dec-15 \$	30-Jun-15 \$
<b>Current</b>		
Payable in equity	2,543,333	3,478,648
Payable in cash	771,667	1,436,226
	<u>3,315,000</u>	<u>4,914,874</u>
<b>Non-current</b>		
Payable in equity	-	1,000,000
Payable in cash	-	-
	<u>-</u>	<u>1,000,000</u>

<b>Movement in contingent consideration</b>	<b>\$</b>
<i>Current</i>	
At 1 July 2015	4,914,874
Earn out consideration - Captain Cook	(3,884,326)
Earn out consideration - CPM	(432,587)
Write back to other income	(597,961)
Transfer from non-current - Tesol	1,000,000
Earn out payable - Wild Geese	2,000,000
Earn out payable - Innovium	315,000
At 31 December 2015	<u>3,315,000</u>
<i>Non-current</i>	
At 1 July 2015	1,000,000
Transfer to current - Tesol	<u>(1,000,000)</u>
At 31 December 2015	<u>-</u>

## 11 Financial instruments

The carrying values of all financial instruments approximate their fair values.

## 12 Subsequent events

On 17 February 2016, the company renewed its loan facility with Wayburn Holdings Pty Limited for \$2.35 million until 30 June 2016.