

For personal use only

**ChimpChange Ltd and
controlled entity**

ABN 34 150 762 351

Consolidated Financial report
For the half-year ended 31 December
2015

TABLE OF CONTENTS

Directors' report	1 - 2
Auditor's independence declaration	3
Financial report	
Consolidated statement of comprehensive income	4
Consolidated statement of financial position	5
Consolidated statement of changes in equity	6
Consolidated statement of cash flows	7
Notes to financial statements	8 - 12
Directors' declaration	13
Independent auditor's review report	14 - 15

For personal use only

CHIMPCHANGE LTD AND CONTROLLED ENTITY

ABN 34 150 762 351

DIRECTORS' REPORT

The directors present their report together with the financial report of the group, being the company and its controlled entity, for the half-year ended 31 December 2015 and auditor's report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

Directors names

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

Ashley Shilkin

Benjamin William Harrison

Ian Leijer

Peter Graham Clare

Duncan Patrick Cornish (Company Secretary)

The directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

Review of operations

ChimpChange's mobile banking application, which went live in limited Beta release in January 2015, had its general release in July 2015.

To support its development, the Company completed private placements net of capital raising fees of \$2.1 million in July 2015 and \$3.8 million in November 2015 to fund ongoing product development and marketing.

In August 2015, the status of the company was converted from proprietary to public.

During the period, the company made a decision to change its primary sponsoring bank from Eagle Bank and Trust Company of Missouri to Central Bank of Kansas City (CBKC) and has entered into a service provider agreement with CBKC to provide banking services to support the operation of the ChimpChange mobile banking application (or 'app'). The change in provider was made to enable the company to access a greater range of services and provide greater benefits to users.

The company has entered into a number of new employment contracts as the activities of the company grow. These contracts include opportunities for the new employees to join the existing company ESOP. At the signing date of this financial report, no shares or options had been issued to employees subject to these new employment contracts.

The company has paid bonus payments and success fees to two of its directors as a result of the achievement of previously established milestones related to user registrations. Bonuses and success fees totalling \$688,000 were settled in December 2015 and January 2016.

Subsequent to year end, entities associated with Ash Shilkin and Ian Leijer exercised options with an exercise value of \$345,000.

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

DIRECTORS' REPORT

In an Extraordinary General Meeting in April 2016, the shareholders approved an Executive Director Loan Funded Share Plan. The operation of the Share Plan has enabled the immediate exercise by Ash Shilkin and Ian Leijer of all options currently vested through funding provided by the group. The loans are secured by the shares issued through exercise of the options. If the loans are not repaid by the termination date, the shares issued under the Share Plan will be cancelled, and a bonus contractually agreed with Ash Shilkin, and a success fee contractually agreed with Unimain Pty Limited (a related entity of Ian Leijer), will be forfeited.

In an Extraordinary General Meeting in April 2016, the shareholders approved the issue of options to the directors as follows:

- Peter Clare – 450,000
- Ian Leijer – 250,000
- Benjamin Harrison – 250,000
- Ash Shilkin – 3,500,000

The options issued to Peter Clare, Ian Leijer, Benjamin Harrison and 1,000,000 options issued to Ash Shilkin vest immediately and will expire on 31 December 2018. The remaining options issued to Ash Shilkin have market vesting conditions attached and will expire after 5 years from the date of issue.

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial half-year is provided with this report.

Signed in accordance with a resolution of the board of directors.

Director: _____



Ashley Shilkin

Dated this **11** day of **May** 2016

For personal use only



PITCHER PARTNERS

ACCOUNTANTS • AUDITORS • ADVISORS

Level 30
345 Queen Street
Brisbane
Queensland 4000

Postal Address:
GPO Box 1144
Brisbane
Queensland 4001

Tel: 07 3222 8444
Fax: 07 3221 7779

www.pitcher.com.au
info@pitcherpartners.com.au

Pitcher Partners is an association of independent firms
Brisbane | Melbourne | Sydney | Perth | Adelaide | Newcastle

ROSS WALKER
KEN OGDEN
NIGEL FISCHER
TERESA HOOPER
MARK NICHOLSON
PETER CAMENZULI
JASON EVANS
IAN JONES
KYLIE LAMPRECHT
NORMAN THURECHT
BRETT HEADRICK
WARWICK FACE
NIGEL BATTERS
COLE WILKINSON
SIMON CHUN

The Directors
ChimpChange Limited
c/- 110 S Fairfax Ave
#A11-177
Los Angeles CA 90036

Auditor's Independence Declaration

As lead auditor for the review of ChimpChange Ltd for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of ChimpChange Ltd and the entities it controlled during the period.

PITCHER PARTNERS

J. J. EVANS
Partner

Brisbane, Queensland
11 May 2016

For personal use only

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Note	Half-year 31 December 2015 USD\$	Full year 30 June 2015 USD\$
Revenue and other income			
Sales revenue		38,765	-
Other revenue		<u>2,572</u>	<u>24</u>
		<u>41,337</u>	<u>24</u>
Less: expenses			
Depreciation and amortisation expense		(125,576)	(2,355)
Employee benefits expense		(874,212)	(1,255,655)
Occupancy expense		(33,792)	(21,514)
Advertising expense		(445,260)	(62,401)
Finance costs		(15,276)	(4,378)
Consulting		(151,098)	(291,191)
Travel expense		(61,710)	(61,174)
Other expenses		<u>(1,282,134)</u>	<u>(466,952)</u>
		<u>(2,989,058)</u>	<u>(2,165,620)</u>
Profit / (loss) before income tax expense		(2,947,721)	(2,165,596)
Income tax expense		<u>-</u>	<u>-</u>
Net profit / (loss) from continuing operations		<u>(2,947,721)</u>	<u>(2,165,596)</u>
<i>Items that will not be reclassified to profit and loss</i>			
Options issued		<u>238,304</u>	<u>1,708,434</u>
		<u>238,304</u>	<u>1,708,434</u>
<i>Items that may be reclassified subsequently to profit and loss</i>			
Exchange differences on translation of parent operations		<u>111,013</u>	<u>(62,775)</u>
		<u>111,013</u>	<u>(62,775)</u>
Other comprehensive income for the year		<u>349,317</u>	<u>1,645,659</u>
Total comprehensive income		<u>(2,598,404)</u>	<u>(519,937)</u>

The accompanying notes form part of these financial statements.

For personal use only

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	31 December 2015 USD\$	30 June 2015 USD\$
Current assets			
Cash and cash equivalents		3,029,434	753,039
Receivables		50,340	34,316
Other assets		<u>306,514</u>	<u>2,550</u>
Total current assets		<u>3,386,288</u>	<u>789,905</u>
Non-current assets			
Property, plant and equipment		34,261	16,649
Intangible assets	3	<u>892,727</u>	<u>626,225</u>
Total non-current assets		<u>926,988</u>	<u>642,874</u>
Total assets		<u>4,313,276</u>	<u>1,432,779</u>
Current liabilities			
Payables	4	402,983	47,948
Provisions		58,023	20,544
Other liabilities	5	<u>-</u>	<u>768,000</u>
Total current liabilities		<u>461,006</u>	<u>836,492</u>
Total liabilities		<u>461,006</u>	<u>836,492</u>
Net assets		<u>3,852,270</u>	<u>596,287</u>
Equity			
Contributed equity	6	7,768,574	1,914,187
Reserves		2,019,939	1,670,622
Retained earnings / (Accumulated losses)		<u>(5,936,243)</u>	<u>(2,988,522)</u>
Total equity		<u>3,852,270</u>	<u>596,287</u>

The accompanying notes form part of these financial statements.

For personal use only

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Contributed equity USD\$	Reserves USD\$	Retained earnings USD\$	Total equity USD\$
Consolidated				
Balance as at 1 July 2014	1,102,286	24,963	(822,926)	304,323
Profit for the period	-	-	(2,165,596)	(2,165,596)
Exchange differences on translation of parent operations	-	(62,775)	-	(62,775)
Options issued	<u>-</u>	<u>1,708,434</u>	<u>-</u>	<u>1,708,434</u>
Total comprehensive income for the period	<u>-</u>	<u>1,645,659</u>	<u>(2,165,596)</u>	<u>(519,937)</u>
Transactions with owners in their capacity as owners:				
Contributions	<u>811,901</u>	<u>-</u>	<u>-</u>	<u>811,901</u>
Total transactions with owners in their capacity as owners	<u>811,901</u>	<u>-</u>	<u>-</u>	<u>811,901</u>
Balance as at 30 June 2015	<u>1,914,187</u>	<u>1,670,622</u>	<u>(2,988,522)</u>	<u>596,287</u>
Balance as at 1 July 2015	1,914,187	1,670,622	(2,988,522)	596,287
Profit/(loss) for the half-year	-	-	(2,947,721)	(2,947,721)
Exchange differences on translation of parent operations	-	111,013	-	111,013
Options issued	<u>-</u>	<u>238,304</u>	<u>-</u>	<u>238,304</u>
Total comprehensive income for the half- year	<u>-</u>	<u>349,317</u>	<u>(2,947,721)</u>	<u>(2,598,404)</u>
Transactions with owners in their capacity as owners:				
Contributions	<u>5,854,387</u>	<u>-</u>	<u>-</u>	<u>5,854,387</u>
Total transactions with owners in their capacity as owners	<u>5,854,387</u>	<u>-</u>	<u>-</u>	<u>5,854,387</u>
Balance as at 31 December 2015	<u>7,768,574</u>	<u>2,019,939</u>	<u>(5,936,243)</u>	<u>3,852,270</u>

The accompanying notes form part of these financial statements.

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year 31 December 2015 USD\$	Full year 30 June 2015 USD\$
Cash flow from operating activities		
Receipts from customers	36,807	-
Payments to suppliers and employees	(2,615,491)	(1,103,461)
Interest received	2,168	24
Income tax paid	<u>-</u>	<u>(6)</u>
Net cash provided by / (used in) operating activities	<u>(2,576,516)</u>	<u>(1,103,443)</u>
Cash flow from investing activities		
Payment for property, plant and equipment	(21,004)	(15,225)
Payment for intangible assets	<u>(229,205)</u>	<u>(460,210)</u>
Net cash provided by / (used in) investing activities	<u>(250,209)</u>	<u>(475,435)</u>
Cash flow from financing activities		
Proceeds from share issue	<u>5,119,887</u>	<u>2,263,308</u>
Net cash provided by financing activities	<u>5,119,887</u>	<u>2,263,308</u>
Reconciliation of cash		
Cash at beginning of the financial year	753,039	78,307
Net increase in cash held	2,293,162	684,430
Foreign exchange differences on cash holdings	<u>(16,767)</u>	<u>(9,698)</u>
Cash at end of financial year	<u>3,029,434</u>	<u>753,039</u>

The accompanying notes form part of these financial statements.

For personal use only

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

NOTES TO FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This condensed consolidated interim financial report for the half-year ended 31 December 2015 is a general purpose financial report that has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting with the exception of comparative information. As this is the first period for which a condensed consolidated interim financial report has been prepared, comparative information for the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, and associated notes, is for the 12 month period to June 2015 rather than the corresponding interim period to December 2014.

(a) Basis of preparation of the financial report

Historical Cost Convention

The condensed financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in US dollars, unless otherwise 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 of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Amendments to AASBs and the new Interpretation that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

. AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

Impact of the application of AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

Completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations. The adoption of amending Standard does not have any impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

**CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351**

**NOTES TO FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Going Concern

The group has incurred a loss for the six months to 31 December 2015 of \$2,947,721 (year to 30 June 2015: loss of \$2,165,596).

At the date of this financial report, the group is preparing raise additional capital through an initial public offering of \$11.25 million, with \$4.49 million allocated to operating expenses, payroll expenses and working capital.

The Group's ongoing operations, and its ability to meet its repayment obligations with existing creditors, is dependent on a number of factors including the successful raising of additional capital and its ability to earn sufficient profits and achieve a positive cash flow.

The Directors believe the Company will have sufficient cash resources for the next 12 months on the basis that operations to date have included a number of significant expenses associated with developing a product for customer use and, ultimately, revenue generation, the initial public offering referred to above is well advanced, the Company has a history of successful capital raisings, and it has the continued financial support of existing shareholders.

Accordingly the Directors are of the opinion that the Group is a going concern and will be able to pay its debts as and when they become due and payable.

The financial statements have been prepared on a going concern basis which assumes that the parent entity and Group will realise their assets and extinguish their liabilities in the normal course of business. Ongoing operations are dependent upon the matters described above. Should these not occur, there is significant uncertainty whether the parent entity and Group will be able to continue as going concerns and whether they will realise their assets and settle their liabilities and commitments in the normal course of business at the amounts stated in the financial report. No adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the parent entity and Group not continue as going concerns.

(c) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current half-year disclosures.

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

NOTES TO FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year 31 December 2015 USD\$	Full year 30 June 2015 USD\$
NOTE 2: KEY MANAGEMENT PERSONNEL COMPENSATION		
Compensation received by key management personnel of the group		
- short-term employee benefits	409,719	216,213
- post-employment benefits	3,402	2,782
- share-based payments	<u>238,304</u>	<u>992,337</u>
	<u><u>651,425</u></u>	<u><u>1,211,332</u></u>
NOTE 3: INTANGIBLE ASSETS		
Patents, trademarks and licences at cost	936	936
Accumulated amortisation and impairment	<u>-</u>	<u>-</u>
	<u>936</u>	<u>936</u>
Software Development at cost	1,023,608	625,289
Accumulated amortisation and impairment	<u>(131,817)</u>	<u>-</u>
	<u>891,791</u>	<u>625,289</u>
Total intangible assets	<u><u>892,727</u></u>	<u><u>626,225</u></u>
The remaining useful lives of intangible assets as at the end of the half-year were as follows:		
Software Development	2-3 years	
NOTE 4: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	121,277	47,948
Sundry creditors and accruals	<u>281,706</u>	<u>-</u>
	<u><u>402,983</u></u>	<u><u>47,948</u></u>
NOTE 5: OTHER LIABILITIES		
CURRENT		
Deferred income	<u>-</u>	<u><u>768,000</u></u>

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

NOTES TO FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

		Half-year 31 December 2015 USD\$	Full year 30 June 2015 USD\$
NOTE 6: SHARE CAPITAL			
Issued and paid-up capital			
36,865,640 (2015: 23,415,530) Ordinary shares	(a)	<u>7,768,574</u>	<u>1,914,187</u>

	Half-year 31 December 2015		Full year 30 June 2015	
	Number	USD\$	Number	USD\$
(a) Ordinary shares				
Opening balance	23,415,530	1,914,187	3,517	1,102,286
Shares issued:				
19 November 2014	-	-	400	468,426
19 January 2014	-	-	19,996,083	-
16 February 2015	-	-	3,290,000	1,031,776
16 February 2015	-	-	125,530	35,284
31 July 2015	5,559,926	2,232,835	-	-
21 December 2015	7,890,184	4,032,832	-	-
Transaction costs relating to shares issued, net of tax	-	<u>(411,280)</u>	-	<u>(723,585)</u>
	<u>13,450,110</u>	<u>5,854,387</u>	<u>23,412,013</u>	<u>811,901</u>
	-	-	-	-
At reporting date	<u>36,865,640</u>	<u>7,768,574</u>	<u>23,415,530</u>	<u>1,914,187</u>

Rights of each type of share

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

At 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.

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

NOTES TO FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year 31 December 2015 USD\$	Full year 30 June 2015 USD\$
--	---	------------------------------------

NOTE 7: RELATED PARTY TRANSACTIONS

(a) Transactions with other related parties

During the financial year, the group paid consulting fees to directors of the group, and entities associated with directors of the group, as follows:

Riverfire Capital Ventures (an entity associated with Ben Harrison)	41,137	54,259
Unimain Pty Ltd (an entity associated with Ian Leijer)	17,350	39,905
Shared Runway Pty Ltd (an entity associated with Peter Clare)	<u>12,023</u>	<u>6,315</u>

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

The company has paid bonus payments and success fees to two of its directors as a result of the achievement of previously established milestones related to user registrations. Bonuses and success fees totalling \$688,000 were settled in December 2015 and January 2016.

In January 2016 by entities associated with Ash Shilkin and Ian Leijer exercised options with an exercise value of \$345,000.

In an Extraordinary General Meeting in April 2016, the shareholders approved an Executive Director Loan Funded Share Plan. The operation of the Share Plan has enabled the immediate exercise by Ash Shilkin and Ian Leijer of all options currently vested through funding provided by the group. The loans are secured by the shares issued through exercise of the options. If the loans are not repaid by the termination date, the shares issued under the Share Plan will be cancelled, and a bonus contractually agreed with Ash Shilkin, and a success fee contractually agreed with Unimain Pty Limited (a related entity of Ian Leijer), will be forfeited.

In an Extraordinary General Meeting in April 2016, the shareholders approved the issue of options to the directors as follows:

- Peter Clare – 450,000
- Ian Leijer – 250,000
- Benjamin Harrison – 250,000
- Ash Shilkin – 3,500,000

The options issued to Peter Clare, Ian Leijer, Benjamin Harrison and 1,000,000 options issued to Ash Shilkin vest immediately and will expire on 31 December 2018. The remaining options issued to Ash Shilkin have market vesting conditions attached and will expire after 5 years from the date of issue.

Other than the matters noted above, there has been no matter or circumstance, which has arisen since 31 December 2015 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2015, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2015, of the group.

CHIMPCHANGE LTD AND CONTROLLED ENTITY
ABN 34 150 762 351

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 - 12, are in accordance with the *Corporations Act 2001*: and
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
 - (b) give a true and fair view of the financial position of the consolidated entity as at 31 December 2015 and its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: _____



Ashley Shilkin

Dated this 11 day of May 2016

For personal use only



PITCHER PARTNERS

ACCOUNTANTS • AUDITORS • ADVISORS

Level 30
345 Queen Street
Brisbane
Queensland 4000

Postal Address:
GPO Box 1144
Brisbane
Queensland 4001

Tel: 07 3222 8444
Fax: 07 3221 7779

www.pitcher.com.au
info@pitcherpartners.com.au

Pitcher Partners is an association of independent firms
Brisbane | Melbourne | Sydney | Perth | Adelaide | Newcastle

ROSS WALKER
KEN OGDEN
NIGEL FISCHER
TERESA HOOPER
MARK NICHOLSON
PETER CAMENZULI
JASON EVANS
IAN JONES
KYLIE LAMPRECHT
NORMAN THURECHT
BRETT HEADRICK
WARWICK FACE
NIGEL BATTERS
COLE WILKINSON
SIMON CHUN

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of ChimpChange Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of ChimpChange Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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 period's 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 and fair presentation of the half-year financial report in accordance with the accounting policies described in Note 1 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation and fair presentation 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 half-year financial report is not presented fairly, in all material respects, in accordance with the accounting policies described in Note 1 to the financial statements. As the auditor of ChimpChange Limited, 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.

For personal use only

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of ChimpChange Limited does not present fairly, in all material respects, the financial position of the consolidated entity as at 31 December 2015, and its financial performance and cash flows for the half-year then ended, in accordance with the accounting policies described in Note 1 to the financial statements.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1(b) in the financial report, which indicates that the group is dependent on additional capital raising for continued operations. This condition, along with other matters as set forth in Note 1(b), indicates the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

PITCHER PARTNERS



J. J. EVANS
Partner

Brisbane, Queensland
11 May 2016

For personal use only